

CRS Report for Congress

Comparison of the House and Senate 2007 Farm Bills

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Summary

On May 14, 2008, the House passed the conference agreement on the 2008 farm bill (H.R. 2419, the Food, Conservation, and Energy Act of 2008), followed the next day by Senate passage of the same bill.

The final conference agreement on the 2008 farm bill completes congressional action that started in earnest in early 2007. Following House Agriculture Committee action beginning in March 2007, the House passed its version of the farm bill (H.R. 2419) on July 27, 2007. The Senate Agriculture Committee approved its version (S. 2302) in October and, on December 14, the Senate completed floor action on its bill, which was offered as a substitute to the House bill. Conference negotiations were initially delayed because of differences between committee leadership and the Administration. However, many provisions of the 2002 farm bill expired in September 2007. Consequently, Congress temporarily extended portions of the expiring farm bill until March 15, 2008, as part of the Consolidated Appropriations Act for FY2008 (P.L. 110-161). Since March, Congress has approved a series of short-term extensions to allow more time to resolve differences between the House- and Senate-passed bills.

As part of the pending new omnibus farm bill, both the House and Senate proposed changes to commodity support and risk management policies and programs (such as direct payments, payment limits, revenue and counter-cyclical payments, crop insurance and disaster assistance, planting flexibility, and specialty crops), and also proposed changes to provisions affecting conservation, bioenergy, rural development, forestry, agricultural research, competition, trade and food aid, agriculture credit, and domestic food programs and nutrition. Both the House and Senate bills also contained provisions that would make certain changes to tax laws, which are intended to cover additional spending on programs in certain titles that were adopted as part of these bills.

This report compares only the major provisions in the House- and Senate-passed versions of the farm bill with each other and with current law, providing a brief description of all individual sections or subsections within each title. This report does not describe the final conference agreement provisions, nor does it provide a comparison of the conference provisions with the House- and Senate-passed bills.

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Comparison of the House and Senate 2007 Farm Bills

On May 8, House and Senate farm bill conferees announced the details of a completed conference agreement (H.R. 2419, the Food, Conservation, and Energy Act of 2008). The following week, both chambers completed floor action and approved the final conference bill. On May 14, 2008, the House passed the conference agreement on the 2008 farm bill by a vote of 318-106. On May 15, the Senate passed the same bill by a vote of 81-15.

The final conference agreement on the 2008 farm bill completes congressional action that started in earnest in early 2007. The House Agriculture Committee conducted its markup of its version of the farm bill (H.R. 2419) in mid-July and completed House floor action on July 27, 2007. The Senate Agriculture Committee approved its version (S. 2302) in October and, on December 14, the Senate completed floor action on its bill, which was offered as a substitute to the House bill. Conference negotiations were initially delayed because of funding and policy differences between committee leadership and the Administration. However, many provisions of the 2002 farm bill expired in September 2007. Consequently, Congress temporarily extended portions of the expiring 2002 farm bill until March 15, 2008, as part of the Consolidated Appropriations Act for FY2008 (P.L. 110-161). Since March, Congress has approved a one-month extension, followed by four consecutive short-term extensions¹ to allow more time to resolve differences between the House- and Senate-passed bills.

This report compares only the major provisions in the House- and Senate-passed versions of the farm bill with each other and with current law, providing a brief description of all individual sections or subsections within each title. It provides a brief description of nearly all the House- and Senate-passed provisions by individual sections or subsections within each title, including information on the tax-related and other budget offsets that are intended to cover additional spending on programs in certain titles that were adopted as part of these bills. The descriptions of the current law provisions in this report are not intended to be comprehensive of the agricultural statutes at large, but are instead limited to the provisions addressed in the current farm bill debate and the respective House and Senate bills.

This report does not describe the final conference agreement provisions, nor does it provide a comparison of the conference provisions with the House- and Senate-passed bills.

¹ March 12 (P.L. 110-196), April 17 (P.L. 110-200), April 24 (P.L. 110-205), May 1 (P.L. 110-208), and May 14 (H.R. 6051).

A summary of the major provisions in the House and Senate versions of the farm bill is provided below by major farm bill issue area.

Commodity Programs. Both the House- and Senate-passed bills continue the 2002 farm bill's framework of direct, counter-cyclical, and marketing loan payments through the 2012 crop year. The House tightens the adjusted gross income (AGI) test more, with a hard cap of \$1 million with no exceptions and a soft cap of \$500,000; the Senate has a soft cap of \$750,000 by 2012 and no hard cap. Both bills eliminate any limit on marketing loans. The House offers a national-level "revenue counter-cyclical payment" option. The Senate offers a state-level "average crop revenue (ACR)" option that also replaces traditional direct payments with a \$15 per acre fixed payment and nonrecourse marketing loans with recourse loans. Both bills raise some target prices and loan rates, and the Senate adds support for a few minor commodities. Neither lifts the planting restriction on fruits and vegetables, although both offer limited "Farm Flex" pilot programs. Both increase sugar price supports, and mandate a sugar-to-ethanol program to absorb unrestricted Mexican sugar imports. Both bills extend the dairy price support program and the Milk Income Loss Contract (MILC) program, but the Senate increases the payment rate for the program.

Livestock and Specialty Crops. For specialty crops, both the House and Senate bills provide for similar levels of mandatory funding for specialty crop block grants and additional support for organic agriculture, and provide additional funding for inspection, and pest and disease detection programs, among other provisions. For livestock, both bills provide for animal welfare and inspections, competition and marketing provisions, and country-of-origin labeling requirements, among other provisions. Both versions modify country-of-origin labeling requirements, provide new authorities to permit state-inspected meat and poultry to be sold across state lines, and address various marketing and competition issues, although the Senate bill's competition changes are contained in a separate, and much more extensive, livestock marketing title. Also in the Senate but not the House bill are directives to require safety inspection of farm catfish, to establish a registry to report meat and poultry safety incidents, and to further study the safety of animal cloning.

Conservation. Both the House and Senate bills reauthorize almost all current conservation programs. Among the differences between these bills is that the House would increase funding for many of the programs (increasing total conservation funding by \$4.5 billion) and halt further enrollment into the Conservation Security Program until FY2012. The Senate bill would retain the current funding levels for many conservation programs and give additional funding to a new Conservation Stewardship Program to enroll more than 13 million acres yearly (increasing total conservation funding by \$5.2 billion). Both bills also authorize new initiatives in areas that range from wildlife protection to expanding the use of markets that provide environmental services; and they reflect changing conservation interests by both amending existing programs and enacting new ones.

Nutrition. The House and Senate measures are very similar in the policy changes they advance in the nutrition title. Both bills rename the Food Stamp program, increase program benefits, and loosen some eligibility rules. They also increase spending for The Emergency Food Assistance Program (TEFAP), add support for a fresh fruit and vegetable program in schools, and allow geographic

preference in buying food for school meals. However, the bills differ in some important aspects; most notably, the House bill places substantial limits on states' ability to "privatize" their administration of food stamps and the Senate bill allows the purchase of dietary supplements with food stamp benefits. The Senate bill allocates a much greater portion of its new funding to the fruit and vegetable initiative than the House bill.

Agricultural Trade. Both the House and Senate bills reauthorize and amend USDA's food aid, export market development, and export credit guarantee programs. Both bills reauthorize P.L. 480 food aid programs and other smaller programs that provide food aid to countries that are promoting the development of market-oriented agricultural sectors (Food for Progress) or school feeding and nutrition programs (the McGovern-Dole International School Feeding and Child Nutrition Program). However, the two bills differ in that the Senate bill authorizes a pilot program to explore how local or regional purchase of food in emergency situations might be used, while the House bill does not propose the use of P.L. 480 funds for local or regional purchases of commodities, but stipulates other changes. The Senate bill also raises the cap on CCC-funded transportation of commodities in the Food for Progress Program, while the House bill reauthorizes this program without change. The bills also differ in their treatment of and authorized funding levels for the McGovern-Dole program. Both bills modify the export credit guarantee programs to make them compatible with World Trade Organization (WTO) rules limiting export subsidies, and provide increased funding for export market promotion and for addressing sanitary and phytosanitary (food safety) barriers to U.S. agricultural exports.

Agricultural Credit. Both bills expand borrowing opportunities under USDA's Farm Service Agency loan programs, among other changes. For USDA direct and guaranteed loans, both bills increase lending limits per farmer and further prioritize lending for beginning and socially disadvantaged farmers. The House bill temporarily extends suspension of "term limits" on guaranteed loans, while the Senate bill permanently eliminates them. The Senate bill creates a pilot program of individual development accounts for beginning farmers. For the Farm Credit System, both bills make rural utility loans eligible for Farmer Mac and modify rules for premiums to the insurance fund.

Rural Development. Both bills reauthorize, expand, and/or modify existing programs, and authorize new programs and initiatives, including rural infrastructure, economic development, and broadband and telecommunications development. However, the Senate bill authorizes higher mandatory spending levels over the next five years compared to the House bill. The Senate also authorizes a grants program to encourage state initiatives to improve broadband service, funding to construct child care facilities, and grants for individuals with disabilities, and proposes new criteria for defining rural areas. The House bill proposes new criteria for eligibility for loans and grants, an agricultural innovation center demonstration program, and grants to improve rural health care facilities.

Research. Both the House and Senate bills expand existing research initiatives; reorganize the administration of USDA's research, extension, and economic agencies; and establish a national institution to administer competitive programs.

Forestry. Both the House and Senate bills make changes to existing forestry programs, allowing one to expire. Both bills establish priorities for forestry assistance funding and require statewide forest resource assessments and plans. The House bill also provides for some competitive funding for forestry assistance, establishes an emergency forest restoration program, and funds Hispanic-serving institutions for forestry and related resources education. The Senate bill establishes tribal-Forest Service cooperation and assistance, and a community forestry and open space conservation program, and restricts imports of illegally harvested logs and wood products.

Energy. Both the House and Senate bills reauthorize, expand, and/or modify existing programs, and create new programs and initiatives to promote biofuels and cellulosic ethanol production. Both bills support farm and community renewable energy systems; promote production, marketing, and processing of biofuel feedstocks other than corn starch; and expand research, education, and demonstration programs for advanced biofuels. Both bills expand current programs for federal procurement of biofuels and bio-refinery repowering projects and establish USDA coordination of federal biobased energy efforts. Among the differences between these two bills is that the House bill promotes regional energy-neutral and energy-efficient farm demonstrations and biochar research. The Senate bill funds research on dairy nutrient management and energy development; creates a voluntary program for certifying feedstocks; promotes E-85 ethanol infrastructure development; extends grants for industrial hydrocarbon and alcohol research; and calls for a multi-agency report on life-cycle analysis of biofuels.

Miscellaneous Provisions. Both the House and Senate bills make changes to crop insurance and other miscellaneous programs. Both bills contain several cost-saving revisions to the federal crop insurance program (\$4 billion over five years in the House, and \$3.5 billion in the Senate). Much of the savings is achieved through a change in the timing of payments and receipts; other cost-saving measures include higher fees for participating farmers and smaller reimbursements for participating insurance companies. The Senate bill also creates a permanent disaster relief program. Among other miscellaneous programs, the House bill lacks a Senate-passed provision requiring a new Congressional Bipartisan Food Safety Commission to study and make recommendations for modernizing food safety programs; also, both bills add new, and in some cases differing, regulatory activities to the Animal Welfare Act. Both the House and Senate address the location of foot and mouth disease research, and the Senate bill puts other new agricultural biosecurity provisions into statute. Other miscellaneous provisions address small and socially disadvantaged farmers, among other provisions.

Revenue and Offsetting Cost Provisions. Both the House and Senate bills contain revenue-raising provisions and budgetary offsets that would make certain changes to tax laws, which are intended to offset new spending initiatives in the farm bill.² The House bill provides several revenue-raising tax items, including restriction on “treaty shopping” by foreign firms operating in the United States; a second revenue raiser is a shift in the timing of estimated corporate tax payments.

² For more information on these provisions, see CRS Report RL33768, *Major Tax Issues in the 110th Congress*.

The Senate bill's tax provisions include a variety of both revenue-losing and revenue raising items, and are estimated to result in no net cost or "revenue neutrality." The tax cuts are in the areas of energy, conservation, and agriculture. The single largest revenue-raising proposal is codification of the "economic substance" judicial doctrine, designed to curb the use of tax shelters.

A more detailed description of the policy differences between the House and Senate farm bills, including estimates of the 5- and 10-year cost of the House and Senate bills, is in CRS Report RL33934, *Farm Bill Proposals and Legislative Action in the 110th Congress*. CRS reports on individual titles of the farm bill and other information are available in the CRS Current Legislative Issues Web page on the "Farm Bill and Farm Policy," at [http://apps.crs.gov/cli/cli.aspx?PRDS_CLI_ITEM_ID=641&from=3&fromId=1].

Summary of Major Provisions: House and Senate 2007 Farm Bills and Current Law

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
“Farm Security and Rural Investment Act of 2002” [7 U.S.C. 7901 note]	“Farm, Nutrition, and Bioenergy Act of 2007” [Sec. 1]	“Food and Energy Security Act of 2007” [Sec. 1]
GRAINS, COTTON, PEANUTS, AND MINOR COMMODITIES (TITLE I)		
Definitions		
<p>Agricultural Act of 1949: 7 U.S.C. 1421 et seq. as in effect before the suspensions under the 1996 farm bill (Federal Agricultural Improvement and Reform Act, P.L. 104-127). [7 U.S.C. 7901(1)]</p> <p>No comparable definition.</p> <p>Base acres: the number of base acres established by the owner of the farm under base acre provisions. [7 U.S.C. 7901 (2)] Same definition for peanuts. [7 U.S.C. 7951(1)]</p> <p>No comparable definition.</p> <p>Counter-cyclical payment: a payment to producers on a farm under counter-cyclical payment provisions. [7 U.S.C. 7001(3)] Same definition for peanuts. [7 U.S.C. 7951(2)]</p> <p>Covered commodity: wheat, corn, grain sorghum, barley, oats, upland cotton, rice, soybeans, and other oilseeds. [7 U.S.C. 7901(4)]</p>	<p>Agricultural Act of 1949: same as current law, with the addition of reference to suspensions under the 2002 farm bill and Sec. 1502(b) of this Act. [Sec. 1001(1)]</p> <p>No comparable definition.</p> <p>Base acres: the number of base acres of a covered commodity on a farm established under the 2002 farm bill (7 U.S.C. 7911, 7952), as in effect the day before enactment of this Act, subject to adjustment. [Sec. 1001(2)]</p> <p>Comparable United States Quality: upland cotton classified as Middling 1 3/32-inch cotton, micronaire of 3.7 to 4.2, strength 30 grams per tex, uniformity of 83. [Sec. 1001(3)]</p> <p>Counter-cyclical payment: a payment to producers on a farm under traditional or revenue-based counter-cyclical payment provisions. [Sec. 1001(4)]</p> <p>Covered commodity: same as current law, except adds peanuts. [Sec. 1001(5)]</p>	<p>No comparable definition.</p> <p>Average Crop Revenue Payment: a payment made to producers under average crop revenue payment provisions. [Sec. 1001(1)]</p> <p>Base acres: same as House definition, except does not have reference to peanuts. [Sec. 1001(2)] Same definition for peanuts. [Sec. 1301(1)]</p> <p>No comparable definition.</p> <p>Counter-cyclical payment: a payment to producers on a farm under traditional counter-cyclical payment provisions. [Sec. 1001(3)] Same definition for peanuts. [Sec. 1301(2)]</p> <p>Covered commodity: same as current law, except differentiates between long and medium grain rice, and adds pulse crops. [Sec. 1001(4)]</p>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>Direct payment: a payment made to producers on a farm under direct payment provisions. [7 U.S.C. 7901(5)]</p> <p>Effective price: for a covered commodity for a crop year, the price calculated by USDA under counter-cyclical payment provisions to determine whether payments are required for that crop year. [7 U.S.C. 7901(6)]</p> <p>Extra long staple cotton: cotton that (A) is produced from pure strain varieties of the Barbados species or any hybrid of the species, or other similar types of extra long staple cotton having characteristics needed for various end uses for which U.S. upland cotton is not suitable, and grown in irrigated or other designated U.S. cotton-growing regions; and (B) is ginned on a roller-type gin or, other authorized gin for experimental purposes. [7 U.S.C. 7901(7)]</p> <p>No comparable definition.</p> <p>Loan commodity: wheat, corn, grain sorghum, barley, oats, upland cotton, extra long staple cotton, rice, soybeans, other oilseeds, wool, mohair, honey, dry peas, lentils, and small chickpeas. [7 U.S.C. 7901(8)]</p> <p>No comparable definition.</p> <p>Other oilseed: sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, or, if designated</p>	<p>Direct payment: same as current law. [Sec. 1001(6)]</p> <p>Effective price: same as current law. [Sec. 1001(7)]</p> <p>Extra long staple cotton: same as current law. [Sec. 1001(8)]</p> <p>Far East Price: the Friday through Thursday average price quotation for the three lowest-priced growths of upland cotton, as quoted for Middling (M) 1 3/32-inch cotton, delivered C/F Far East. [Sec. 1001(9)]</p> <p>Loan commodity: same as current law, except differentiates feed barley and malt barley; differentiates long, medium, and short grain rice; and includes peanuts. [Sec. 1001(10)]</p> <p>No comparable definition.</p> <p>Other oilseed: sunflower seed, rapeseed, canola, safflower, flaxseed, mustard seed, crambe, sesame</p>	<p>Direct payment: same as current law. [Sec. 1001(5)] Same definition for peanuts. [Sec. 1301(3)]</p> <p>Effective price: same as current law. [Sec. 1001(6)] Same definition for peanuts. [Sec. 1301(4)]</p> <p>Extra long staple cotton: same as current law. [Sec. 1001(7)]</p> <p>No comparable definition.</p> <p>Loan commodity: same as House definition, except does not differentiate types of barley; does not include small grain rice directly (although included in definition of medium grain rice); excludes peanuts which are treated separately; and includes large chickpeas. [Sec. 1001(8)]</p> <p>Medium grain rice: includes short grain rice. [Sec. 1001(9)]</p> <p>Other oilseed: same as House definition, except adds camelina. [Sec. 1001(10)]</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>by the Secretary, another oilseed. Crambe and sesame seed were added by P.L. 108-7, Division A, Sec. 763. [7 U.S.C. 7901(9)]</p> <p>Payment acres: 85% of the base acres for the covered commodity on which direct payments and counter-cyclical payments are made. [7 U.S.C. 7901(10)] Same definition for peanuts. [7 U.S.C. 7951(6)]</p> <p>Payment yield: in general, the yield established under Sec. 1102 for a covered commodity. “Updated payment yield” means the yield established to calculate counter-cyclical payments. [7 U.S.C. 7901(11)] Same definition for peanuts. [7 U.S.C. 7951(7)]</p> <p>Producer: generally, an owner, operator, landlord, tenant, or sharecropper that shares in the risk of producing a crop and is entitled to share in the crop available for marketing from the farm, or would have shared had the crop been produced. For a grower of hybrid seed, the existence of a hybrid seed contract and other program rules shall not adversely affect the ability to receive a payment. [7 U.S.C. 7901(12)] Same definition for peanuts. [7 U.S.C. 7951(8)]</p> <p>No comparable definition.</p> <p>Secretary: the Secretary of Agriculture. [7 U.S.C. 7901(13)] Same definition for peanuts. [7 U.S.C. 7951(9)]</p> <p>State: each of the U.S. States, the District of Columbia, the Commonwealth of Puerto Rico, or U.S. territory/possession. [7 U.S.C. 7901(14)] Same definition for peanuts. [7 U.S.C. 7951(10)]</p>	<p>seed, or, if designated by the Secretary, another oilseed. [Sec. 1001(11)]</p> <p>Payment acres: same as current law. [Sec. 1001(12)]</p> <p>Payment yield: the yield established for direct payments and counter-cyclical payments for a farm for a covered commodity and peanuts under the 2002 farm bill as in effect on the day before the date of the enactment of this Act. [Sec. 1001(13)]</p> <p>Producer: same as current law. [Sec. 1001(14)]</p> <p>No comparable definition.</p> <p>Secretary: same as current law. [Sec. 1001(15)]</p> <p>State: same as current law. [Sec. 1001(16)]</p>	<p>Payment acres: same as current law. [Sec. 1001(11)] Same definition for peanuts. [Sec. 1301(5)]</p> <p>Payment yield: same as House definition, except does not include peanuts. [Sec. 1001(12)] Same definition for peanuts. [Sec. 1301(6)]</p> <p>Producer: same as current law. [Sec. 1001(13)] Same definition for peanuts. [Sec. 1001(7)]</p> <p>Pulse crop: dry peas, lentils, small chickpeas, and large chickpeas. [Sec. 1001(14)]</p> <p>No comparable definition.</p> <p>State: same as current law. [Sec. 1001(15)] Same definition for peanuts. [Sec. 1301(8)]</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>Target price: the price per unit of a covered commodity used to determine the payment rate for counter-cyclical payments. [7 U.S.C. 7901(15)] Same definition for peanuts. [7 U.S.C. 7951(11)]</p> <p>United States: when used in a geographical sense, all of the States. [7 U.S.C. 7901(16)] Same definition for peanuts. [7 U.S.C. 7951(12)]</p> <p>No comparable definition.</p>	<p>Target price: same as current law. [Sec. 1001(17)]</p> <p>United States: same as current law. [Sec. 1001(18)]</p> <p>United States Premium Factor: the percentage by which the difference in the U.S. loan schedule premiums for Strict Middling (SM) 11/8-inch cotton and for M 13/32-inch exceeds the difference in the applicable premiums for comparable international qualities delivered C/F Far East. [Sec. 1001(19)]</p>	<p>Target price: same as current law. [Sec. 1001(16)] Same definition for peanuts. [Sec. 1301(9)]</p> <p>United States: same as current law. [Sec. 1001(17)] Same definition for peanuts. [Sec. 1301(10)]</p> <p>No comparable definition.</p>
Base Acres and Program Yields		
<p>Base acres: for each covered commodity on a farm, base acres are established by the owner’s choice of (1) average of 1998-2001 plantings, or (2) the sum of production flexibility contract acreage under 1996 farm bill plus average oilseed acreage from 1998-2001. Accommodation for peanut acres, double cropping, and CRP acres. Base cannot exceed total crop land. Payment acres = 85% of base acres. [7 U.S.C. 7911] Base acres for peanuts also based on the 1998-2001 period. [7 U.S.C. 7952]</p> <p>No comparable provision.</p>	<p>Base acres: no choice of updating base acres or payment yields, except requires USDA to provide base acre adjustments when a CRP contract ends. [Sec. 1101]</p> <p>No comparable provision.</p>	<p>Base acres: same as House bill, except provides for adjustment to include pulse crops, camelina, or newly designated oilseed acreage. [Sec. 1101(a)-(c)(1)] Same provision for peanuts. [Sec. 1302]</p> <p>Required reduction of base acres: suspend direct, counter-cyclical, and average crop revenue payments and reduce base acres for land that is no longer used for farming. Specifically, land that has been developed for “commercial or industrial use or has been subdivided and developed for multiple residential units or other nonfarming uses” unless producer demonstrates the land is devoted to agricultural production. [Sec. 1101(c)(2)] Same provision for peanuts. [Sec. 1302(c)(2)]</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
No comparable provision.	No comparable provision.	Requires USDA to track reconstitutions of land and report to Congress to ensure that commercial or residential land is not eligible for payments. <i>[Sec. 1101(c)(3)]</i> Same provision for peanuts. <i>[Sec. 1302(c)(3)]</i>
<p>Direct payment yield: for each covered commodity on a farm, a direct payment yield is the yield established for the 1995 crop; the yield for oilseeds is the average from 1998-2001, adjusted back to the national average from 1981-85. Counter-cyclical payment yield may be an updated yield using specified formulas. <i>[7 U.S.C. 7912]</i> Payment yields for peanuts are established using the 1998-2001 period. <i>[7 U.S.C. 7952]</i></p> <p>No comparable provision.</p>	<p>No provision to change payment yield; payment yields are continued from current law by definition.</p> <p>No comparable provision.</p>	<p>Establishes payment yields for designated oilseeds, camelina, or pulse crops using 1998-2001 farm yields, adjusted back to the national average from 1981-85. <i>[Sec. 1102]</i></p> <p>To make counter-cyclical payments for long grain and medium grain rice, base acres shall be apportioned based on average acreage planted to each type of rice in the applicable state during the 2003-2006 crop years. Producers may elect to use farm-level planting history. Established totals of base acres, payment acres, and payment yields are maintained. <i>[Sec. 1107]</i></p>
Prohibition on De Minimis Payments		
No comparable provision.	<p>No payments under \$25: no payment will be made if the total direct payment to a producer on a farm for all covered commodities is less than \$25. <i>[Sec. 1102(e)]</i> Same provision is made for counter-cyclical payments <i>[Sec. 1102(e)]</i>, and revenue-based counter-cyclical payments. <i>[Sec. 1104(i)]</i></p>	No comparable provision.
Producer Agreement		
Eligibility for payments requires producers to comply with conservation, wetland, and planting flexibility	Same as current law. <i>[Sec. 1105(a)]</i>	Same as current law, except adds provision that land cannot be used for a residential use (including land

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>requirements; use base acres for agricultural or conserving use, and not for nonagricultural commercial or industrial use; control noxious weeds and maintain sound agricultural practices. [7 U.S.C. 7915(a)] Same provision for peanuts. [7 U.S.C. 7955(a)]</p> <p>Sets requirements for transfer of interest in base acres. Requires acreage reports. Protects interests of tenants and sharecroppers and provides for sharing of payments on a farm on an equitable basis. [7 U.S.C. 7915(b)-(e)] Same provision for peanuts. [7 U.S.C. 7955(b)-(e)]</p>	<p>Same as current law. [Sec. 1105(b)-(e)]</p>	<p>subdivided and developed into residential units or other nonfarming uses, or that is otherwise no longer intended to be used in conjunction with farming (like Sec. 1101(c)(2)). [Sec. 1105(a)] Same provision for peanuts. [Sec. 1305(a)] Same provision for Average Crop Revenue (ACR) program, except does not require compliance with planting flexibility provisions since ACR has its own planting flexibility rules. Requires USDA to certify entities receiving payments are producers. [Sec. 1402(a)]</p> <p>Same as current law, except adds that no penalty shall be assessed for inaccurate acreage report unless producers knowingly and willfully falsified the report. [Sec. 1105(b)-(e)] Same provision for peanuts. [Sec. 1305(b)-(e)] Same provision for Average Crop Revenue program. [Sec. 1402(b)-(e)]</p>
Planting Flexibility		
<p>Any crop may be planted on base acres, except restrictions are placed on planting of fruits, vegetables, and wild rice on base acres. Penalties apply if the fruit and vegetable restriction is violated. Provides an exception for lentils, mung beans, and dry peas. Exceptions provided for farms and producers with a history of double-cropping or history of growing fruits and vegetables (except that direct and counter-cyclical payments are reduced acre for acre for the year). [7 U.S.C. 7916] Same provision for peanuts. [7 U.S.C. 7956]</p> <p>No comparable provision.</p>	<p>Same as current law, and incorporates peanuts as a covered commodity. [Sec. 1106(a)-(c)]</p> <p>Establishes a pilot Farm Flex project for planting tomatoes for processing on up to 10,000 base acres in Indiana during the 2008-2012 crop years. Base acres temporarily reduced for each acre of tomatoes, and are protected for future use. [Sec. 1106(d)]</p>	<p>Same as current law, but the exception allows planting mung beans and pulse crops. [Sec. 1106(a)-(c)] Same provision for peanuts. [Sec. 1306(a)-(c)] Same provision for Average Crop Revenue program. [Sec. 1403(a)-(c)]</p> <p>Same as House provision for traditional direct and counter-cyclical program participants, except applies only to 2008 and 2009 crop years. [Sec. 1106(d)] No comparable provision for peanut base acres in Sec. 1306.</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
No comparable provision.	No comparable provision.	For participants in the ACR program, establishes pilot Farm Flex project for planting any fruit or vegetable for processing on up to 10,000 acres in certain states (IL, IN, IA, MI, MN, OH, WI). Available for the 2010-2012 crop years. Base acres temporarily reduced for each acre of fruit and vegetables, and protected for future use. <i>[Sec. 1403(d)]</i>
Direct Payments		
<p>Direct payments: available to producers on farms with payment yields and base acres. Covers 2002-2007 crop years. <i>[7 U.S.C. 7913(a)]</i> Direct payments for peanuts authorized separately. <i>[7 U.S.C. 7953(a)]</i></p> <p>Direct payment rates: Wheat, bushel (bu.), \$0.52 Corn, bu., \$0.28 Grain sorghum, bu., \$0.35 Barley, bu., \$0.24 Oats, bu., \$0.024 Upland cotton, lb., \$0.0667 Rice, cwt., \$2.35 Soybeans, bu., \$0.44 Other oilseeds, lb., \$0.0080 <i>[7 U.S.C. 7913(b)]</i> Peanuts, ton, \$36 <i>[7 U.S.C. 7953(b)]</i></p> <p>Payment amount = Payment rate, times 85% of base acres, times direct payment yield. <i>[7 U.S.C. 7913(c)]</i> Same formula for peanuts. <i>[7 U.S.C. 7953(d)]</i></p> <p>Timing: Generally paid after October 1 of the calendar year of the year of harvest. Advance payments up to 50% (later reduced to 22% by P.L. 109-171) beginning as early as December 1 of the</p>	<p>Direct payments: Extends current law to cover 2008-2012 crop years. <i>[Sec. 1102(a)]</i></p> <p>Same as current law; incorporates peanuts. <i>[Sec. 1102(b)]</i></p> <p>Same as current law. <i>[Sec. 1102(c)]</i></p> <p>Timing: Same as current law, except (1) applies to peanuts, and (2) the 22% advance payment option applies only to crop years 2008-2011. No advance payment for crop year 2012 and thereafter. <i>[Sec.</i></p>	<p>Direct payments: Extends current law to cover 2008-2012 crop years. Excludes participants in the ACR program under Sec. 1401. <i>[Sec. 1103(a)]</i> Direct payments for peanuts authorized separately. <i>[Sec. 1303(a)]</i></p> <p>Same as current law, except differentiates between long grain rice and medium grain rice (both at \$2.35 per cwt.). <i>[Sec. 1103(b)]</i></p> <p>Peanuts, ton, \$36 <i>[Sec. 1303(b)]</i></p> <p>Same as House provision. <i>[Sec. 1103(c)]</i></p> <p>Same as House provision. <i>[Sec. 1103(d)]</i></p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
calendar year before harvest, at the option of the producer. [7 U.S.C. 7913(d)] For peanuts: generally, before October 1 of the year of harvest. Similar advance payments. [7 U.S.C. 7953(e)]	1102(d)]	
Counter-Cyclical Payments		
<p>Counter-cyclical payments: if the effective price for a covered commodity is less than the target price, a payment is available to producers on farms with payment yields and base acres. Covers 2002-2007 crop years. [7 U.S.C. 7914(a)] Counter-cyclical payments for peanuts authorized separately. [7 U.S.C. 7954(a)]</p> <p>Effective price: the higher of (1) the national season average market price or (2) national average loan rate plus the direct payment rate. [7 U.S.C. 7914(b)] Same provision for peanuts. [7 U.S.C. 7954(b)]</p> <p>Target prices for 2004-2007 crop years: Wheat, bu., \$3.92 Corn, bu., \$2.63 Grain sorghum, bu., \$2.57 Barley, bu., \$2.24 Oats, bu., \$1.44 Upland cotton, lb., \$0.7240 Rice, cwt., \$10.50</p> <p>Soybeans, bu., \$5.80 Other oilseeds, lb., \$0.1010</p> <p>(Different target prices applied to 2002-2003 crop years). [7 U.S.C. 7914(c)] Peanuts, ton, \$495 [7 U.S.C. 7954(c)]</p>	<p>Counter-cyclical payments: same as current law, except it covers 2008-2012 crop years. [Sec. 1103(a)]</p> <p>Same as current law, except applies to peanuts and clarifies that effective price for rice and barley are to be computed notwithstanding separate loan rates by type of rice or barley. [Sec. 1103(b)]</p> <p>Target prices: Wheat, bu., \$4.15 Corn, bu., \$2.63 Grain sorghum, bu., \$2.57 Barley, bu., \$2.73 Oats, bu., \$1.50 Upland cotton, lb., \$0.70 Rice, cwt., \$10.50</p> <p>Soybeans, bu., \$6.10 Other oilseeds, lb., \$0.1150 Peanuts, ton, \$495 [Sec. 1103(c)]</p>	<p>Counter-cyclical payments: same as current law, except it covers 2008-2012 crop years. Excludes participants in the ACR program. [Sec. 1104(a)] Counter-cyclical payments for peanuts authorized separately. [Sec.1304(a)]</p> <p>Same as current law, except computed for rice using prices by type of rice. [Sec. 1104(b)] Same as current law for peanuts. [Sec. 1304(b)]</p> <p>Target prices: Wheat, bu., \$4.20 Corn, bu., \$2.63 Grain sorghum, bu., \$2.63 Barley, bu., \$2.63 Oats, bu., \$1.83 Upland cotton, lb., \$0.7225 Long grain rice, cwt., \$10.50 Medium grain rice, cwt., \$10.50 Soybeans, bu., \$6.00 Other oilseeds, cwt., \$12.74 Dry peas, cwt., \$8.33 Lentils, cwt., \$12.82 Small chickpeas, cwt., \$10.36 Large chickpeas, cwt., \$12.82 [Sec. 1104(c)] Peanuts, ton, \$495 [Sec. 1304(c)]</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>Payment amount = target price minus effective price (if the difference is greater than 0), times 85% of base acres, times counter-cyclical payment yield. [7 U.S.C. 7913(d)-(e)] Same formula for peanuts. [7 U.S.C. 7954(d)-(f)]</p> <p>Timing: generally, after the end of the 12-month marketing year. Advance payments are available; for the 2007 crop year, one advance payment of 40% of expected payment after first six months of marketing year (for 2002-2006, two advance payments, each 35% of the expected payment, in October of harvest year, and after February 1 of the next calendar year). [7 U.S.C. 7914(f)] Same provision for peanuts. [7 U.S.C. 7954(g)]</p>	<p>Same as current law. [Sec. 1103(d)-(e)]</p> <p>Timing: generally, the later of (1) the end of the 12-month marketing year, or (2) October 1 of the same calendar year as the end of the marketing year. Advance payments for 2008-2010 crop years: one advance payment of 40% after first six months of marketing year. No advance payments after 2010 crop year. [Sec. 1103(f)]</p>	<p>Same as current law. [Sec. 1104(d)-(e)] Same formula for peanuts. [Sec. 1304(d)-(e)]</p> <p>Timing: generally, beginning October 1 after the end of the marketing year. Advance payments same as in House bill. [Sec. 1104(f)] Same provision for peanuts. [Sec. 1304(f)]</p>
Revenue-Based Counter-Cyclical Payments		
<p>No comparable provision.</p>	<p>Revenue-based Counter-Cyclical Payments (RCCP): an alternative to traditional counter-cyclical payments. Covers crop years 2008-2012. Producers have one opportunity to elect RCCP option soon after enactment. Traditional counter-cyclical payments remain the default if no election is made. [Sec. 1104(a)]</p> <ul style="list-style-type: none"> — No comparable provision. (Continue using traditional direct payments.) — Revenue-based payment if national actual revenue per acre is less than the national target revenue per acre for the covered commodity. [Sec. 1104(b)] — No comparable provision. (Continue using traditional marketing loan program.) 	<p>Average Crop Revenue (ACR) program: an alternative to traditional direct payments, counter-cyclical payments, and nonrecourse marketing loans for covered commodities and peanuts. Producers have one opportunity to elect ACR option: for 2010-12 crop years, 2011-12, or 2012. Traditional programs remain the default if no election is made [Sec. 1401(a)]</p> <ul style="list-style-type: none"> — Fixed payment component = \$15 per acre times 100% of base acres. [Sec. 1401(b)(2)] — Revenue-based component if actual state revenue is less than a guaranteed level for the covered commodity. [Sec. 1401(b)(3)] — Recourse loans available on actual production of a covered commodity. Loans must be repaid in full; traditional nonrecourse loans, loan deficiency

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
	<p>National actual revenue per acre = national average yield for the year times the higher of (1) national season average market price, or (2) loan rate. An all-rice and all-barley loan rate will be used for those commodities. <i>[Sec. 1104(c)]</i></p> <p>National target revenue per acre: Wheat, \$149.92/acre Corn, \$344.12/acre Grain Sorghum, \$131.28/acre Barley, \$153.30/acre Oats, \$92.10/acre Upland cotton, \$496.93/acre Rice, \$548.06/acre Soybeans, \$231.87/acre Other oilseeds, \$129.18/acre Peanuts, \$683.83/acre <i>[Sec. 1104(d)]</i></p> <p>National payment yield: Wheat, 36.1 bu./acre Corn, 114.4 bu./acre Grain Sorghum, 58.2 bu./acre Barley, 48.6 bu./acre Oats, 49.8 bu./acre Upland cotton, 634 lb./acre Rice, 51.28 cwt./acre Soybeans, 34.1 bu./acre Other oilseeds, 1167.6 lb./acre Peanuts, 1.496 ton/acre <i>[Sec. 1104(e)]</i></p>	<p>payments, and marketing loan gains unavailable. <i>[Sec. 1401(f)]</i></p> <p>Actual state revenue per acre = actual state yield, times the ACR harvest price. Actual state yield is the actual quantity produced in the state during the crop year, divided by planted acres. ACR harvest price is the harvest price used to calculate revenue under Federal Crop Insurance program. <i>[Sec. 1401(c)]</i></p> <p>Average crop revenue guarantee per acre = 90% times the expected state yield per planted acre, times the average of the pre-planting price for the crop year and the preceding 2 crop years. The expected state yield for a crop year is projected from a trend using 1980-2006 data. The pre-planting price is the price used to calculate revenue under the Federal Crop Insurance program, and cannot decrease or increase more than 15% from the preceding year. <i>[Sec. 1401(d)]</i></p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
	<p>National payment rate = National target revenue per acre minus national actual revenue per acre (if difference greater than 0), divided by national payment yield. <i>[Sec. 1104(f)]</i></p> <p>Payment amount = National payment rate, times 85% of base acres, times payment yield. <i>[Sec. 1104(g)]</i></p> <p>Timing: Generally, the later of (1) the end of the 12-month marketing year, or (2) October 1 of the same calendar year as the end of the marketing year. Advance payments for 2008-2010 crop years: 40% of expected payment after the first six months of the marketing year. No advance payments after 2010 crop year. <i>[Sec. 1104(h)]</i></p>	<p>Revenue-based payment amount = the average crop revenue program guarantee minus the actual state revenue (if the difference is greater than 0), times 85% of the base acres on the farm for the covered commodity, times the ratio of the actual production history (APH) on the farm divided by the expected state yield, times 90%. This formula multiplies a state-level payment rate per acre times 85% of base acres, then pro-rates the payment based on the farm's yield history compared to the expected state yield; the payment is then reduced by 10%. <i>[Sec. 1401(e)]</i></p> <p>Timing: Beginning October 1 after the end of the marketing year for both the fixed payment and the revenue-based component. No advance payments. This delays the ACR direct payment component one year compared to traditional direct payments. <i>[Sec. 1401(b)(4)]</i></p>
Nonrecourse Marketing Loans and Other Recourse Loans		
<p>Nonrecourse marketing loans: available for any amount of a loan commodity produced in crop years 2002-2007. Addresses commingled commodities, and requires compliance with conservation and wetlands requirements. <i>[7 U.S.C. 7931]</i> Nonrecourse marketing loans for peanuts authorized separately. <i>[7 U.S.C. 7957(a)(1)-(3)]</i></p> <p>For peanuts, nonrecourse marketing loans available in crop years 2002-2007. May be obtained through</p>	<p>Same as current law, except it covers 2008-2012 crop years, and includes peanuts. <i>[Sec. 1201(a)-(d)]</i></p> <p>Same as current law, except it covers 2008-2012 crop years, and payment for peanut storage costs is not</p>	<p>Same as current law, except it covers 2008-2012 crop years, and excludes participants in the ACR program. <i>[Sec. 1201]</i> Nonrecourse marketing loans for peanuts authorized separately. <i>[Sec. 1303(a)(1)-(4)]</i></p> <p>For peanuts, same as House provision <i>[Sec. 1307(a)(5)-(6), (8)]</i>, except it authorizes payment of</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>marketing cooperative or association approved by USDA. Storage to be provided on a non-discriminatory basis and under any additional requirements. Payment of peanut storage costs authorized for 2002-2006 crops. [7 U.S.C. 7957(a)(4)-(7)]</p> <p>Loan rates for 2004-2007 crop years: Wheat, bu., \$2.75 Corn, bu., \$1.95 Grain sorghum, bu., \$1.95 Barley, bu., \$1.85</p> <p>Oats, bu., \$1.33 Upland cotton, lb., \$0.52 Extra long staple cotton, lb., \$0.7977 Rice, cwt., \$6.50</p> <p>Soybeans, bu., \$5.00 Other oilseeds, lb., \$0.0930 Dry peas, cwt., \$6.22 Lentils, cwt., \$11.72 Small chickpeas, cwt., \$7.43</p> <p>Graded wool, lb., \$1.00 Nongraded wool, lb., \$0.40 Mohair, lb., \$4.20 Honey, lb., \$0.60 (Different loan rates applied to 2002-2003 crop years.) [7 U.S.C. 7932(b)] Peanuts, ton, \$355 [7 U.S.C. 7957(b)]</p> <p>Adjustment of loans: establish a single loan rate in each county for each kind of "other oilseeds" [7 U.S.C. 7932(c)]</p> <p>No comparable provision.</p>	<p>authorized. [Sec. 1201(e)]</p> <p>Loan rates: Wheat, bu., \$2.94 Corn, bu., \$1.95 Grain sorghum, bu., \$1.95 Malt barley, bu., \$2.50 Feed barley, bu., \$1.90 Oats, bu., \$1.46 Base quality upland cotton, lb., \$0.52 Extra long staple cotton, lb., \$0.7977 Long grain rice, cwt., \$6.50 Medium & short grain rice, cwt., \$6.50 Soybeans, bu., \$5.00 Other oilseeds, lb., \$0.1070 Dry peas, cwt., \$5.40 Lentils, cwt., \$11.28 Small chickpeas, cwt., \$8.54</p> <p>Graded wool, lb., \$1.10 Nongraded wool, lb., \$0.40 Mohair, lb., \$4.20 Honey, lb., \$0.60 Peanuts, ton, \$355.00 [Sec. 1202(a)]</p> <p>Same as current law. [Sec. 1202(b)]</p> <p>Establish a single county loan rate for corn and grain sorghum in each county; establish a single national</p>	<p>storage, handling, and associated costs, and does so in such a way that handling and associated costs are not deducted from a producer's loan, but instead advanced when peanuts are placed under loan and repaid when peanuts are redeemed. [Sec. 1307(a)(7)]</p> <p>Loan rates: Wheat, bu., \$2.94 Corn, bu., \$1.95 Grain sorghum, bu., \$1.95 Barley, bu., \$1.95</p> <p>Oats, bu., \$1.39 Base quality upland cotton, lb., \$0.52 Extra long staple cotton, lb., \$0.7977 Long grain rice, cwt., \$6.50 Medium grain rice, cwt., \$6.50 Soybeans, bu., \$5.00 Other oilseeds, cwt., \$10.09 Dry peas, cwt., \$5.40 Lentils, cwt., \$11.28 Small chickpeas, cwt., \$7.43 Large chickpeas, cwt., \$11.28 Graded wool, lb., \$1.20 Nongraded wool, lb., \$0.40 Mohair, lb., \$4.20 Honey, lb., \$0.72 [Sec. 1202(a)] Peanuts, ton, \$355 [Sec. 1307(b)]</p> <p>Same as current law. [Sec. 1202(b)]</p> <p>Same as House provision [Sec. 1202(d)]</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>No comparable provision.</p> <p>Authorizes adjustments in the loan rates for any commodity based on differences in grade, type, quality, location, and other factors. Allows county loan rates as low as 95% of the U.S. average, if it does not increase outlays; prohibits adjustment of U.S. average loan rate. <i>[7 U.S.C. 7282]</i></p> <p>Establish quality grades for dry peas as U.S. feed peas; for lentils as U.S. number 3 lentils; and for small chickpeas as U.S. number 3 small chickpeas that drop below a 20/64 screen. <i>[7 U.S.C. 7932(d)]</i></p>	<p>average loan rate for corn and grain sorghum. <i>[Sec. 1202(c)(1)]</i></p> <p>Administer the applicable loan, marketing loan, counter-cyclical and related programs using a single loan rate for corn and grain sorghum that is identical in each individual county. Any adjustment for location based on transportation shall be the same for corn and grain sorghum in each individual county. Allows adjustments for grade, type, and quality. <i>[Sec. 1202(c)(2)]</i></p> <p>Amends current law by excepting cotton and rice from the general provision for adjustment, with separate adjustment rules for cotton and rice. Encourages private sector consultation for cotton. For rice, prohibits adjustments except for grade and quality. <i>[Sec. 1505]</i></p> <p>No comparable provision.</p>	<p>Same as House provision, except does not specifically apply to counter-cyclical program. <i>[Sec. 1210(e)]</i></p> <p>Same as House provision, except removes warehouse location differentials, and requires private sector consultation for cotton. <i>[Sec. 1210(a)-(d), (f)]</i> Same as current law for peanuts. <i>[Sec. 1308]</i></p> <p>Establishes grading basis for pulse crops based on a grade not less than grade number 2 or other factors, including fair and average crop quality (adjusted to reflect normal discounts for less than number 2 quality). <i>[Sec. 1202(c)]</i></p>
<p>Term of loans: nine months after the day the loan is made; no extensions. <i>[7 U.S.C. 7933]</i> Same term for peanuts. <i>[7 U.S.C. 7957(c)]</i></p>	<p>Same as current law. <i>[Sec. 1203]</i></p>	<p>Same as current law. <i>[Sec. 1203]</i> Same provision for peanuts. <i>[Sec. 1307(c)]</i></p>
<p>Loan repayment: loans may be repaid at the lesser of (1) the loan rate plus interest, or (2) a rate determined by USDA that will minimize forfeitures, accumulation of stocks, storage costs, market impediments, and discrepancies in benefits across States and counties. Excludes upland cotton, rice, ELS cotton, confectionery and each other kind of sunflower seed (other than oil sunflower seed). <i>[7 U.S.C. 7934(a)]</i> Same provision for peanuts.</p>	<p>Same as current law, except delineates long, medium, and short grain rice. <i>[Sec. 1204(a)]</i></p>	<p>Same as current law, except delineates long and medium grain rice. <i>[Sec. 1204(a)]</i> Same provision for peanuts. <i>[Sec. 1307(d)]</i></p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p><i>[7 U.S.C. 7957(d)]</i></p> <p>For upland cotton and rice, repayment may be at the lesser of the loan rate plus interest, or the prevailing world price for the commodity adjusted to U.S. quality and location. <i>[7 U.S.C. 7934(b)]</i></p> <p>For ELS cotton, repayment must be at the loan rate plus interest. <i>[7 U.S.C. 7934(c)]</i></p> <p>Prevailing world market prices for cotton and rice are determined and announced under USDA regulations, adjusted to U.S. quality and location. <i>[7 U.S.C. 7934(d)]</i></p> <p>Prevailing world market price for upland cotton adjusted if (a) it is less than 115% of the loan rate; and (b) the Friday through Thursday average price for the lowest priced U.S. growth for Middling (M) 1 3/32-inch cotton delivered C.I.F. Northern Europe is greater than the Friday through Thursday average price of five lowest-priced growths of upland cotton, as quoted for Middling (M) 1 3/32-inch cotton delivered C.I.F. Northern Europe. <i>[7 U.S.C. 7934(e)(1)]</i></p> <p>Prevailing world market price for upland cotton further adjusted based on data including U.S. share of world exports, level of export sales and shipment, and other data USDA determines relevant. <i>[7 U.S.C. 7934(e)(2)]</i></p> <p>For confectionary and other kinds of sunflower seeds (other than oil sunflower seed), loans may be repaid at the lesser of (1) the loan rate plus interest, or (2) the repayment rate for oil sunflower seed. <i>[7 U.S.C. 7934(f)]</i></p>	<p>Same as current law, except delineates long, medium, and short grain rice. <i>[Sec. 1204(b)]</i></p> <p>Same as current law. <i>[Sec. 1204(c)]</i></p> <p>Same as current law, except specifies that the Far East price be used to determine the prevailing world market price. <i>[Sec.1204(d)]</i></p> <p>Provides for adjustment to prevailing world market prices for rice and upland cotton. For rice, for U.S. quality and condition. For upland cotton, for U.S. quality and location (premiums for Comparable United States Quality and reduction to United States Premium Factor higher than Middling 1 3/32-inch; and costs to market the commodity. <i>[Sec. 1204(e)]</i></p> <p>Adjusts prevailing world market price for upland cotton further to minimize loan forfeitures and accumulation of stocks, improve marketing, and ensure competitiveness and transition between current-crop and future-crop price quotations. <i>[Sec. 1204(f)]</i></p> <p>Same as current law. <i>[Sec. 1204(g)]</i></p>	<p>Same as current law, except delineates long and medium grain rice. <i>[Sec. 1204(b)]</i></p> <p>Same as current law. <i>[Sec. 1204(c)]</i></p> <p>Same as current law, except delineates long and medium grain rice. <i>[Sec. 1204(d)]</i></p> <p>No comparable provision.</p> <p>Same as House provision, except the further adjustment is to U.S. quality and location. With respect to transition, uses the term “insufficient” current-crop price quotations, rather than “less than three” current-crop price quotations in the House bill. <i>[Sec. 1204(e)]</i></p> <p>Same as current law. <i>[Sec.1204(f)]</i></p>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
For dry peas, lentils, and small chickpeas, loans shall be repaid at the quality grades for the applicable commodity specified in 7 U.S.C. 7932(d). <i>[7 U.S.C. 7934(g)]</i>	Same as current law. <i>[Sec. 1204(h)]</i>	For pulse crops, loans shall be repaid at the quality grades for the applicable commodity as specified in Sec. 1202(c). <i>[Sec. 1204(g)]</i>
Loan deficiency payments (LDP): available to producers who agree to forego marketing loans. LDP computed by multiplying the payment rate (the amount that the loan rate exceeds the rate at which a marketing loan may be repaid) for the commodity times the quantity of the commodity produced. Loan deficiency payments available for unshorn pelts or hay and silage, even though they are not eligible for marketing loans. ELS cotton is not eligible. Payment rate determined using the rate in effect as of the date that producers request payment (producers do not need to lose beneficial interest). <i>[7 U.S.C. 7935]</i> Same provision for peanuts. <i>[7 U.S.C. 7957(e)]</i>	Same as current law, except for 2008-2012 crop years. <i>[Sec. 1205]</i>	Same as House provision, except that for the 2008 crop year the payment rate is established as of the date that producers lose beneficial interest. <i>[Sec. 1205]</i> Same provision for peanuts. <i>[Sec. 1307(e)]</i>
Payments in lieu of LDP for grazed acreage of wheat, barley, oats, or triticale. <i>[7 U.S.C. 7936]</i>	Same as current law. <i>[Sec. 1206]</i>	Same as current law. <i>[Sec. 1206]</i>
<p>Special Marketing Loan Provisions for Upland Cotton: imposes a special import quota on upland cotton when U.S. prices exceed Northern European prices by more than 1.25¢ for four weeks. <i>[7 U.S.C. 7937(b)]</i></p> <p>Limited global import quota is imposed on upland cotton when U.S. prices average 130% of the previous three-year average of U.S. prices <i>[7 U.S.C. 7937(c)]</i></p> <p>No comparable provision.</p>	<p>Same as current law, except uses Far East price. Special import quota defined. Limits imports under quota to 10 weeks of consumption by domestic mills. <i>[Sec. 1207(a)]</i></p> <p>Same as current law. <i>[Sec. 1207(b)]</i></p> <p>Provides Economic Adjustment Assistance to Users of Upland Cotton via marketing certificates or cash payments of 4¢/lb. to domestic upland cotton users for all cotton uses regardless of origin for acquisition, construction, installation, modernization,</p>	<p>Same as House provision, except specifies the price of American cotton “delivered to a definable and significant international market.” <i>[Sec. 1207(a)]</i></p> <p>Same as current law. <i>[Sec. 1207(b)]</i></p> <p>Provides Economic Adjustment Assistance to Users of Upland Cotton via assistance of 4¢/lb. to domestic users of upland cotton for uses of all cotton regardless of origin for the same purposes as the House provision. Effective August 1, 2008, through</p>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>Special competitiveness program for ELS cotton provides marketing certificates or cash payments available to domestic users and exporters whenever the world market price for the lowest priced ELS cotton is below the prevailing U.S. price for a competing growth of ELS cotton for a four-week period; and the lowest priced competing growth of ELS cotton is less than 134% of the loan rate for ELS cotton. Effective May 13, 2002, through July 31, 2008. <i>[7 U.S.C. 7938]</i></p> <p>Recourse loans for high moisture feed grains and seed cotton: for farms that normally harvest corn or sorghum in a high moisture condition, recourse loans are available at rates set by the USDA. Recourse loans for seed cotton. Repayment at loan rate plus interest. <i>[7 U.S.C. 7939]</i></p> <p>No comparable provision.</p> <p>No comparable provision.</p>	<p>development, conversion, or expansion of land, plant, buildings, equipment, facilities, or machinery. Effective through July 31, 2013. <i>[Sec. 1207(c)]</i></p> <p>Same as current law. <i>[Sec. 1208]</i></p> <p>Same as current law. <i>[Sec. 1209]</i></p> <p>Requires a deadline for peanut loan repayment no later than June 30 of the year subsequent to the year in which the peanuts were harvested. Loan not redeemed by the deadline are deemed forfeited. <i>[Sec. 1210]</i></p> <p>Authorizes quality incentive payments for healthy oilseeds with special traits to enhance human health. Provides for discretionary appropriations of such sums as necessary. Crop years 2009-2013. USDA to solicit proposals; successful applicants enter contracts with producers and are reimbursed after premiums paid to producers. <i>[Sec. 1211]</i></p>	<p>June 30, 2013; payment rate drops to 0¢ on July 1, 2013, which terminates future funding. <i>[Sec. 1207(c)]</i></p> <p>Same as current law, except it does not specify form of payment (cash or certificates). <i>[Sec. 1208]</i></p> <p>Same as current law. <i>[Sec. 1209]</i></p> <p>No comparable provision.</p> <p>Similar to House provision, except it has fewer requirements for proposals, does not specify multi-year contracts, and provides for protection of proprietary information. Does not specify crop years, but authorizes discretionary appropriations of \$400 million for the period FY2008-12. <i>[Sec. 1705]</i></p>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
Payment Limits		
<p>Establishes payment limits on direct payments, counter-cyclical payments, and certain marketing loan benefits under the Food Security Act of 1985, as amended, to a “person” as broadly defined below [7 U.S.C. 1308-1308-3(a)]</p> <p>Person: defined as an individual, partner in a general partnership or joint venture, trust, corporation, joint stock company, limited partnership, association, charitable organization, State agency, or political subdivision (except cooperative producer associations). [7 U.S.C. 1308(e)]</p> <p>No comparable definition.</p> <p>No comparable definition.</p>	<p>Continues limits for direct payments and counter-cyclical payments, as amended below. Deletes payment limit for marketing loan program. Establishes direct attribution to natural person; eliminates 3 entity rule. [Sec. 1503]</p> <p>Person: “a natural person, and does not include a legal entity.” [Sec. 1503(b)(1)]</p> <p>Legal entity: an entity created under federal or state law that (1) owns land or an agricultural commodity, or (2) produces an agricultural commodity.</p> <p>No comparable definition.</p>	<p>Continues limits for direct payments and counter-cyclical payments, as amended below. Deletes payment limit for marketing loan program. Establishes direct attribution to natural person; eliminates 3 entity rule. [Sec. 1703(a)]</p> <p>Person: same as House definition. [Sec. 1703(b)(2)]</p> <p>Legal entity: same as House definition. [Sec. 1703(b)(2)]</p> <p>Family member: “an individual to whom a member in the farming operation is related as lineal ancestor, lineal descendant, sibling, or spouse.” [Sec. 1703(b)(1)]</p>
<p>Maximum amount of payments per year to a person for the sum of all covered commodities:</p> <ul style="list-style-type: none"> — Direct payments: \$40,000 — Counter-cyclical payments: \$65,000 — Marketing loan gains/LDP: \$75,000 [7 U.S.C. 1308(b)(1), (c)(1), (d)(1)] 	<p>Maximum amount of payments per year to a person or legal entity for the sum of all covered commodities, except peanuts:</p> <ul style="list-style-type: none"> — Direct payments: \$60,000 — Counter-cyclical payments: \$65,000 [Sec. 1503(a)(1)-(2)] — Marketing loan gains/LDP: no limit. [Sec. 1503(b)(2)] 	<p>Maximum amount of payments per year to a person or legal entity for the sum of all covered commodities, except peanuts:</p> <ul style="list-style-type: none"> — Direct payments/fixed ACR payment: \$40,000 — Counter-cyclical payments and revenue-based ACR payment: \$60,000 — Marketing loan gains/LDP: no limit [Sec. 1703(b)(2)]
<p>Maximum payment amount per year to a person for the sum of peanuts, wool, mohair, and honey:</p> <ul style="list-style-type: none"> — Direct payments: \$40,000 	<p>Maximum payment amount per year to a person or legal entity for peanuts:</p> <ul style="list-style-type: none"> — Direct payments: \$60,000 	<p>Maximum payment amount per year to a person or legal entity for peanuts:</p> <ul style="list-style-type: none"> — Direct payments/fixed ACR payment: \$40,000

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>— Counter-cyclical payments: \$65,000</p> <p>— Marketing loan gains/LDP: \$75,000 [7 U.S.C. 1308(b)(2), (c)(2), (d)(2)]</p>	<p>— Counter-cyclical payments: \$65,000 [Sec. 1503(a)(1)-(2)]</p> <p>— Marketing loan gains/LDP: no limit [Sec. 1503(b)(2)]</p>	<p>— Counter-cyclical payments, and revenue-based ACR payment: \$60,000</p> <p>— Marketing loan gains/LDP: no limit [Sec. 1703(b)(2)]</p>
<p>No comparable provision.</p>	<p>Direct attribution: the total amount of direct and counter-cyclical payments are attributed to a person by taking into account direct and indirect ownership in a legal entity. Payments made directly to a person will be combined with the person’s pro rata share of payments to a legal entity. Payments to a legal entity shall not exceed the limits above, and shall be attributed to persons with an ownership interest. Attribution of payments to legal entities shall be traced through four levels of ownership (ownership of an entity by a person or another entity). If after four levels of ownership, the payment has not been allocated to a natural person, the payment to the first-level entity shall be reduced on a pro-rata basis. For joint ventures and general partnerships, payments shall not exceed the multiple of the limits for the number of persons and legal entities comprising the joint venture or general partnership. [Sec. 1503(b)(2)]</p>	<p>Direct attribution: same as House provision, except payments to a legal entity are reduced proportionately based on the ownership shares of a person or entity that exceeds the limit. [Sec. 1703(b)(3)]</p>
<p>Payments to minor children generally are attributed to parents; marketing coops are not subject to the limits; trusts and estates qualify under certain rules; cash rent tenants that make a significant contribution of management but not of labor and equipment are ineligible; spouses are treated together except under certain conditions. [7 U.S.C. 1308(e)]</p> <p>States and political subdivisions are allowed to receive payments under the definition of person. Payment limits do not apply to land owned by a</p>	<p>Continue current law rules for minor children, marketing cooperatives, trusts and estates, and cash rent tenants. [Sec. 1503(b)(2)]</p> <p>Makes federal agencies, states and political subdivisions ineligible for payments, but tenants on such government-owned land may receive payments.</p>	<p>Same as House provision. [Sec. 1703(b)(3)]</p> <p>Same as House provision, except has no new exception for state and local governments to receive payments to maintain a public school. Such an</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>public entity to maintain a public school. <i>[7 U.S.C. 1308(f)]</i></p> <p>Disqualifies a person from payments in the crop year if the person adopted a scheme or device to evade payment limits. <i>[7 U.S.C. 1308-2]</i></p>	<p>An exception allows states and political subdivisions to receive payments to maintain a public school, but payment limits apply <i>[Sec. 1503(b)(2)]</i>. However, existing law (7 U.S.C. 1308(f)) remains in effect, which exempts states and political subdivisions from payment limits to maintain a public school.</p> <p>Disqualifies a person or entity for a 2-5 year period for evasion of payment limit rules. Benefits denied on a pro-rata basis according to ownership. <i>[Sec. 1503(b)(2)]</i></p>	<p>exemption remains in current law provision (7 U.S.C. 1308(f)), which is redesignated as subparagraph (g). <i>[Sec. 1703(b)(3)]</i></p> <p>Same as House provision, except adds joint and several liability for members of an entity regarding amounts payable to USDA, and authority for USDA to release a person from liability if they cooperate. <i>[Sec. 1703(e)]</i></p>
<p>3-entity rule: no person may receive payments from more than three entities in which the person holds substantial beneficial interest. <i>[7 U.S.C. 1308-1(a)]</i></p> <p>Requires a person or entity to be actively engaged in farming based on contributions of land, labor, equipment, and management, and requires profits be commensurate and at risk. <i>[7 U.S.C. 1308-1(b)]</i></p>	<p>Repeals the 3-entity rule. Requires notification to USDA, including names and social security number or tax identification number. <i>[Sec. 1503(c)]</i></p> <p>Continues current law provisions and adds an exception that if one spouse is determined to be actively engaged, the other spouse shall be determined to meet requirements of personal labor or active personal management. <i>[Sec. 1503(d)]</i></p>	<p>Same as House provision. <i>[Sec. 1703(c)]</i></p> <p>Same as House provision. <i>[Sec. 1703(d)]</i></p>
Adjusted Gross Income Limitation		
<p>No firm cap (a cap without exceptions).</p> <p>Sets a soft cap of \$2.5 million Adjusted Gross Income Limitation (AGI) over a three-year average for individuals or entities to be eligible to receive program payments. Limit may be exceeded if at least 75% of the AGI is derived from farming, ranching, or forestry operations. Applies to direct payments, counter-cyclical payments, marketing loan benefits,</p>	<p>Sets a firm AGI cap of \$1 million (no exceptions) to be eligible to receive direct and counter-cyclical payments, marketing loan gains or LDPs, and conservation benefits. Applies through the 2012 crop year. <i>[Sec. 1504(b)(1)]</i></p> <p>Sets a soft AGI cap of \$500,000, unless 66.66% of the three-year average AGI is derived from farming, ranching, or forestry operations. Applies through the 2012 crop year. <i>[Sec. 1504(b)(1)]</i></p>	<p>No firm cap.</p> <p>Sets a gradually-declining soft AGI cap for direct payments, counter-cyclical payments, and marketing loan gains or LDPs, unless 66.66% of the three-year average AGI is derived from farming, ranching, or forestry operations: — \$2.5 million in crop year 2008, — \$1 million in 2009, and</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>and conservation program payments for the 2003-07 crop years. <i>[7 U.S.C. 1308-3a]</i></p> <p>AGI cap for conservation programs same as for commodity programs.</p> <p>USDA determines types of income as derived from farming, ranching or forestry income. <i>[7 U.S.C. 1308-3a(b)(1)]</i></p> <p>No comparable provision.</p>	<p>AGI cap for conservation programs same as for commodity programs.</p> <p>Defines certain types of income as farming, ranching or forestry. Includes production of crops, livestock or raw forestry products; sale of land or rights; sale of equipment but not as a dealer; rental of land; supplying inputs and services to farmers; processing, storing and transporting agricultural products. <i>[Sec. 1503(b)(3)]</i></p> <p>No comparable provision.</p>	<p>— \$750,000 in 2010-2012 <i>[Sec. 1704(c)]</i></p> <p>For conservation programs, continues current law level of \$2.5 million AGI, with exception for 75% of AGI derived from farming, ranching or forestry. <i>[Sec. 1704(c)]</i></p> <p>Same as House provision, except does not limit sale of equipment to non-dealers and does not reference depreciable equipment; includes income from water or hunting rights; includes packing and shedding in processing and storing; and includes government payments from commodity and conservation programs. <i>[Sec. 1704(c)]</i></p> <p>Allows the allocation of AGI among the individuals filing a joint tax return, under certain conditions. <i>[Sec. 1704(b)]</i></p>
Administrative Provisions		
<p>Authorizes use of funds, facilities, and authorities of the Commodity Credit Corporation (CCC) to carry out Title I. Determinations by USDA shall be final. Allows promulgation of regulations, and adjusting expenditures if they will exceed allowable support levels under the Uruguay Round Agreements. <i>[7 U.S.C. 7991(a)-(c),(e)]</i></p> <p>Advanced direct and counter-cyclical payments are taxable in the year received (rather than when producer has option to receive payment). <i>[7 U.S.C. 7991(d)]</i></p>	<p>Same as current law. <i>[Sec. 1501]</i></p> <p>No comparable provision.</p>	<p>Same as current law. <i>[Sec. 1701]</i></p> <p>Same as current law. <i>[Sec. 1701(e)]</i></p>
<p>Suspends the permanent price support authority of the Agricultural Adjustment Act of 1938 and the Agricultural Adjustment Act of 1949 for the 2002-07</p>	<p>Same as current law, except applies to 2008-2012 crop years, and milk through December 31, 2012. <i>[Sec. 1502]</i></p>	<p>Same as House provision, except does not mention peanuts in paragraph (a). <i>[Sec. 1702]</i></p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
crops (covered commodities, peanuts, and sugar), and for milk through December 31, 2007. <i>[7 U.S.C. 7992]</i>		
Exempts producers from liability for certain deficiencies in collateral to secure any nonrecourse loan. <i>[7 U.S.C. 7284]</i>	Same as current law. <i>[Sec. 1506]</i>	Same as current law. <i>[Sec. 1709]</i>
Authorizes the use of commodity certificates, including to repay marketing loans. <i>[7 U.S.C. 7286]</i>	Same as current law. <i>[Sec. 1507]</i>	Same as current law. <i>[Sec. 1710]</i>
Requires that assignment of payments must be done in accordance with USDA regulations. <i>[7 U.S.C. 7995]</i>	Same as current law. <i>[Sec. 1508]</i>	Same as current law. <i>[Sec. 1711]</i>
Requires tracking of program benefits under commodity and conservation titles that are made directly or indirectly to individuals and entities. <i>[7 U.S.C. 7997]</i>	Same as current law. <i>[Sec. 1509]</i>	No comparable provision.
Provide payment of storage for upland cotton, as allowed under general authorities of the CCC. <i>[7 C.F.R. 1427.19(h)]</i>	Ends the practice of paying for upland cotton storage, handling and other costs starting with the 2011 crop. <i>[Sec. 1510]</i>	Requires payment of cotton storage costs in same manner and at same rates as was provided for the 2006 crop, effective for 2008-12 crop years. <i>[Sec. 1204(h)]</i>
Prohibits publication of cotton price forecasts in any governmental report, or bulletin. <i>[12 U.S.C. 1141j]</i>	Strikes the current law prohibition on the publication of cotton price forecasts. <i>[Sec. 1511]</i>	Same as House provision. <i>[Sec. 1714]</i>
Allows payments to estates of deceased farmers <i>[7 U.S.C. 1308(e)(2)(B)(ii)]</i> , but without reference to a time period. USDA regulations establish a two-year period for estates to qualify. <i>[7 C.F.R. 1400.206]</i>	Requires reports to Congress of deceased persons that received payments for more than two crop years following death. Establishes deadlines for notification of death, and denies payments and recoup losses for failure to comply. Reconcile tax identification numbers with Internal Revenue Service (IRS) data twice a year to determine living status. <i>[Sec. 1512]</i>	Prohibits any agricultural payment to any deceased individual or estate after two program years after the date of death. Require annual reports to Congress on the number and amount of payments to deceased individuals and the length of time the estate has been open. <i>[Sec. 11073]</i>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
Provide incentive payments to producers of hard white wheat on up to 2 million acres. Total mandatory funding of \$20 million for the 2003-2005 crop years. <i>[7 U.S.C. 7999]</i>	No comparable provision.	Provides incentive payments to producers of hard white wheat of at least \$20¢/bu. and at least \$2/acre on up to 2.9 million acres. Mandatory funding of \$35 million for the 2008-12 crop years. <i>[Sec. 1706]</i>
No comparable provision.	No comparable provision.	Authorizes compensation up to 50% of the cost of fungicides to control wheat scab in durum wheat. Authorize \$10 million per year for FY2008-12, subject to appropriation. <i>[Sec. 1707]</i>
Provides farm storage facility loans under USDA regulations via the general authorities of the CCC. For commodities other than sugar, maximum term of loan is seven years and \$100,000 per borrower. <i>[7 C.F.R. 1436]</i>	No comparable provision.	Establishes a storage facility loan program for producers of grains, oilseeds, pulse crops, hay, renewable biomass, and other storable commodities (other than sugar) to construct or upgrade storage and handling facilities. Provides for 12-year terms and \$500,000 maximum loans, as well as security and eligibility requirements. <i>[Sec. 1708]</i>
Authorizes cotton classification services be available to producers of cotton, and for the collection of fees and appropriations to pay for such services. <i>[7 U.S.C. 473a]</i>	Revises the authorization for cotton classification services through FY2012 to include leasing of property exceeding five years. <i>[Sec. 11302]</i>	Revises the authorization for cotton classification services for an indefinite time period, including consultation with the cotton industry, investment of funds, and long term lease of property. Provides authorization for appropriations. <i>[Sec. 1712]</i>
Defines cotton-producing state, for purposes of a cotton research and promotion, using a historical measure of production. <i>[7 U.S.C. 2116(f)]</i>	Revises definition of cotton-producing state to explicitly include Kansas, Virginia, and Florida beginning with the 2008 crop. <i>[Sec. 11301]</i>	Same as House provision. <i>[Sec. 1713]</i>
Instructs USDA to appoint committees of farmers in a fair and representative manner. <i>[16 U.S.C. 590h(b)(5)(B)(ii)]</i>	No comparable provision.	For combined or consolidated area committees, requires 3-11 members that are representative of the area and elected, and ensures representation of socially disadvantaged farmers. <i>[Sec. 1715]</i>
Authorizes USDA to collect commodity assessments from proceeds of marketing assistance loans, if required under state law. <i>[7 U.S.C. 7416a]</i>	No comparable provision.	Prohibits USDA from charging fees for the collection of commodity assessments in its agreement with the State. <i>[Sec. 1716]</i>
No comparable provision.	No comparable provision.	Requires that, if USDA approves a document

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
		containing signatures of applicants, it shall not subsequently determine the document to be inadequate or invalid. <i>[Sec. 1717]</i>
No comparable provision.	No comparable provision.	Requires USDA to modernize the Farm Service Agency information technology systems to ensure timely and efficient program delivery. <i>[Sec. 1718]</i>
No comparable provision.	No comparable provision.	Requires USDA to consolidate geospatial database systems into a single system that is readily available to all agencies within two years of enactment. <i>[Sec. 1719]</i>
No comparable provision.	No comparable provision.	Allows the CCC to lease space for USDA agencies if the space is jointly occupied by the agencies. <i>[Sec. 1720]</i>
Establishes a “Commission on the Application of Payment Limitations for Agriculture.” <i>[7 U.S.C. 7993]</i>	No comparable provision.	Repeals the authorization for the payment limits commission. <i>[Sec. 1721(a)]</i>
Authorizes market loss assistance and other emergency assistance to persons that were eligible to receive assistance but did not receive assistance before a certain date. <i>[7 U.S.C. 8000]</i>	No comparable provision.	Repeals market loss assistance and other emergency assistance to persons that failed to receive assistance under earlier authorities. <i>[Sec. 1721(b)]</i>
DAIRY (TITLE I)		
Dairy Price Support Program		
Mandatory support for farm price of milk at \$9.90 per hundredweight (cwt.). Program authority expired on December 31, 2007, but was extended until March 15, 2008 by P.L. 110-161. <i>[7 U.S.C. 7981a-c]</i> Farm support price of \$9.90 indirectly maintained by USDA offer to purchase butter, cheese, and nonfat dry milk from processors at prices determined by USDA that allow buyers to pay farmers at least the	Mandates the direct support of cheese, nonfat dry milk, and butter at specified prices for five years (through December 31, 2012). This is a change from supporting the farm price of milk. <i>[Secs. 1401(a)-(b)]</i> Specifies minimum purchase prices of: block cheese, \$1.13/lb.; barrel cheese, \$1.10/lb.; butter, \$1.05/lb.; and nonfat dry milk, \$0.80/lb (same levels currently used to support the prices at \$9.90 per cwt.) Allows	Similar to the House bill. <i>[Secs. 1601(a)-(b)]</i> Similar to the House bill. <i>[Secs. 1601(b)-(c)]</i>

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<p>support price. <i>[7 U.S.C. 7981a-c]</i></p> <p>No more than twice annually, USDA can adjust the purchase prices of butter and nonfat dry milk (reduce one and raise the other) in order to minimize acquisitions. <i>[7 U.S.C. 7981d]</i></p>	<p>USDA sale of acquired products when market prices rise to 110% of purchase price. <i>[Sec. 1401(b)]</i></p> <p>Allows reduction of mandated purchase prices when USDA acquisitions exceed specified levels. <i>[Sec. 1401(c)]</i></p>	<p>No comparable provision.</p>
Milk Income Loss Contract Payments		
<p>The 2002 farm bill mandated a new counter-cyclical payment program, the Milk Income Loss Contract (MILC) program. When the monthly fluid milk price falls below \$16.94/cwt., all dairy farmers are paid an amount equal to 34% of the difference between \$16.94 and the lower market price. Payments per farm are limited to 2.4 million lbs. of annual production. MILC authority expired Sept. 30, 2005, but several subsequent extensions continue it through March 15, 2008. <i>[7 U.S.C. 7982]</i></p>	<p>Extends the MILC program for five years, through September 30, 2012, at the current target price of \$16.94/cwt. Payment rate remains at 34% of any deficiency between the market price and the target price, and eligible production continues to be capped at 2.4 mil. lbs. per farm per year. <i>[Sec. 1406]</i></p>	<p>Increases, through August 31, 2012, the payment rate to 45%, and raises the cap on eligible annual production to 4.15 mil. lbs. per farm. Payment rate and production cap would return to 34% and 2.4 mil. lbs. for the last month of program authority in September 2012. <i>[Sec. 1602]</i></p>
Dairy Forward Pricing Program		
<p>The FY2000 omnibus appropriations act authorized a pilot dairy forward pricing program implemented from mid-2000 until its required expiration date of December 31, 2004. It exempted handlers from having to pay farmers the federal order price when the forward contract price turns out to be lower. <i>[7 U.S.C. 627]</i></p>	<p>Authorizes a dairy forward pricing program similar to the pilot program of 2000-2004. Price paid by milk handlers under the contracts are deemed to satisfy the minimum price requirements of federal milk marketing orders. Applies only to milk purchased for manufactured products (Classes II, III, and IV), and excludes milk purchased for fluid consumption (Class I). Allows for new contracts until September 30, 2012, but no contract can extend beyond September 30, 2015. <i>[Sec. 1402]</i></p>	<p>Similar to the House bill. <i>[Sec. 1606]</i></p>
Dairy Export Incentive Program		
<p>Provides cash bonus payments to U.S. dairy exporters, subject to World Trade Organization</p>	<p>Extends DEIP through December 31, 2012, with a reference to the Uruguay Round Agreements Act.</p>	<p>Extends DEIP through December 31, 2012. <i>[Sec. 1603(a)]</i></p>

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obligations to limit export subsidies. No DEIP bonuses have been awarded since FY2004. Legislative authority expires March 15, 2008. Intended to counter foreign (mostly EU) dairy subsidies. <i>[15 U.S.C. 713a-14(a)]</i>	<i>[Sec. 1403]</i>	
Dairy Indemnity Program		
Authorizes payments to dairy farmers when a public regulatory agency directs removal of their raw milk from the market because of contamination by pesticides, nuclear radiation or fallout, or toxic substances and other chemical residues. Expires March 15, 2008. <i>[7 U.S.C. 450I]</i>	Extends the Dairy Indemnity Program through December 31, 2012. <i>[Sec. 1405]</i>	Similar to the House bill. <i>[Sec. 1603(b)]</i>
Dairy Promotion and Research Program		
The Dairy Producer Stabilization Act of 1983 authorized a generic dairy product promotion, research, and nutrition education program, funded by a mandatory 15¢/cwt assessment on milk produced/marketed in the 48 contiguous states. Assessment extended to imports by Sec. 1505 of 2002 farm bill. Import assessment never collected because the exclusion of some states was considered inconsistent with WTO rules. Expires March 15, 2008. <i>[7 U.S.C. 4501-4514]</i>	Extends promotion and research program authority through Sep. 30, 2012. Amends the 1983 Act to require producers in all 50 states, the District of Columbia, and Puerto Rico to pay the 15¢/cwt assessment. <i>[Sec. 1407]</i>	Extends program authority through Sep. 30, 2012. Does not address the issue involving the import assessment. <i>[Sec. 1604]</i>
Federal Milk Marketing Orders		
Federal milk marketing order rules issued by USDA place requirements on the first buyers or handlers of milk, including paying at least minimum prices for the milk depending on its end use. Permanent federal authority to regulate the handling of milk was first provided in the Agricultural Adjustment Act of 1933, and subsequently revised by the Agricultural Marketing Agreement Act of 1937, as amended. <i>[7</i>	Creates a Federal Milk Marketing Order Review Commission to review and evaluate the current federal and similar state order systems. The 18-member Commission is to consider legislative and administrative options for: ensuring the competitiveness of farmers and processors, and simplifying and streamlining the federal order system. Report is due within two years of the first	Creates a Federal Milk Marketing Order Review Commission, with same overall functions and purposes as the House bill, but with some differences in the appointment of members and issues to be studied. <i>[Sec. 1608]</i>

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<p><i>U.S.C. 601 et seq.</i></p> <p>When USDA amends federal orders, it must issue a notice of a hearing at least three days prior to the hearing. <i>[7 U.S.C. 608c(17)]</i></p> <p>In late April 2007, USDA announced an error in nonfat dry milk prices reported to them by manufacturers over the previous 12 months. The error contributed to lower farm milk prices than would otherwise have been the case.</p>	<p>meeting. <i>[Sec. 1409]</i></p> <p>Revises order amendment procedures by placing time constraints on USDA at various steps of the amendment process. <i>[Sec. 1404]</i></p> <p>Requires USDA, within 90 days of enactment, to submit a report to Congress on price reporting procedures for nonfat dry milk, and the effect these procedures have had on marketing order pricing since July 1, 2006. <i>[Sec. 1408]</i></p>	<p>Also revises amendment procedures by establishing a timetable for certain actions, but with some differences. <i>[Sec. 1605]</i></p> <p>Similar to the House bill, except that the report is to be filed with the House and Senate Agriculture Committees. <i>[Sec. 1607]</i></p>
Mandatory Dairy Commodity Price Reporting		
<p>Dairy Market Enhancement Act of 2000 requires manufacturers to report to USDA the price, quantity, and moisture content of dairy products sold. <i>[7 U.S.C. 1637b]</i></p>	<p>No comparable provision.</p>	<p>Requires manufacturers to report sales transactions daily. Requires USDA to publish the data each reporting day and compare it with other dairy market statistics on a quarterly basis. <i>[Secs. 1609 and 1610]</i></p>
SUGAR (TITLE I)		
No-Net-Cost Directive		
<p>Requires USDA to operate the sugar nonrecourse loan program at no net cost by avoiding sugar forfeitures to the CCC. <i>[7 U.S.C. 7272 (g), 7 U.S.C. 1359bb (b), 7 U.S.C. 1359cc (b)(2)]</i></p>	<p>Retains current no-net-cost requirement. <i>[Secs. 1301, 1303(b), and 9013]</i></p>	<p>Similar to the House bill. <i>[Secs. 1501 and 1504(b)]</i></p>
Price Support Levels, Loans and Payments		
<p>Sets raw cane and refined beet sugar loan rates at 18.0¢ and 22.9¢/lb. Expands loan eligibility to in-process sugars and syrups at 80% of the applicable cane or beet loan rates. Nonrecourse loans have a nine-month repayment term. <i>[7 U.S.C. 7272 (a, b, d, e, f)]</i></p>	<p>Increases raw cane sugar and refined beet sugar loan rates to 18.5¢/lb. and 23.5¢/lb. Continues availability of non-recourse loans, makes loans available for in-process sugar products on same loan terms, and retains current repayment term. <i>[Sec. 1301]</i></p>	<p>Increases raw cane sugar loan rate to 19.0¢/lb. in 1/4¢ increments beginning in FY2009. Sets beet sugar loan at 128.5% of the raw cane rate (e.g., 24.42¢/lb. in 2012). Other provisions identical to House language. <i>[Sec. 1501]</i></p>
<p>Authorizes CCC to accept bids from sugar processors to purchase USDA-owned sugar in conjunction with</p>	<p>Continues in-kind authority. Stipulates that planted beets or cane diverted from production only be used</p>	<p>Similar to the House bill. <i>[Sec. 1501]</i></p>

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reduced production of new sugar crops. [7 U.S.C. 7272 (g)]	as bioenergy feedstock. [Sec. 1301]	
USDA now pays storage rates of 8¢/cwt. for raw cane and 10¢ per cwt. for refined beet sugar that has been forfeited under the nonrecourse loan program. [15 U.S.C. 714b & 714c; 7 CFR Part 1423]	No comparable provision.	Requires (through crop year 2011) USDA minimum storage payment rates of 10¢/cwt. and 15¢/cwt. on forfeited raw cane and refined beet sugar. [Sec. 1503]
Authorizes CCC to provide financing to processors of domestic sugar to construct or upgrade storage and handling facilities. [Sec. 1402]	No comparable provision.	Retains authority, but stipulates that loans shall not require any prepayment penalty. [Sec. 1502]
Marketing Allotments and Allocations		
To avert loan forfeitures, requires USDA to limit the amount of sugar processors can sell each year. This is done through a national “overall allotment quantity” (OAQ) that is split between cane and beet sectors, and allocated to individual processors. The OAQ must accommodate WTO and NAFTA import commitments (1.532 million short tons), above which it is suspended. [7 U.S.C. 1359aa, 1359bb, 1359cc, and 1359dd]	Continues purpose and structure of marketing allotments and allocations, but changes some key provisions. Changes formula to require USDA to set OAQ at not less than 85% of estimated human food and beverage sugar use. Eliminates allotment suspension provision. [Sec. 1303 (a)-(c)]	Similar to the House bill. [Sec. 1504 (a)-(c)]
Directs USDA to reassign unused raw cane and beet sugar marketing allocations <i>first</i> to other cane states and beet processors, respectively; <i>second</i> to cane processors within each state; <i>third</i> to sales of sugar in CCC’s inventory; and <i>fourth</i> to imports. [7 U.S.C. 1359ee]	Requires that any reassignment of unused cane and beet allocations to imports must be met by imports “of raw cane sugar.” [Sec. 1303(e)]	Similar to the House bill. [Sec. 1504(e)]
Sugar Provision Related to Bioenergy Programs — see section on Energy Programs (below)		
Trade-Related Provisions		
In accord with a 1994 trade commitment, USDA sets an annual global sugar import quota of not less than 1.256 mil. short tons. USTR allocates the quota among eligible countries, and also administers	Makes no changes to import quota commitments found in various trade agreements and laws.	Makes no changes to import quota commitments.

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<p>preferential sugar import quotas for free trade agreement partner countries. Effective January 1, 2008, Mexico can ship duty free an unlimited amount of sugar to the U.S. market.</p> <p>Requires USTR in 2002-07 to reallocate unused country quota allocations to other quota-holding countries with sugar to sell. <i>[7 U.S.C. 1359kk]</i></p>	<p>Repeals requirement for reallocating sugar import quota shortfalls. <i>[Sec. 1303 (i)]</i></p>	<p>Similar to the House bill. <i>[Sec. 1504 (i)]</i></p>
<p>USDA has discretion to increase the size of global raw cane and refined sugar import quotas when domestic sugar supplies are inadequate to meet U.S. demand at reasonable prices. <i>[Chapter 17, additional note 5, of the U.S. Harmonized Tariff Schedule; 19 CFR Part 2001, Subpart A]</i></p> <p>To protect domestic sugar prices USDA regulated the flow of sugar imports from large quota holders (through 2005).</p>	<p>Requires USDA to set quotas for raw cane and refined sugar at minimum level necessary to comply with U.S. trade agreement obligations. In cases of sugar shortages, supplies are to be increased first by reassigning allotment deficits to imports of raw cane sugar, second by increasing the refined sugar quota, and third by increasing raw cane sugar quota.</p> <p>Requires USDA to establish “orderly shipping patterns” for major suppliers of sugar to the U.S. market. <i>[Sec. 1303(i)]</i></p>	<p>Similar to the House bill. <i>[Sec. 1504 (j)]</i></p> <p>No comparable provision.</p>
<p>The U.S.-Mexican agreement on bilateral market access for sugar and high-fructose corn syrup created an industry and government task force to address problems that might arise after the elimination of tariffs on sweeteners on January 1, 2008. <i>[Exchange of Letters between USTR and Mexico’s Secretariat of Economy, July 27, 2006]</i></p>	<p>No comparable provision.</p>	<p>Expresses sense of Senate that U.S. & Mexican governments should coordinate their sugar policies to be consistent with U.S. international commitments, to avoid disruptions of each country’s sweetener markets (sugar and high-fructose corn syrup). <i>[Sec. 1505]</i></p>
<p>The U.S. withdrew from the International Sugar Organization in 1992 because of opposition to the allocation of country contributions to ISO’s budget.</p>	<p>Requires the Secretary of Agriculture to work with the Secretary of State to restore U.S. membership in the International Sugar Organization. <i>[Sec. 1302]</i></p>	<p>Similar to the House bill. <i>[Sec. 1504]</i></p>

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SPECIALTY CROPS (TITLE X, HOUSE BILL; TITLE I, SENATE BILL)		
Marketing and Trade Promotion, Consumer Access		
The Specialty Crops Competitiveness Act of 2004 [<i>P.L. 108-465, 7 U.S.C. 1621 note</i>] established a program of block grants to states to support projects in marketing, research, pest management, and food safety, among other purposes. Authorizes \$44.5 million annually through FY2009.	Reauthorizes the block grant program through FY2012 and provides mandatory funding starting at \$60 million in FY2008, rising to \$95 million in FY2012. Increases the number of U.S. insular areas eligible to receive grants. [<i>Sec. 10102</i>]	Contains an identical provision, except that funding ends after FY2011. Specifies that turfgrass sod and herbal crops also are specialty crops. [<i>Sec. 1841</i>]
The Farmer-to-Consumer Direct Marketing Act established a Farmers' Market Promotion Program promote farmers' markets, authorizing annual appropriations for grants to local governments, and nonprofit organizations. [<i>7 U.S.C. 3005</i>]	Expands the types of activities that are eligible for funding. Renames program the Farmer Marketing Assistance Program. Provides annual mandatory funds of \$5 million (FY2008-10) and \$10 million (FY2011-12). [<i>Sec. 10404</i>]	Reauthorizes the Farmers' Market Promotion Program and provides mandatory funds of \$5 million annually in FY2008-11, and \$10 million in FY2012. [<i>Sec. 1812</i>]
No comparable provision.	Authorizes grants to various public/private entities to improve transporting specialty crops to markets.	Similar to the House bill, but with minor technical differences. [<i>Sec. 1842</i>]
No comparable provision.	No comparable provision.	Requires the Government Accountability Office (GAO) to investigate the impact on specialty crops of lowering foreign trade barriers and to prepare a strategy for addressing the issue. [<i>Sec. 1831</i>]
No comparable provision.	No comparable provision.	Encourages USDA and the U.S. Trade Representative to increase attention to sanitary and phytosanitary trade issues, and to develop a strategic risk management framework. [<i>Sec. 1833</i>]
No comparable provision.	Establishes a grant program entitled the Healthy Food Urban Enterprise Program to support feasibility studies on improving the access of underserved communities to affordable, locally produced, nutritious food. Authorizes annual appropriations for this purpose. [<i>Sec. 10405</i>]	Authorizes a grant program to establish a Healthy Food Enterprise Development Center, providing information and technical assistance to entities to make affordable, locally produced, nutritious food available in underserved communities. Provides \$1 million in mandatory funds (FY2009); \$2 million annually (FY2010-12). [<i>Sec. 1843</i>]

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Specialty Crop Provisions Related to Nutrition Programs — see section on Nutrition Programs (below)		
Organic Agriculture Production		
The 2002 farm bill established a cost-share program to help producers/handlers of organic products obtain certification under the National Organic Program (NOP); provided a one-time transfer of \$5 million in mandatory crop insurance funds. [7 U.S.C. 1524]	Provides a one-time (FY2008) transfer of \$22 million in mandatory crop insurance funds to continue the cost-share program, and raises the maximum amount a producer can receive from \$500 to \$750. [Sec. 10301]	Similar to the House bill, and requires an annual report on cost-share expenditures in each state. [Sec. 1823]
The 2002 farm bill required USDA to keep segregated data on organic production and marketing. [7 U.S.C. 5925c]	Provides \$3 million in mandatory funds to support data collection and analysis on organic production, marketing, pricing, and crop loss risk. [Sec. 10302]	Similar to the House bill and provides a one-time transfer of \$5 million for segregated data collection and analysis. [Sec. 1821]
No comparable provision.	Authorizes \$50 million subject to appropriations over the life of the farm bill to provide technical assistance and cost-sharing grants to producers seeking to convert from conventional to organic production. [Sec. 10303]	Provides for technical assistance and cost-sharing under the Environmental Quality Incentives Program (EQIP) to producers seeking to convert to organic production. [Sec. 2361] Authorizes grants for this purpose under the Beginning Farmer and Rancher Development Program. [Sec. 7309]
Assessments are exempted under marketing orders for conventionally-grown fruits and vegetables, for producers whose operations are 100% organic. [7 U.S.C. 7401]	No comparable provision.	Allows producers who have part of their farm certified organic under the NOP to receive the exemption. [Sec. 1822]
The Organic Foods Production Act of 1990 authorizes appropriations of such sums as necessary for the National Organic Program. [7 U.S.C. 6522]	No comparable provision.	Specifies increased authorized annual funding levels for the NOP, starting at \$5 million in FY2008 and rising to \$11 million in FY2012. [Sec. 1824]
No comparable provision.	Provides grants using Section 32 funds (7 U.S.C. 612c) to help urban gardening and greenhouse projects to purchase and operate organic fruit and vegetable gardens and greenhouses. [Sec. 10103A]	No comparable provision.
Pest and Disease Control		
No comparable provision.	Establishes a cooperative program with state agriculture departments to conduct early pest	Similar to the House bill, with technical differences. Provides mandatory funds starting at \$10 million

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	detection and surveillance activities and create action plans, among other things. Provides mandatory funds starting at \$10 million (FY2008), rising to \$70 million (FY2012). <i>[Sec. 10201]</i>	(FY2008), rising to \$64 million (FY2012). <i>[Sec. 12101(f)]</i>
No comparable provision.	Authorizes the appropriation of \$15 million for the construction of a sterile fruit fly rearing facility in Waimanalo, Hawaii, and the appropriation of \$1 million annually thereafter. <i>[Sec. 10202]</i>	No comparable provision.
No comparable provision.	Authorizes the appropriation of necessary funds through FY2012, in addition to \$20 million annually in mandatory funds, to create a National Clean Plant Network where the specialty crop industry can obtain pest- and disease-free planting stock. <i>[Sec. 10404]</i>	Similar to the House bill, with technical differences. <i>[Sec. 1851]</i>
Food Safety Provisions		
The Agricultural Adjustment Act governs the terms and conditions of marketing orders applicable to specified commodities. <i>[7 U.S.C. 608c(6)]</i>	Authorizes the implementation of quality-related food safety programs under marketing orders for specialty crops. <i>[Sec. 10106]</i>	No comparable provision.
No comparable provision.	Authorizes appropriation of necessary sums to implement a program to educate fresh produce industry personnel and consumers about ways to reduce pathogens in fresh produce. <i>[Sec. 10110]</i>	Similar to the House bill, and authorizes \$1 million in annual appropriations for that purpose. <i>[Sec. 1813]</i>
Disaster Assistance		
The 2002 farm bill established the Tree Assistance Program to compensate commercial orchardists for losses due to natural disasters and authorized annual appropriations for the program. <i>[7 U.S.C. 8201]</i>	Makes nursery tree growers eligible for disaster assistance under the program, increases the limitation on annual assistance from \$75,000 to \$150,000, and continues appropriations authority. <i>[Sec. 10101]</i>	Makes nursery tree growers eligible for disaster assistance, increases the limitation on annual assistance to \$100,000, adds reimbursement for orchard management to repair losses, and provides necessary mandatory funding over the life of the farm bill. <i>[Sec. 1210(e)]</i>
Specialty Crop Sector Data Collection		
No comparable provision.	Authorizes necessary funds through FY2012 to	Authorizes \$9 million annually in funds to support

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	support the collection and dissemination of market news for specialty crops. <i>[Sec. 10402]</i>	market news and price information on specialty crops. <i>[Sec. 1811]</i>
The 1997 Census of Agriculture Act (P.L. 105-113) authorizes a Census of Agriculture to be taken every five years. <i>[7 U.S.C. 2204g(a)]</i>	Amends the 1997 law to include a census of specialty crops as part of the Census of Agriculture. <i>[Sec. 10107]</i>	Allows USDA to include a census of specialty crops in the Census or to conduct a separate census of specialty crops not later than the end of FY2008 and every five years thereafter. <i>[Sec. 1814]</i>
Other Commodity-Specific Provisions		
No comparable provision.	Requires USDA to submit a report on the investigation of honey bee colony collapse disorder and strategies to combat the problem. <i>[Sec. 10001]</i>	No comparable provision.
The Honey Research, Promotion, and Consumer Information Act (P. L. 98-590), as amended, provides for coordinated research, promotion, and consumer information to expand their markets for honey. <i>[7 U.S.C. 4601 note]</i>	No comparable provision.	Amends the Honey Research, Promotion, and Consumer Information Act with provisions regarding the Honey Board and referenda on the honey research and promotion order. <i>[Sec. 1854]</i>
No comparable provision.	No comparable provision.	Amends 7 U.S.C. 1622(h) to require the USDA grading/inspection mark be located near the country of origin label on packaged honey. <i>[Sec. 1855]</i>
The Agricultural Adjustment Act requires that imported commodities that are under marketing orders in the U.S. meet the order's standards. <i>[7 U.S.C. 608e-1(a)]</i>	Adds clementines to the list of commodities to which this requirement applies. <i>[Sec. 10105]</i>	Similar to the House bill. <i>[Sec. 3207]</i>
The Agricultural Marketing Act of 1946 governs research and marketing programs for agricultural products. <i>[7 U.S.C. 1641]</i>	Adds a section to the 1946 act to regulate the minimum maturity of all Hass avocados sold in the United States. <i>[Sec. 10108]</i>	Authorizes USDA to initiate the process of establishing a marketing order regulating the grades and standards of Hass avocados, if a U.S. organization submits such a proposal. <i>[Sec. 1856]</i>
A 1990 law contains the terms and conditions of the mushroom marketing order. <i>[7 U.S.C. 6104]</i>	Makes changes to the geographic composition of the Mushroom Board, and other provisions. <i>[Sec. 10109]</i>	Similar to the House bill, with technical differences. <i>[Sec. 1853]</i>
No comparable provision.	No comparable provision.	Establishes a program to compensate asparagus growers for losses in 2004 — 2007 due to imports.

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		Provides \$15 million in mandatory funds for this purpose. <i>[Sec. 1852]</i>
The 2002 farm bill did not include a separate title for horticultural products or organic production.	Creates new farm bill title, Horticulture and Organic Agriculture (Title X).	No new title; includes most horticulture and organic agriculture provisions under the Commodity Title I.
LIVESTOCK AND ANIMAL AGRICULTURE (TITLE 1, HOUSE BILL; TITLE X, SENATE BILL)		
Livestock Mandatory Reporting		
The Livestock Mandatory Reporting Act of 1999 <i>[7 U.S.C. 1635-1636h]</i> established a program of mandatory reporting of information regarding the marketing of live cattle, boxed beef, swine, and lambs. Requires packers, processors, and importers to provide periodic reporting of price, volume, contract, and demand information to USDA. The information is used to create price reports for livestock producers.	No comparable provision.	Changes the time of the afternoon swine report. Establishes mandatory packer reporting of wholesale pork product sales, specifying that USDA will make this information publicly available. Directs USDA to conduct an economic study of wholesale pork product sales reporting. Establishes a new program for mandatory daily product reporting for manufactured dairy products. <i>[Sec. 10001]</i>
Meat Inspection and Grading		
The Federal Meat Inspection Act (FMIA) <i>[21 U.S.C. 601 et seq.]</i> and the Poultry Products Inspection Act (PPIA) <i>[21 U.S.C. 451 et seq.]</i> permit states to operate their own meat and poultry inspection programs, if they are at least “equal to” (but not necessarily identical to) the federal program. State-inspected meat and poultry cannot be shipped in interstate commerce.	Requires USDA to report to Congress on the effectiveness of each state inspection program and on the changes necessary to ensure enforcement of federal requirements. Replaces current federal-state cooperative inspection program with a new program whereby USDA would approve the shipment of state-inspected meat and poultry from a state where key program requirements are identical to federal requirements; permits many plants currently under federal inspection to shift to state inspection; raises the federal reimbursement maximum from 50% to 60% for poultry programs only; among other things. <i>[Sec. 11103]</i> No comparable provisions regarding reportable food registries, recall plans, <i>E. coli</i> reassessment, or	Provides for a new opt-in program for state-inspected plants with 25 or fewer employees, which subjects them to federally-directed inspection using state employees. Provides for three-year eligibility for plants with between 25-35 employees. Sets federal reimbursement at not less than 60% for both meat and poultry programs and permits 100% reimbursements if pathogen testing exceeds typical federal testing, among other provisions. <i>[Sec. 11067]</i> Requires USDA to establish “reportable food registries” for meat and poultry and their products. Requires all entities to include recall plans in their safety prevention (i.e., HACCP) plans, with beef entities also having an <i>E. Coli</i> reassessment. Directs HHS and USDA to issue sanitary food transportation

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	sanitary food transportation.	regulations. <i>[Sec. 11087]</i>
The 2002 farm bill identifies the market and common name for catfish for labeling purposes. <i>[21 U.S.C. 321d]</i> Sec. 203(c) of the Agricultural Marketing Act (AMA) of 1946 <i>[7 U.S.C. 1622]</i> authorizes USDA to develop standards to encourage uniformity and consistency in commercial marketing. Sec. 1(w) of FMIA <i>[21 U.S.C. 601 et seq.]</i> defines “amenable species” subject to mandatory inspection.	No comparable provision.	Authorizes the establishment of a voluntary USDA grading program for catfish. Requires USDA to provide inspection activities for farm raised catfish, by adding catfish to the list of “amenable species” under the FMIA. Specifies that new catfish grading and certification programs shall not duplicate, impede, or undermine similar activities conducted by the Department of Commerce or by the Food and Drug Administration. <i>[Sec. 10002]</i>
Country of Origin Labeling (COOL)		
Sec. 10816 of the 2002 farm bill amended the AMA of 1946 by requiring retailers (excl. restaurants) to provide country of origin labeling (COOL) for beef, lamb, pork, fish, peanuts, and perishable agricultural commodities. Specifies requirements on labeling USA products, on recordkeeping, certification, and on enforcement and fines for non-compliance. Annual appropriations bills have since delayed implementation of mandatory COOL for all covered commodities, most recently until Sept. 30, 2008 (except wild and farm-raised fish and shellfish, which went into effect in 2005.) <i>[7 U.S.C. 1621 et seq.]</i>	Continues to require COOL implementation by 2008 for red meats and other covered commodities. Adds meat produced from goats. Makes changes to the labeling requirements for fresh red meats, by creating a new labeling system for red meats with these new designation categories. Defines U.S. origin as a product from an animal exclusively born, raised and slaughtered in the U.S., or present in the U.S. before Jan. 1, 2008. For all covered commodities, authorizes USDA verification audits; eases record-keeping, certification requirements, and reduces fines for noncompliance. <i>[Sec. 11104]</i>	Similar to the House bill, but further makes macadamia nuts and chicken covered commodities. <i>[Sec. 10003]</i> Creates a separate program for ginseng for country of harvest labeling. <i>[Sec. 10004]</i>
Agricultural Fair Practices Act		
The Agricultural Fair Practices Act (AFPA) of 1967 (P.L. 90-288) allows farmers to file complaints with USDA if a processor refuses to deal with them because they are members of a bargaining or marketing association of producers. Makes it unlawful for handlers to coerce, intimidate, or discriminate against producers because they belong to such groups. <i>[7 U.S.C. 2301 et seq.]</i>	No provision.	Amends AFPA as follows: — Expands the definition of “association of producers” to also include general livestock, poultry and farm groups. <i>[Sec. 10101]</i> — Broadens the types of prohibited practices. <i>[Sec. 10102]</i> — Amends the enforcement provisions; clarifies civil actions against handlers, providing for preventive relief, damage, and attorneys fees.

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		<p><i>[Sec. 10103]</i></p> <ul style="list-style-type: none"> — Directs USDA to promulgate rules/regulations. <p><i>[Sec. 10104]</i></p>
Packers and Stockyards Act		
<p>The Packers and Stockyards Act (P&S Act) of 1921 (P.L. 67-51), as amended, provides USDA with the basic authority to regulate marketing practices in the livestock, poultry, and meat industries. The law was enacted to prevent unfair, deceptive, and monopolistic trade practices, focusing on livestock terminal and auction markets, livestock marketing agencies, dealers, meat packers, and live poultry dealers. <i>[7 U.S.C. 181 et seq.]</i></p>	<p>Amends the Packers and Stockyards Act:</p> <p>Directs USDA to establish regulatory standards for arbitration provisions in livestock and poultry contracts. Among other things, such regulations are intended to permit a producer to seek relief in a small claims court, if within the court's jurisdiction, regardless of a contract's arbitration clause. <i>[Sec. 11102]</i></p>	<p>Amends the P&S Act as follows:</p> <ul style="list-style-type: none"> — Creates a new special counsel at USDA to investigate/prosecute violations of competition laws. <i>[Sec. 10201]</i> — Strengthens USDA enforcement authorities over live poultry dealers. <i>[Sec. 10202]</i> — Specifies conditions regarding cancelling and securing contracts. Provides for producer choice of jurisdiction and venue, including arbitration. <i>[Sec. 10203]</i> — Allows growers to discuss contract terms. <i>[Sec. 10204]</i> — Allows producers to seek remedy for violations. <i>[Sec. 10205]</i> — Allows USDA to seek outside counsel to aid in investigations and civil cases. <i>[Sec. 10206]</i> — Prohibits major packers from owning, feeding, or controlling livestock. <i>[Sec. 10207]</i> — Directs USDA to promulgate regulations. <i>[Sec. 10208]</i>
Animal Pest and Disease Programs		
<p>Sec. 2506(d) of the 1990 farm bill authorizes appropriations and directs USDA to carry out pseudorabies eradication in U.S. swine populations. Current concerns are that this disease persists in feral populations and may be reintroduced. <i>[21 U.S.C. 114i]</i></p>	<p>Sense of Congress regarding pseudorabies eradication program that USDA recognize the threat feral swine pose to the domestic swine population, and the need for a surveillance program for monitoring and eradication. <i>[Sec. 11101]</i></p>	<p>Similar to the House bill. <i>[Sec. 10301]</i></p>
<p>Sec. 10409 of the Animal Health Protection Act (AHPA), enacted as part of the 2002 farm bill,</p>	<p>No comparable provision.</p>	<p>Directs USDA to establish and implement a trichinae certification program. Authorizes appropriations of</p>

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directs USDA to carry out operations and measures to detect, control, or eradicate any livestock pest or disease, incl. animals at slaughterhouse, stockyard, or other point of concentration. <i>[7 U.S.C. 8308]</i>		\$1.25 million annually for FY2008-12. <i>[Sec. 10304]</i>
USDA has authority to cooperate with states on laws that exclude, eradicate, and/or control agricultural pests within the AHPA <i>[7 U.S.C. 8301 et seq.]</i> and the Talmadge-Aiken Act <i>[7 U.S.C. 450]</i> . Sections of 21 U.S.C., Title 21 (Food and Drugs) also cover the prevention and spread of contagion. Current concerns are about pesticide-resistant populations of the southern cattle tick in Mexico.	Sense of Congress regarding the cattle fever tick eradication program that the cattle fever tick and the southern cattle tick are vectors of the causal agent of babesiosis, a severe and often fatal disease of cattle; and that implementing a national strategic plan for the cattle fever tick eradication program is a high priority, among other things. <i>[Sec. 11106]</i>	Similar to the House bill. <i>[Sec. 10302]</i>
Sec. 10407(d)(2) of AHPA enacted as part of the 2002 farm bill) specifies compensation amounts for seizure, quarantine, and disposal of animals that may carry or have been infected with or exposed to pests or diseases, and are moved through interstate commerce or are imported. <i>[7 U.S.C. 8306(d)(2)]</i>	Sense of Congress regarding the voluntary control program for low pathogenic avian influenza program; and that USDA should continue to provide compensation payments to poultry owners and cooperating state agencies at 100% of eligible costs. <i>[Sec. 11105]</i>	Amends AHPA to compensate any poultry contract grower or owner participating in the voluntary control program for low pathogenic avian influenza under the National Poultry Improvement Plan. Specifies payments to cooperating state agencies to be 100% of the eligible costs. <i>[Sec. 10306]</i>
No comparable provision.	No comparable provision.	Sense of Senate that USDA should work with the private insurers to implement an expedited approach for indemnification of livestock producers in cases of catastrophic disease outbreaks. <i>[Sec. 10308]</i>
National Animal Identification System		
No comparable provision in AHPA. Under this authority, in 2004, USDA accelerated work on a voluntary National Animal Identification System to trace animals from slaughter through all premises within 48 hours of an animal disease outbreak.	No comparable provision.	Requires USDA to issue regulations, subject to public comment, addressing “the protection of trade secrets and other proprietary and/or confidential business information that farmers and ranchers disclose in the course of participation” in an animal ID system. <i>[Sec. 10305]</i>

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Livestock Provision Related to Bioenergy Programs — see section on Energy Programs (below)		
Other Commodity-Specific Provisions		
Sec. 375 of the Consolidated Farm and Rural Development Act (Con Act), as amended, established the National Sheep Industry Improvement Center to provide financial assistance for the enhancement and marketing of U.S. sheep or goat products with an emphasis on infrastructure development. Funding includes mandatory funds of \$28 million for a revolving fund, and additional authorized appropriations of \$30 million. <i>[7 U.S.C. 2008j]</i>	Reauthorizes appropriations of \$10 million annually (FY2008-12). Eliminates statutory requirement to eventually privatize the revolving fund. <i>[Sec. 6015]</i> No other comparable changes as specified in the Senate bill.	Renames the program as the National Sheep and Goat Industry Improvement Center, and provides for new mandatory funding of \$1 million for FY2008, to be available until expended. Authorizes \$10 million annually for FY2008-12 to cover infrastructure development, business planning, production, resource development and market and environmental research. <i>[Sec. 10303]</i>
No comparable provision.	No comparable provision.	Directs USDA report on the potential economic issues (including costs) associated with animal manure used in normal agricultural operations and as a bioenergy feedstock. <i>[Sec. 10307]</i>
The 2002 farm bill did not include a separate title for animal agriculture.	No new title; includes most animal agriculture provisions as part of the Miscellaneous Title XI.	Creates new farm bill title, Livestock Marketing, Regulatory, and Related Programs (Title X).
CONSERVATION (TITLE II)		
Program Definitions and Funding		
Sec. 1201 of the Food Security Act of 1985 (FSA) (P.L. 99-198, or the 1985 farm bill), as amended, defines 18 terms. <i>[16 U.S.C. 3801]</i>	No provisions. <i>(Note: some terms added by the Senate bill in this section are defined for specific conservation programs, as noted below.)</i>	Adds definitions of beginning farmer or rancher, Indian tribe, nonindustrial private forest land, socially disadvantaged farmer or rancher, and technical assistance. <i>[Sec. 2001]</i>
Sec. 1241(a) of the FSA, as amended, authorizes mandatory funding through FY2007 to carry out various conservation programs. <i>[16 U.S.C. 3841]</i> <i>Note: Authorized funding levels for various programs is provided in individual program sections below.</i>	Extends authorization through FY2012. <i>[Sec. 2401(a)]</i>	Similar to the House bill. <i>[Sec. 2401(a)]</i>

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Highly Erodible and Wetland Conservation		
Secs. 1211-1212 of the FSA, as amended, makes violators of the conservation compliance program ineligible for certain program benefits, with some exceptions from full loss of eligibility. <i>[16 U.S.C. 3811-3812a and 3812f]</i>	No comparable provision.	Adds a second level of review by the state or district director, with technical concurrence from the Natural Resources Conservation Service (NRCS) if the Secretary has determined that this exception should apply. <i>[Sec. 2101]</i>
Secs. 1221-1222 of the FSA, as amended, makes swampbuster ineligible for certain program benefits, with some exceptions from full loss of eligibility. <i>[16 U.S.C. 3821-3824, and 3822h]</i>	No comparable provision.	Add a second level of review by the state or district director, with technical concurrence from NRCS if the Secretary has determined that this exemption should apply. <i>[Sec. 2201]</i>
Comprehensive Conservation Enhancement Program		
<p>The 1990 farm bill amended Sec. 1230 of the FSA to establish a program later renamed the Comprehensive Conservation Enhancement Program (CCEP). The CCEP, which includes the Conservation Reserve Program (CRP), Wetlands Reserve Program (WRP), and the Environmental Quality Incentives Program (EQIP), promotes long-term protection for environmentally sensitive lands through easements and technical/ financial assistance. <i>[16 U.S.C. 3830]</i></p> <p><i>Note:</i> Administration of CCEP, the subject of sec. 1243, is described below.</p>	No comparable provision. (<i>Note:</i> Amendments to Sec. 1243 described below in the “other conservation programs” subsection .)	Deletes Section 1243 in current law, and moves some provisions, amended, into this (and other) sections. Extends CCEP through FY2012. Makes changes that reduce administrative burdens, streamline the application process, and promote partnerships. Deletes EQIP from CCEP and adds the Healthy Forests Reserve Program. Adds a new exception whereby USDA may exceed the enrollment limitation when a state or local regulation prohibits agricultural water use, requiring USDA to enroll the land within 180 days of receiving a request and pay a rental rate that reflects the rate prior to implementing the regulation. <i>[Sec. 2301]</i>
The 1990 farm bill amended Sec. 1243 of the FSA to authorize administration of CCEP. Provisions include avoiding duplication of required conservation plans, limiting enrollment under CRP and WRP to 25% of the cropland in a county, protecting the interests of share croppers and tenants, allowing approved sources to provide technical assistance, and using up to 5% of the funds from the mandatory funded conservation programs to foster cooperation	Amends administration provisions by moving sections on acreage enrollment limits, tenant protection, and obtaining technical assistance. Establishes a new Cooperative Conservation Partnership Initiative to carry out projects/initiatives using competitive (2-5 years) grants. Specifies 14 criteria to be used in reviewing applications and 9 project priorities. Specifies duties of participant and USDA. Specifies program will be funded with 10%	Amends to streamline application process, add new endangered species provisions, and establish new partnerships and cooperation projects for special projects (up to five years) with multiple producers and eligible partners to address state conservation recommendations. Specifies five project purposes, lists application contents, and identifies USDA’s duties and priorities when selecting projects (including 14 priority water project areas); also

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through partnerships. <i>[16 U.S.C. 3844]</i>	of funds for CSP, EQIP, and WHIP. The federal share for each project will be at least 75% of costs; 90% of the funds will be allocated at the state level (incentives and bonus payments may be used for specified purposes). Limits administrative costs to 5% of any grant. <i>[Sec. 2403]</i>	requires monitoring and evaluation. Specifies funding of 10% of the mandatory funds allocated to each state (except CRP, CSP, WRP, and the new Conservation Stewardship Program), with 75% of funds for intra-state and 25% for multi-state projects. <i>[Sec. 2405]</i>
Conservation Reserve Program		
Sec. 1231(a-d) of the 1985 farm bill (FSA) authorizes the CRP; the program is currently authorized through CY2007 at 39.2 million acres. <i>[16 U.S.C. 3831(a-d)]</i>	Extends authorization through CY2012; retains current acreage enrollment limit. <i>[Sec. 2101(a-b)]</i>	Extends authorization through CY2012. Retains current acreage enrollment limit. Adds pollinator habitat to the general purposes. Expands eligible land to include some types of marginal pastureland and land enrolled in a new flooded farmland program. <i>[Sec. 2311(a-c)]</i>
Sec. 1231(f) of the FSA, as amended, lists priority areas as the Chesapeake Bay region (PA, MD, VA), the Great Lakes Region, and Long Island Sound. <i>[16 U.S.C. 3831f]</i>	Deletes states but retains Chesapeake Bay region. <i>[Sec. 2101(b)]</i>	Similar to the House bill; also adds to the list the prairie pothole region, the Grand Lake St Mary's Watershed, and the Eastern Snake Plain Aquifer. <i>[2311(d)]</i>
Sec. 1231(h) of the FSA, as amended, authorizes a one million acre pilot program within the CRP for wetlands and buffer areas. <i>[16 U.S.C. 3831h]</i>	Extends program through CY2012. <i>[Sec. 2101(e)]</i>	Extends program through CY2012; expands eligibility to include certain shallow water areas and certain agricultural drainage water treatment collection areas, and expands the eligible buffer acreage. <i>[2311(e)]</i>
Sec. 1232(a)(7) of the FSA, as amended, specifies a duty of participants is limiting commercial uses, including haying and grazing on enrolled lands; allows managed haying/grazing under certain circumstances. <i>[16 U.S.C. 3832a(7)]</i>	Allows managed haying and grazing to control invasive species, and adds detail on allowed uses, enrolled lands, and adjustments to annual contract payments. <i>[Sec. 2101(f)]</i>	Allows managed haying and grazing to control invasive species and permits managed haying and grazing that is a part of a conservation plan. <i>[Sec. 2311(h)]</i>
Sec. 1234(c) of the FSA, as amended, establishes a framework for calculating annual rental payments. <i>[16 U.S.C. 3834c]</i>	Requires USDA to conduct and make available an annual survey of dryland and irrigated cropland cash rental rates in all counties with more than 20,000	Similar to the House bill; also requires USDA to give preference to local owners or operators when considering competing offers providing equivalent

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	acres of crop and pasture land. <i>[Sec. 2101(g)]</i>	benefits. <i>[Sec. 2311(j)]</i>
Sec. 1235(e) of the FSA, as amended, allows USDA to terminate CRP contracts after five years if contract was in effect before 1/1/95. <i>[16 U.S.C. 3835e]</i>	Allows USDA to terminate any contract after five years, but prohibits terminating contracts for land enrolled under a continuous signup. <i>[Sec. 2101(i) and (j)]</i> Amends sec. 1235 (Contracts) to facilitate the transfer of CRP land from a retiring owner to a beginning or socially-disadvantaged producer to return land to production, and allows new owner to begin land improvements or start organic certification process one year before CRP contract expires. <i>[Sec. 2101(h)]</i>	Allow USDA to terminate a contract if a retired or disabled producer has endured financial hardship because of taxes on rental payments. <i>[Sec. 2311(k)]</i>
No comparable provision.	No comparable provision.	Creates new Flooded Farmland Program for the Prairie Pothole region within the CRP. Allows continuous enrollment. Eligible land parcels must exceed 5 acres, been incapable of production preceding 3 crop years, have a cropping history, and have no natural outlet. <i>[Sec. 2312]</i>
No comparable provision.	No comparable provision.	Creates new Wildlife Habitat Program for CRP participants with established softwood pine stands using management practices that benefit wildlife (contracts up to five years). Program ends September 30, 2011. <i>[Sec. 2313]</i>
Wetlands Reserve Program		
The 1996 farm bill amended Sec. 1237(a) of the FSA to authorize WRP, stating its purpose to restore and protect wetlands. <i>[16 U.S.C. 3837a]</i>	Adds to the purposes to create and to enhance wetlands, and to purchase floodplain easements. <i>[Sec. 2102(a)]</i>	No comparable provision.
Sec. 1237(b) of the FSA, as amended, sets maximum enrollment at 2.275 million acres, with an annual calendar year enrollment goal of 250,000 acres. <i>[16 U.S.C. 3837b]</i>	Maximum enrollment set at 3.605 million acres. Sets an annual fiscal year enrollment goal of 250,000 acres, of which not more than 10,000 acres may be flood plain easements. <i>[Sec. 2102(b)]</i>	Sets annual fiscal year enrollment goal of 250,000 acres, with no enrollment after FY2012. <i>[Sec. 2321(1)]</i>

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Sec. 1237(c) of the FSA, as amended, establishes requirements for eligible lands through 2007. <i>[16 U.S.C. 3837c]</i>	Adds riparian areas to eligible wetlands, and makes eligible floodplain land flooded in the past calendar year or at least twice in the past 10 years, and land that contributes to flood water storage, flow, or erosion control. <i>[Sec. 2102(c)]</i>	Replaces 2007 calendar year with FY2012. <i>[Sec. 2321(2)]</i>
Sec. 1237(e) of the FSA, as amended, identifies ineligible land to include lands already planted to timber in the CRP. <i>[16 U.S.C. 3837e]</i>	Expands ineligible lands to include floodplains where restoration practices would not be productive or the land is already protected. <i>[Sec. 2102(d)]</i>	No comparable provision.
Sec. 1237A(f) of the FSA, as amended, states compensation to be paid in cash (in 5 to 30 payments) and not to exceed the fair market value, as reduced by the easement. <i>[16 U.S.C. 3837a(f)]</i>	Limits compensation to lowest of 4 options: percentage of the fair market value; percentage of market value determined by a survey; a geographic cap; or a landowner's offer. Allows USDA to use non-federal contributions to administer program <i>[Sec. 2102(e)]</i>	Limits compensation to lowest of 3 options: an amount necessary to encourage enrollment; a limit for a geographic area; or a landowner's offer. Compensation may be in 1 to 30 payments. <i>[Sec. 2322(b)(3-4)]</i>
Sec.1237C(c) of the FSA, as amended, lists three considerations USDA is to use when considering offers for WRP contracts. <i>[16 U.S.C. 3837c(e)]</i>	Adds new additional criteria for ranking offers (conservation benefits; cost-effectiveness; and offer of a financial contribution) and conservation benefits of floodplain lands. <i>[Sec. 2102(f)]</i>	No comparable provision.
Sec. 1237D(c)(4) of the FSA, as amended, waives limits for public entities receiving payments through the wetland and environmental enhancement programs. <i>[16 U.S.C. d(c)(4)]</i>	Replaces provision with a new language on Wetland Reserve Enhancement program, where states contribute funds so as to increase payments. <i>[Sec. 2102(g)]</i>	Similar to the House bill. <i>[Sec. 2322(c)]</i>
No comparable provision.	New section adds language authorizing WRP from FY2008-12. <i>[Sec. 2402(h)]</i>	No comparable provision.
No comparable provision.	No comparable provision.	Requires a report to House and Senate Agriculture Committees by 1/1/2010 on the implications of long-term easements on USDA resources. <i>[Sec. 2322(d)]</i>
Conservation Security Program		
The 2002 farm bill amended Secs. 1238A(a-b) of the FSA to establish the Conservation Security Program (CSP) for FY2003-11. Defines eligible	Establishes CSP from FY2012 through FY2017. To be eligible, producers must submit an acceptable offer that addresses "at least one priority resource of	Defines/lists purposes for new CSP and establishes program through FY2012. <i>[Sec. 2341]</i> Note: Establishes new CSP as a conforming amendment,

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producers and eligible lands and excluded lands (land enrolled in multiyear land retirement programs and land not in crop production at least 4 of the preceding six years). <i>[16 U.S.C. 3838a(a-b)]</i>	concern to a minimum level of management intensity.” Eligible land would not include incidental forest land. <i>[Sec. 2103(a)]</i>	reauthorizes existing contracts, and provides \$2.3 billion for administration (available until spent). Prohibits new/renewed contracts under old CSP after farm bill is enacted.
Sec. 1238 of the FSA, as amended, defines 15 terms pertaining to program (base payment, conservation security contract, contract security plan, contract security program, enhanced payment, resource-conserving crop rotation, resource management system, nondegradation standard, and tier I/II/III conservation security contracts). <i>[16 U.S.C. 3838]</i>	Twelve terms are defined that are new terms or differ from current law (including conservation plan, conservation practice, management intensity, nondegradation standard, priority resource of concern, producer, resource-specific index, socially-disadvantaged farmer or rancher, and structural practice). <i>[Sec. 2103(a)]</i>	For all future contracts, the CSP would be replaced by a new Conservation Stewardship Program (CSP), placed within a new Comprehensive Stewardship Incentives Program (see program details below). The program defines 15 terms. <i>[Sec. 2341]</i>
Secs. 1238A(a-b)) of the FSA, as amended, establishes the Conservation Security Program (CSP) for FY2003-11. Defines eligible producers and eligible lands and excluded lands (land enrolled in multiyear land retirement programs and land not in crop production at least 4 of the preceding six years). <i>[16 U.S.C. 3838a(a-b)]</i>	Establishes CSP from FY2012 through FY2017. To be eligible, producers must submit an acceptable offer that addresses “at least one priority resource of concern to a minimum level of management intensity.” Eligible land would not include incidental forest land. <i>[Sec. 2103(a)]</i>	Defines/lists purposes for new CSP and establishes program through FY2012. <i>[Sec. 2341]</i> <i>Note:</i> Establishes new CSP as a conforming amendment, reauthorizes existing contracts, and provides \$2.3 billion for administration (available until spent). Prohibits new/renewed contracts under old CSP after farm bill is enacted.
Secs 1238A(d-3) of the FSA, as amended, specifies terms for 3 tiers of conservation contracts. Identifies topics that may be addressed in contracts. Contracts are 5five years under tier 1, and 5 to 10 years under tiers 2 and 3. Specifies circumstances and requirements for modifying, terminating, and renewing contracts. Contracts may be renewed for 5 to 10 years <i>[16 U.S.C. 3838a(d-e)]</i>	Limits program to one type of contract of five years and describes five elements to be in all contracts, but eliminates list of topics to be addressed. Contracts may no longer be terminated, without penalty, by a producer who is required to modify a contract. Contracts may be renewed for one additional five year period. Adds new provisions on evaluating offers and coordinating with organic certification. <i>[Sec. 2103(a)]</i>	Defines eligible land and eligible producers; land must have been planted to crops 4 of preceding 6 years. Contents of contracts are specified and are for five years, with renewal if certain conditions are met. Specifies considerations in evaluating contract offers, producer duties, enhancement terms, and supplemental payments. Adds provisions on terminating and changing contracts. <i>[Sec. 2341]</i>
Sec. 1238C of the FSA, as amended, specifies that duties of the Secretary include making payments early in each fiscal year, the components of payments for each tier, annual payment limits for each tier (\$20,000 for tier 1, \$35,000 for tier 2, and \$45,000 for tier 3), minimum requirements for practices, and	Alters duties of the Secretary to include identification of priority resources of concern at the state level (limited to 5 concerns in any geographic area of a state). Limits total payments under a contract to \$150,000 (5 years); allows for the environmental needs associated with agriculture to be considered in	Alters duties of the Secretary to include making the program available on a continuous enrollment basis, providing assistance to producers, and maintaining contract and payment information that will support program monitoring and evaluation, and enable specialty crop producers to participate. <i>[Sec. 2341]</i>

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requirements for implementing regulations <i>[16 U.S.C. 3838c]</i>	state allocations; requires USDA to compile data of specified program contract and payment topics. <i>[Sec. 2103 (a)]</i>	
No comparable provision.	Specifies all contracts in effect before enactment date and signed before October 1, 2007, remain in effect, and no new or renewed contracts be entered into under the program after September 30, 2007. <i>[Sec. 2103 (b) and (c)]</i>	No comparable provision.
No comparable provision.	No comparable provision.	Provides for enrollment of up to 79.628 million acres and attempted annual enrollment of 13.273 million acres, nationwide and at a average annual cost of \$19 per acre. Provides for small farm participation, and allocates to each state each year the lesser of 20,000 acres or 2.2% of the eligible land. <i>[Sec. 2341]</i>
No comparable provision.	No comparable provision.	Requires regulations to be issued within 180 days of enactment. <i>[Sec. 2341]</i>
Sec. 1241(a)(3) of the FSA, as amended, authorizes mandatory funding for the CSP at \$1.954 billion for FY2006-10 and \$5.65 billion from FY2006-15. <i>[16 U.S.C. 3841(a)(3)]</i>	For contracts signed before 10/1/07, provides a total of \$1.5 billion in mandatory funding for FY2007-12, and \$1.9 billion for FY2012-17. For contract signed after 10/1/11, provides \$0.5 billion for FY2012 and \$4.6 billion for FY2012-17. <i>[Sec. 2401(b)]</i>	Authorizes \$2.3 billion in mandatory funding for contracts entered into before the date of enactment, (available until spent) and an unspecified amount for the new Conservation Stewardship Program (enrollment in the new program is measured in acres rather than dollars). <i>[Sec. 2401(a)(3-4)]</i>
Environmental Quality Incentives Program		
The 1996 farm bill amended Sec. 1240 of the FSA to authorize EQIP, stating its purpose as promoting production and environmental quality as compatible goals, and optimizing environmental benefits by working in 5 specified areas. <i>[16 U.S.C. 3839aa]</i>	Adds forest management and organic transition to the program purposes. Revises the descriptions of 2 of the 5 purposes to recognize energy conservation and conservation on forest lands. <i>[Sec. 2105(a)]</i>	Adds forest management to the statement of program purposes, and recognizes pollinators and fuels management in the amplifying statements. <i>[Sec. 2351]</i>
Sec. 1240A of the FSA, as amended, defines 6 terms: beginning farmer or rancher, eligible land, land management practice, livestock, practice, and	Adds forestry, forest management practices, and coordinated implementation to the “land management practice” definition. Adds alpacas and bison to the	Adds aquaculture to the “eligible land” definition; forestry is added to the “land management practice” definition; adds conservation planning practices to

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structural practice. <i>[16 U.S.C. 3839aa-1]</i>	“livestock” definition. Adds definitions of “integrated pest management” and “socially disadvantaged farmer or rancher.” <i>[Sec. 2105(b)]</i>	“practices;” defines “producer” to include custom feeding businesses and contract growers; and adds firebreaks to “structural practice.” <i>[Sec. 2352]</i>
Sec. 1240B(a-c) of the FSA, as amended, authorizes EQIP through FY2010. Eligible practices are defined. Contracts are 1 to 10 years. Bidding down is prohibited. <i>[16 U.S.C. 3839aa-2(a-c)]</i>	Reauthorizes through FY2012. Expands types of eligible practices to include organic certification using technical services from approved providers, and improved energy efficiency, renewable energy systems. <i>[Sec. 2105(c)]</i>	Reauthorizes through FY2012. Expands permitted practices to include conservation planning. Limits contracts to a maximum of five years. Removes prohibitions on bidding down. <i>[Sec. 2353(a-c)]</i>
Sec. 1240B(d)(2) of the FSA, as amended, allows limited resource and beginning producers to receive not more than a 90% federal cost share. <i>[16 U.S.C. 3839aa-2(d)]</i>	Adds socially disadvantaged producers, and sets the federal cost share at 90%. Provides increased federal cost-share of 90% for using gasifier technology for certain purposes. <i>[Sec. 2105(d-e)]</i>	Gives up to 90% in financial assistance to socially-disadvantaged and beginning producers. Allows for advanced payments to purchase materials and contracting. <i>[Sec. 2353(c)]</i>
Sec. 1240B(e) of the FSA, as amended, provides incentive payments to perform land management practices, with special emphasis given to practices that promote specified goals. <i>[16 U.S.C. 3839aa-2(e)]</i>	Expands purposes for incentive payments: (1) receiving technical services from approved third party providers, (2) developing a comprehensive nutrient management plan, and (3) implementing energy efficiency and renewable energy projects. Pollinator habitats will receive special emphasis. <i>[Sec. 2105(f)]</i>	Expands purposes receiving special emphasis to include predator species protected under the Endangered Species Act, gray wolves, grizzly bears, and black bears. <i>[Sec. 2353(c)(3)]</i>
Sec. 1240B(g) of the FSA, as amended, requires that 60% of payments go to practices related to livestock production requirement. <i>[16 U.S.C. 3839aa-2(g)]</i>	Extends through FY2012 the 60% of payments to livestock production requirement. <i>[Sec. 2105(g)(2)]</i>	Similar to the House bill. <i>[Sec. 2353(c)(4)]</i>
No comparable provision.	Requires USDA to reserve at least 5% of program funds for beginning and socially disadvantaged producers for at least 90 days after the program funds have been made available. <i>[Sec. 2105(g)]</i>	No comparable provision.
No comparable provision.	No comparable provision.	Gives priority to improving water conservation and air quality, under certain conditions. Requires participants to have/expect at least \$15,000 in gross sales from farming. <i>[Sec. 2353(c)(6)]</i>
No comparable provision.	Expands eligibility to market agencies and custom	See definition of producer above.

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	feeders. <i>[Sec. 2105(h)]</i>	<i>[Sec. 2352]</i>
Sec. 1240C of the FSA, as amended, gives higher priority for participation in EQIP to producers using cost-effective conservation practices and practices that address national conservation priorities. <i>[16 U.S.C. 3839aa-3]</i>	Identifies 5 priorities for program applications. Specifies a streamlined evaluation process for operations with substantial and sound environmental management systems involving a limited number of practices. <i>[Sec. 2105(i)]</i>	Adds a higher priority for improving conservation practices or systems in place at the time of the contract offer. <i>[Sec. 2354]</i>
Sec. 1240E of the FSA, as amended, defines the general contents of a producer's EQIP plan, and calls on the Secretary to avoid duplication with other conservation plans. <i>[16 U.S.C. 3839aa-5]</i>	Adds to the planning requirements the need to be consistent with forest plans, and allows as an acceptable plan consideration of an air or water quality permit that meet regulatory requirements as an acceptable plan. <i>[Sec. 2105(k)]</i>	Forestry language identical to House bill. <i>[Sec. 2356]</i>
Sec. 1240F of the FSA, as amended, provides for USDA funding, information, and training to develop and implement conservation plans. <i>[16 U.S.C. 3839aa-6]</i>	Lists 3 criteria that must be met before USDA can provide assistance for practices with a primary purpose of water conservation. <i>[Sec. 2105 (l)]</i>	No comparable provision.
Sec. 1240H of the FSA, as amended by the 2002 farm bill, provides for a competitive grants program within EQIP, on a matching basis, to implement innovative conservation practices; examples listed are using market systems in pollution reduction, and using innovative practices, such as storing carbon in soil; no funding is specified. <i>[16 U.S.C. 3839aa-8]</i>	Adds detail on qualities of eligible projects, establishes a pilot program for conservation planning in the Chesapeake Bay watershed, and adds a new subsection to assist producers who are meeting state and local regulatory air quality requirements. Provides funding from EQIP: \$30 million (FY2008) rising to \$75 million (FY2012), with specified funds for air quality and for organic and specialty crop producers. <i>[Sec. 2105(m)]</i>	Adds nonindustrial private forest lands to the list of potential recipients of innovative technologies. Adds two items to the list of examples: (1) transfers of innovative technologies to nonindustrial private forest land in production, and (2) assistance for specialty crop production. <i>[Sec. 2358]</i>
Sec. 1240I of the FSA, as amended by the 2002 farm bill, creates a Ground and Surface Water Conservation Program within EQIP for activities that will result in a net savings of ground or surface water; lists 6 types of eligible activities (improve irrigation systems, for example), and provides mandatory funding of \$25 million in FY2002, growing to \$60 million annually in FY2004-07. <i>[16 U.S.C. 3839-aa-9]</i>	Replaces program with a Regional Water Enhancement Program to address water quality, make eligible governmental entities (including irrigation and water districts) and Indian tribes, and to implement program on a regional scale through cooperative agreements. Expands the list of eligible activities and requires the Secretary to identify priority areas. Lists 5 priority areas, which together may receive no more than 50% of available funds.	Amends the funding provisions to provide \$65 million annually for FY2008-12, with \$60 million annually thereafter. Requires that future funding be based on past funding levels and that states with aquifers encompassing multiple states and exceeding a minimum withdrawal rate will receive funding. Provides at least \$20 million for the Eastern Snake Plain Aquifer. <i>[Sec. 2359]</i>

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	Establishes a process for soliciting/selecting proposals and developing implementation agreements. Provides mandatory funds of \$60 million annually through FY2012 (limits administrative expenses to no more than 3% of total). <i>[Sec. 2106]</i>	
Sec. 1240I(c)(2) of the FSA, as amended by the 2002 farm bill, provides \$50 million to carry out water conservation activities in the Klamath River basin (OR, CA) <i>[16 U.S.C. 3839aa-9(c)(2)]</i>	Lists the Klamath River basin as one of the 5 listed priority areas under the Regional Water Enhancement Program. <i>[Sec. 2106 (b)(2)]</i>	No comparable provision. <i>(Note: The Klamath Basin is listed as 1 of 14 priority areas in the Partnerships and Cooperation Program; see above.)</i>
No comparable provision.	No comparable provision.	Adds program at end of EQIP to assist farmers who are converting to organic production (with contracts of 3-4 years). Payments are limited to \$20,000 per year. <i>[Sec. 2360]</i>
No comparable provision.	No comparable provision.	Creates new Chesapeake Bay Watershed Conservation Program, funded at \$165 million for FY2008-12. <i>[Sec. 2361]</i>
Sec. 1241(a)(6) of the FSA, as amended, authorizes EQIP funding, rising from \$0.4 billion in FY2002 to \$1.3 billion in FY2010. <i>[16 U.S.C. 3841(a)(6)]</i>	Authorizes EQIP funding: \$1.25 billion (FY2008), \$1.6 billion (FY2009), \$1.7 billion (FY2010), \$1.8 billion (FY2011), and \$2 billion (FY2012). <i>[Sec. 2401(d)]</i>	Authorizes EQIP funding: \$1.27 billion annually (FY2008-09), \$1.3 billion each (FY2010-FY2012). <i>[Sec. 2401(a)(7)]</i>
Farmland Protection Program		
The 1996 farm bill amended Sec. 1238H of the FSA to authorize the Farmland Protection Program (FPP), defining eligible entity, land, Indian tribes, and programs. <i>[16 U.S.C. 3838h]</i>	Expands eligible land definition to include historic and archaeological resources. <i>[Sec. 2110]</i>	Modifies definition of eligible forest land, and makes eligible other land that is needed for efficient administration of an easement. <i>[Sec. 2371(a)]</i>
Sec. 1238I of the FSA, as amended, establishes FPP to purchase conservation easements to protect topsoil by limiting the land's nonagricultural uses subject to a pending offer. The federal cost may not exceed 50% of the value of the easement; the value of a	Changes program name to Farm and Ranchland Protection Program (FRPP). States will be certified (reviewed every three years) to participate and receive program funds based on 4 listed requirements. States may spend up to 10% of those	Changes the purpose of the program from protecting topsoil to "protecting agricultural use and related conservation values." Adds new requirements: (1) defines requirements for cooperative agreements with participants, (2) restates cost-sharing requirements,

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charitable donation by the seller may not exceed 25% of the value of the easement. If multiple applications are comparable, USDA may not use cost alone to determine which ones to fund. <i>[16 U.S.C. 3838i]</i>	funds for administrative costs. Lists terms and conditions for agreements with eligible entities (agreements reviewed every three years). Provides that USDA may require a contingent right to enforce the easement. <i>[Sec. 2110]</i>	and (3) states the federal investment will be protected while specifying that these easements are not a federal acquisition of property. <i>[Sec. 2317(b)]</i>
Sec. 1241(a)(4) of the FSA, as amended, authorizes mandatory funding for the FPP at; \$50 million in FY2002, \$100 million in FY2003, \$125 million in FY2004 and FY2005, \$100 million in FY2006, and \$97 million in FY2007. <i>[16 U.S.C. 3841(a)(4)]</i>	Mandatory funding for the renamed Farm and Ranchland Protection Program is authorized at; \$125 million in FY2008, \$150 million in FY2009, \$200 million in FY2010, \$240 million in FY2011, and \$280 million in FY2012. <i>[Sec. 2401(c)]</i>	Mandatory funding for the FPP is authorized at \$97 million annually from FY2008 through FY2012. <i>[Sec. 2401(a)(5)]</i>
Grassland Reserve Program		
The 2002 farm bill amended Sec. 1238N of the FSA to authorize the Grasslands Reserve Program (GRP), setting maximum enrollment for at 2.0 million acres (all enrolled parcels in at least 40 contiguous acres). Requires 40% of land enrolled in 10-20 year, and 60% in 30 year agreements. <i>[16 U.S.C. 3838n]</i>	Sets the GRP enrollment ceiling at an additional 1.34 million acres, with at least 60% of these acres to be enrolled using 30 year rental agreements and easements. <i>[Sec. 2104(a) and (b)]</i>	Adds definitions: eligible entity, eligible land, and permanent conservation easement. Provides for GRP enrollment options through a 30 year contract, 30 year easement, and permanent easement. <i>[Sec. 2381]</i>
No comparable provision.	Allows USDA to transfer certain land currently in the CRP into the GRP, but limits the total in any calendar year to no more than 10% of GRP acres enrolled. Requires USDA pay the lowest of four specified ways to calculate fair market value. <i>[Sec. 2104(c)]</i>	Allows USDA to transfer certain land currently in the CRP to be transferred to a permanent easement under GRP, but limits the total transferred in any calendar year to 10% of the total funding available for the GRP in that year. <i>[Sec. 2381]</i>
Sec. 1238O of the FSA, as amended, specifies the duties and requirements of landowners in the GRP, terms of easements and agreements, and how applications are to be evaluated. <i>[16 U.S.C. 3838o]</i>	No comparable provision.	Specifies duties of landowners and USDA considerations in evaluating offers. Specifies how to calculate levels of compensation, and provides technical assistance. <i>[Sec. 2381]</i>
No comparable provision.	No comparable provision.	Specifies terms and conditions that apply to GRP contracts and easements, such as permitted and prohibited uses, minimum requirements for cooperative agreements, and other considerations. <i>[Sec. 2381]</i>

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No comparable provision.	Authorizes a Grasslands Reserve Enhancement Program. <i>[Sec. 2104 (d)]</i>	No comparable provision.
Sec. 1238Q(a) of the FSA, as amended, allows USDA to transfer the title of an easement in the GRP to private organizations or a state. <i>[16 U.S.C. 3838q(a)]</i>	Requires USDA to transfer the title of an easement to a private organizations or a state. <i>[Sec. 2104 (e)]</i>	No comparable provision.
Sec. 1241(a)(5) of the FSA, as amended, limits funding for the GRP to a total of \$254 million from FY2003-07. <i>[16 U.S.C. 3841(a)(5)]</i>	No comparable provision. <i>(Note: Sets acreage enrollment limit in GRP provisions, but no funding limit.)</i>	Total GRP funding limited to \$240 million for FY2008-12, with no acreage enrollment limit. <i>[Sec. 2401(a)(6)]</i>
Wildlife Habitat Incentives Program		
The 1996 farm bill amended Sec. 1240N of the FSA to authorize Wildlife Habitat Incentives Program (WHIP), providing cost-sharing to landowners who improve habitat, with up to 15% of the total made available in any years for agreements that are longer than 15 years. <i>[16 U.S.C. 3839bb-1]</i>	Reauthorizes WHIP through FY2012; allows additional funds to be used to meet regulatory requirements that “reduces the economic scope of the producer’s operation;” increases portion of funds for long-term agreements from 15% to 25% of funding. <i>[Sec. 2112]</i>	Reauthorizes WHIP through FY2012; increases portion of funds for long-term agreements from 15% to 25% of funding; requires USDA to give priority to projects that foster the goals of state, regional, and national fish and wildlife conservation plans. <i>[Sec. 2393]</i>
Sec. 1241(a)(7) of the FSA, as amended, authorizes mandatory funding raising from \$15 million to \$60 million between FY2002-04, and \$85 million annually (FY2005-07). <i>[16 U.S.C. 3841(a)(7)]</i>	Mandatory funding for WHIP is authorized at \$85 million annually through FY2012. <i>[Sec. 2401(e)]</i>	Similar to the House bill. <i>[Sec. 2401(a)(8)]</i>
Other Conservation Programs		
The Healthy Forest Reserve Program (HFRP) was authorized in the Healthy Forest Restoration Act of 2003 (P.L. 108-148). <i>[16 U.S.C. 6571-6578]</i>	No comparable provision.	Moves section to the Conservation Title and expands purpose of improving forest ecosystems to support endangered species recovery, carbon sequestration, and biodiversity. Specifies use of agreements/ easements; federal cost sharing; technical assistance; and role of other agencies. Authorizes appropriations as such sums necessary FY2008-12. <i>[Sec. 2331]</i>
The 2002 farm bill amended Sec. 1238J of the FSA to provide grants to implement a Farm Viability Program. Authorizes appropriations “such sums as	Reauthorizes discretionary funding for program through FY2012. <i>[Sec. 2111]</i>	Similar to the House bill. <i>[Sec. 2396]</i>

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are necessary” through FY2007. <i>[16 U.S.C. 3838j]</i>		
The 1996 farm bill amended Sec. 1240M(e) of the FSA to authorize the Conservation of Private Grazing Land Program. Authorizes appropriations of \$60 million annually through FY2007. <i>[16 U.S.C., 3839bb(e)]</i>	Extends the authorization of appropriations through FY2012. <i>[Sec. 2108]</i>	Similar to the House bill. <i>[Sec. 2392]</i>
The 2002 farm bill amended Sec. 1240O of the FSA to authorize a Grassroots Source Water Protection Program to assist state rural water associations that operate wellhead and groundwater protection programs. Authorizes appropriations of \$5 million annually through FY2007. <i>[16 U.S.C. 3839bb-2]</i>	Authorizes \$20 million annually in discretionary funds (FY2008-12) and one-time funding of \$10 million in mandatory funding to remain available until spent. <i>[Sec. 2107]</i>	Authorizes \$20 million annually in discretionary funding (FY2008-12). <i>[Sec. 2394]</i>
The 2002 farm bill amended Sec. 1240P of the FSA to authorize a Great Lakes Program for Soil Erosion and Sediment Control, and provides \$5 million annually through FY2007. <i>[16 U.S.C. 3839bb-3]</i>	Extends authorization of appropriations through FY2012. <i>[Sec. 2109]</i>	Extends authorization of appropriations through FY2012; specifies program will help implement recommendations of a collaborative restoration strategy, giving priority to certain projects. <i>[Sec. 2395].</i>
Sec. 524(b)(1) of the Federal Crop Insurance Act authorizes an Agricultural Management Assistance Program for listed states that have historic low participation rates in the Federal Crop Insurance Program. <i>[7 U.S.C. 1524(b)]</i>	Adds Hawaii and Virginia to the list of eligible states. Allocates 50% of funds to USDA’s NRCS; 10% to Agricultural Marketing Service (for organic certification assistance); and 40% to the Risk Management Agency. <i>[Sec. 2201]</i>	Reauthorizes the program through FY2012; adds Idaho to the list of eligible states. <i>[Sec. 2601]</i>
Secs. 1528-1537 of the 1981 farm bill (Agriculture and Food Act of 1981, P.L. 108-7) authorizes the Resource Conservation and Development Program (RC&D) to develop and implement a regional plan to address conservation, water/land management, or community development. <i>[16 U.S.C. 1528-1527]</i>	Amends RC&D Program to provide a designated coordinator to assist each approved area. Eliminates requirement to submit a program evaluation to the House and Senate Agriculture Committees before June 30, 2005. <i>[Sec. 2202]</i>	Similar to the House bill. <i>[Sec. 2605]</i>
Sec. 14(h) of the Watershed Protection and Flood Prevention Act (P.L. 106-472) authorizes discretionary and mandatory funding for a Small Watershed Rehabilitation Program. <i>[16 U.S.C. 1012]</i>	Authorizes \$50 million annually in mandatory funding (FY2009-12); extends FY2007 discretionary funding level through FY2012. <i>[Sec. 2203]</i>	Authorizes such sums as necessary in discretionary funding annually (FY2008-12). <i>[Sec. 2604]</i>

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The 2002 farm bill amended Sec. 1241(d) of the FSA to authorize a program to promote regional equity, giving each state a total of at least \$12 million annually from certain mandatory programs. <i>[16 U.S.C. 3841d]</i>	Annual funding for regional equity is raised to at least \$15 million <i>[Sec. 2404]</i>	Annual funding for regional equity is raised to at least \$15 million, and crop insurance payments are added to this calculation. Directs USDA to update state allocation formulas. <i>[Sec. 2402]</i>
The 2002 farm bill amended Sec. 1242 of the FSA to authorize delivery of technical assistance directly or using a third party provider and specifies how providers are to be approved by USDA. Authorizes cooperative agreements with non-federal entities to provide technical assistance. <i>[16 U.S.C. 3842]</i>	Expands use of third party providers using contracts. Specifies providers should get at least prevailing market rates, calls for a review/update of all technical assistance specifications, including the needs of specialty crop producers. <i>[Sec. 2402]</i>	Expands use of third party providers using contracts. Directs USDA to develop national certification criteria and approve established state standards. Provides funding through each conservation program, specifies minimum and maximum contract terms, among other considerations. Includes similar provisions for specialty crop producers as the House bill. <i>[Sec. 2404]</i>
The 2002 farm bill amended Sec. 1244(a) of the FSA to authorize USDA to provide incentives to beginning farmers/ranchers and Indian tribes to participate in conservation programs. <i>[16 U.S.C. 3844(a)]</i>	Expands access to program incentives to include socially disadvantaged and limited resource farmers and ranchers. <i>[Sec. 2405(a)]</i>	No comparable provision. <i>(Note: Support for socially disadvantaged and limited resource farmers/ranchers are in other bill sections.)</i>
The 1990 farm bill amended Sec. 1261 of the FSA to authorize state technical committees (STC), including members and interests to be represented, outlining duties, and specifying that committees are advisory with no implementation or enforcement authority. <i>[16 U.S.C. 3861-3862]</i>	Specifies STC have at least 12 producers representing agriculture; removes requirement for persons knowledgeable about conservation; adds new provisions creating subcommittees and lists potential topics; describes responsibilities in more general terms. <i>[Sec. 2408]</i>	Adds non-industrial private forest land owners to the list of groups represented on the STC. <i>[Sec. 2501]</i>
The 1996 farm bill amended Sec. 351 of the FSA to authorize a National Natural Resources Conservation Foundation to raise private funds that will be used to promote conservation. Program has never been implemented. <i>[16 U.S.C. 5801-5809]</i>	No comparable provision.	Amends numerous provisions authorizing the Foundation. <i>[Sec. 2606]</i>
The 2002 farm bill amended Sec. 2507 of the FSA to authorize USDA to transfer \$200 million of CCC funds to the Bureau of Reclamation for water to at-risk natural desert terminal lakes. <i>[43 U.S.C.</i>	No comparable provision.	Amends the desert terminal lakes provision to allow funds to be used to lease water or to purchase land and related interests in the Walker River Basin. <i>[2607]</i>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<i>2211note]</i>		
New Conservation Programs		
No comparable provision.	Authorizes a new Chesapeake Bay Program for Nutrient Reduction and Sediment Control to carry out restoration, enhancement, and preservation projects. Identifies four specified watersheds. The non-federal cost share for each project will be at least 35%, but will not exceed \$5 million. Sets mandatory funding at \$10 million (FY2008), rising to \$55 million (FY2012). <i>[Sec. 2301]</i>	No comparable provision. (<i>Note:</i> The Chesapeake Bay program is authorized as a part of EQIP.)
No comparable provision.	The “Open Fields” provision authorizes state grants through a new Voluntary Public Access and Habitat Incentive Program to encourage landowners to provide public access for wildlife-dependent recreation. Specifies application contents and award priorities. Authorizes discretionary funding of \$20 million annually through FY2012. <i>[Sec. 2302]</i>	Similar to the House bill, except does not authorize any appropriations. <i>[Sec. 2399]</i> Authorizes appropriations of \$20 million annually through FY2012 authorized under the bill’s Conservation Funding Provisions. <i>[Sec. 2401(a)(9)]</i>
No comparable provision.	Authorizes a new Muck Soils Conservation Program for eligible land, defined by five characteristics. Authorizes appropriations of \$50 million annually through FY2012, with payments between \$300-\$500 per acre. <i>[Sec. 2303]</i>	No comparable provision.
No comparable provision.	Authorizes a new requirement that USDA develop and implement a single simplified application process for conservation programs within one year of enactment. <i>[Sec. 2405(b)]</i>	Similar to the House bill. <i>[Sec. 2405(a)]</i>
No comparable provision. (<i>Note:</i> Current law limits CRP payments to \$50,000 per year, sets payment limits for each of 3 tiers in the CSP, and limits EQIP payments to \$450,000 for all contracts in any six-year period. <i>[16 U.S.C. 3834, 3838c, and 3839aa-7]</i>)	Authorizes new payment limits, deleting existing conservation payment limit language. Limits annual payments to \$60,000 for any single program; limits total payments to \$125,000 under all conservation (except WRP, FRPP, GRP). Defines how payments should be attributed to individuals. <i>[Sec. 2409]</i>	No comparable provision.

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
No comparable provision.	Requires USDA to submit an annual report on specialty crop producer participation in conservation programs, including how to improve producer program access. <i>[Sec. 2406]</i>	No comparable provision.
No comparable provision.	Authorizes a new provision to develop agriculture and forestry based environmental services to promote market-based conservation. Specifies use of USDA-funded research, contracts, and award grants. Establishes a USDA-led Environmental Services Standards Board of senior federal officials to facilitate the development of credit markets and disseminate performance standards to federal agencies. Authorizes \$50 million in discretionary funding, with appropriated amounts to remain available until spent. <i>[Sec. 2407]</i>	Authorizes a new provision to develop agriculture and forestry based environmental service markets, giving priority to developing carbon storage. Directs USDA to use a collaborative process with specified government and non-government interests to develop a framework and identifies relevant framework components (including quantification, accounting, and verification). Requires three reports to Congress. Authorizes discretionary funding of “such sums as are necessary.” <i>[Sec. 2406]</i>
No comparable provision.	Adds income from affiliated packing and handling operations to definition of farm income when calculating adjusted gross income limitation to determine eligibility. <i>[Sec. 2501]</i>	No comparable provision.
No comparable provision.	Allows USDA to encourage development of voluntary sustainable practices for specialty crops. <i>[Sec. 2502]</i>	No comparable provision.
No comparable provision.	Requires USDA to develop information on the importance of productive farmland and designate at least one farmland information center to distribute this and related information. Specifies federal matching funds of at least \$400,000 (not exceeding 0.5% of the amount provided to implement the FRPP). <i>[Sec. 2503]</i>	No comparable provision.
No comparable provision.	Requires USDA to contract with a peanut producer for a four year crop rotation; authorizes appropriations up to \$10 million annually (FY2008-12). <i>[Sec. 2504]</i>	No comparable provision.

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
No comparable provision. <i>(Note: See the Conservation Security Program, above, in existing programs.)</i>	See section 2103 on the Conservation Security Program (described above), for some related changes. For example, the House bill defines “priority resources of concern;” however, the House bill does not create a new program.	Authorizes a new Comprehensive Stewardship Incentives Program to coordinate administration of a new Conservation Stewardship Program (see above) and EQIP. Addresses defined resource concerns, meets regulatory demands, encourages conservation, and promotes conservation and production as compatible goals. <i>[Sec. 2341]</i>
No comparable provision.	No comparable provision.	Authorizes a Discovery Watershed Demonstration Program to reduce loss of nutrients into surface waters in 30 small watersheds in the Upper Mississippi River basin. Authorizes discretionary funds as are necessary. <i>[Sec. 2397]</i>
No comparable provision.	No comparable provision.	Authorizes an Emergency Landscape Restoration Program to repair landscapes damaged by natural events. Replaces two others emergency conservation and watershed programs. <i>[Sec. 2398]</i>
No comparable provision.	No comparable provision.	Authorizes access to conservation provisions to provide 10% of the funds (or acres in the cases of WRP and CRP) to beginning producers who derive at least \$15,000 from selling agricultural products, or socially-disadvantaged producers. <i>[Sec. 2403]</i>
No comparable provision.	No comparable provision.	Directs USDA, at the request of a landowner, to help get “safe harbor” assurances if land enrolled in a program benefits a specie under the Endangered Species Act. <i>[Sec. 2405(b)]</i>
No comparable provision.	No comparable provision.	Directs USDA to assist producers who apply for programs indirectly through certain organizations, if this will increase participation and program benefits; payment limits apply to each producer, not the organization. <i>[Sec. 2405(b)]</i>
No comparable provision.	No comparable provision.	Authorizes a new Agriculture Conservation Experienced Service Program, such that USDA can

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		enter into agreements with organizations to provide technical assistance using qualified individuals 55 years or older. <i>[Sec. 2602]</i>
No comparable provision.	No comparable provision.	Amends the Soil Conservation and Domestic Allotment Act of 1935 by providing definitions and creates new technical assistance provisions. Reauthorizes the Soil and Water Resources Conservation Act of 1977 through 2028; requires a national appraisal of soil, water and related resources to be issued every 10 years. <i>[Sec. 2603]</i>
No comparable provision.	The “sodsaver” provision makes noncropland (including native grassland and pastureland) planted to an insurable crop ineligible for crop insurance for the first four years of planting. <i>[Sec. 11007]</i>	The “sodsaver” provision makes native sods planted to an insurable crop (over 5 acres) ineligible for crop insurance and the noninsured crop disaster assistance program. Directs USDA to report within 180 days of enactment, and annually thereafter, on changes in cropland acreage, by county, since 1995. <i>[Sec. 2608]</i>
No comparable provision.	No comparable provision.	Requires that no producers in Texas lose program benefits as a result of participating in a study of the Ogallala Aquifer’s recharge potential. <i>[Sec. 2609]</i>
No comparable provision.	No comparable provision.	Amends the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) <i>[7 U.S.C. 136o(d)]</i> to require the State Department to pay expenses incurred by EPA employees associated with certain international activities. <i>[Sec. 2610]</i> Amends sec. 33 of FIFRA <i>[7 U.S.C. 136w-8]</i> to allow the EPA Administrator to waive a portion of the pesticide registration service fee under certain circumstances. <i>[Sec. 2612]</i>
No comparable provision.	No comparable provision.	Amends sec. 202(a) of the Colorado River Salinity Control Act <i>[43 U.S.C. 1592(a)]</i> to create a basin states program implementing specified salinity control activities. <i>[Sec. 2611]</i>

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AGRICULTURAL TRADE AND AID (TITLE III)		
P.L. 480 Food Aid		
<p>The Agricultural Trade Development Assistance Act of 1954 [<i>7 U.S.C. 1691a</i>], as amended, authorizes the use of U.S. agricultural commodities and local currencies to combat world hunger and malnutrition; promote sustainable development; expand international trade; develop and expand markets for U.S. agricultural exports; foster development of private enterprise and democratic participation in developing countries; and prevent conflicts. Declares the Sense of Congress that the President should initiate consultations with other food aid donors to consider appropriate food aid levels to meet needs of developing countries, and that the U.S. should increase its food aid contribution.</p>	<p>No comparable provision.</p>	<p>Renames the current law the “Food for Peace Act.” Deletes language making expansion of U.S. agricultural exports an objective of the program. Replaces the Sense of Congress with language stating that, in negotiations, the President shall seek higher levels of food aid to meet legitimate needs of developing countries; ensure that non-governmental organizations, recipient governments, and international entities continue to be eligible to receive food aid resources and to implement programs; and options for providing food aid shall not be subject to limitation with respect to in-kind commodities, funds for commodity procurement, and monetization, under certain conditions. [<i>Secs. 3001-3003</i>]</p>
<p>Trade and Development Assistance (P.L. 480 Title I) provides for concessional financing, i.e., long-term, low-interest loans to developing countries to purchase U.S. agricultural commodities. [<i>7 U.S.C. 1701</i>]</p>	<p>Makes no changes in P.L. 480 Title I.</p>	<p>Renames Title I “Economic Assistance and Food Security.” [<i>Sec. 3004</i>] Makes improving trade capacity of the recipient country an activity that can be supported by local currency payments for P.L. 480 Title I loans.</p>
<p>Emergency and Private Assistance Programs (P.L. 480 Title II) provide U.S. agricultural commodities for emergency and nonemergency assistance.</p> <p>Provides that private voluntary organizations and cooperatives that carry out Title II programs may receive not less than 5% nor more than 10% of available funds (for establishing new programs or meeting other administrative directives). [<i>7 U.S.C. 1722(e)(1)</i>]</p>	<p>Reauthorizes through FY2012, with changes as outlined below.</p> <p>Provides that not less than 7% and not more than 12% of funds available for Title II for support of eligible organizations. Funds may also be used for “developing, implementing and improving monitoring systems of program receiving funds” under Title II. [<i>Secs. 3001(b)(1) and (b)(4)</i>]</p>	<p>Reauthorizes through FY2012, with changes as outlined below.</p> <p>Provides not less than 7.5% of total funds be available from all sources to support eligible organizations. In addition to establishing new programs, inserts new language on “meeting specific administrative, management, personnel, programmatic, and operational activities, and internal transportation and distribution costs” for new and existing programs in foreign countries. [<i>Sec. 3008(2)(A)(ii)</i>]</p>

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<p>No comparable provision.</p> <p>Provisions regarding Private Voluntary Organizations (PVOs) and cooperatives allow for the sale or barter of Title II commodities by PVOs and coops. Sec. 203 allows for the monetization (sale) of not less than 15% of the total of all commodities distributed each fiscal year under non-emergency programs. Proceeds can be used for certain specified purposes. <i>[7 U.S.C. 1723]</i></p> <p>USDA make 2.5 million metric tons (mmt) of commodities available annually through FY2007. Of that amount, a minimum of 1.875 mmt of commodities is available for non-emergency programs annually through FY2007 (and may be waived under certain circumstances only). <i>[7 U.S.C. 1724]</i></p> <p>The Food Aid Consultative Group (FAC) <i>[7 U.S.C. 1725]</i> is composed of the Administrator of USAID, the Secretary of Agriculture, and representatives of PVOs, coops, indigenous NGOs in recipient countries, and U.S. producer groups, who review overall program effectiveness.</p> <p>Title II program administration provides for various administrative procedures including identification of developing country recipients, deadlines for USAID acceptance (or rejection) of a proposal, specifying reasons for denial of proposals, issuance of regulations, and deadlines for submission of commodity orders. Requires the Administrator to</p>	<p>No comparable provision.</p> <p>No comparable provision.</p> <p>Extends authorized levels of assistance through FY2012. <i>[Sec. 3001(d)]</i></p> <p>Extends FAC through FY2012 and requires USAID, in close consultation with the FAC, to submit a report to certain congressional committees on efforts to achieve an integrated and effective food assistance program. <i>[Sec. 3001(f)]</i></p> <p>Provides for program oversight, monitoring, and evaluation, and requires that systems be established to accomplish these tasks. Requires an implementation report be prepared, to be reviewed by GAO, along with annual reporting. Authorizes appropriations up to \$15 million of funds be made available annually (FY2008-12). Requires procedures</p>	<p>Authorizes the USAID Administrator to use funds to assess the types and quality of agricultural commodities used for food aid, and to adjust products and formulations to meet nutrient needs of target populations. <i>[Sec. 3008 (3)(h)]</i></p> <p>Provides for the inclusion of activities involving micro-enterprise and village banking as an authorized use of Title II monetization (sales) proceeds. <i>[Sec. 3009]</i></p> <p>Similar to the House bill. <i>[Sec. 3009]</i></p> <p>Extends FAC through FY2012. Adds representatives of the maritime transportation sector involved in overseas shipping of commodities to the member list. Requires biannual consultations between USAID and the FAC, and requires FAC consultations on issuing draft regulations. <i>[Sec. 3011]</i></p> <p>Adds language allowing for payment to the World Food Program for indirect support costs of donated commodities, along with a report to the relevant congressional committees on such payments. Clarifies the authority to pay indirect costs associated with funds received or generated for programs to PVOs and coops, and requires that project reports be</p>

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<p>report by December 1 each year to relevant committees on program, countries, and commodities approved to date and on the total amount of funds approved for transportation and administrative costs. <i>[7 U.S.C. 1726a]</i></p> <p>Provisions on assistance for stockpiling and rapid transportation, delivery, and distribution of shelf-stable prepackaged foods. Authorizes appropriated grants at \$3 million annually. <i>[7 U.S.C. 1726b]</i></p> <p>No comparable provision.</p> <p>Provisions on commodity determinations establish criteria for eligibility of commodities for disposition. <i>[7 U.S.C. 1731]</i></p> <p>Provisions on the use of the CCC lists the expenses that may be covered by the CCC in carrying out food aid programs. <i>[7 U.S.C. 1736]</i></p> <p>Provisions regarding prepositioning authorize USAID to use Title II (and Title III) funds to procure transport, and store commodities for prepositioning (limited to \$2 million). <i>[7 U.S.C. 18736(c)]</i></p> <p>Annual reporting requirements specify that an annual report on P.L. 480 food aid programs be submitted by January 15 of each year to the relevant congressional committees. <i>[7 U.S.C. 1736a]</i></p> <p>Authority to enter into new P.L. 480 agreements provided through December 31, 2007. <i>[Sec. 408, 7 U.S.C. 1736b]</i></p>	<p>be developed for providing commodities overseas in a timely manner and according to delivery schedules. Changes the date of the required program reports, among other changes. <i>[Sec. 3001 (g)]</i></p> <p>Reauthorizes program and increases appropriations authority from \$3 million to \$7 million annually for FY2008-12. <i>[Sec. 3001(h)]</i></p> <p>Authorizes to be appropriated not less than \$40 million to carry out Sec. 491 of the Foreign Assistance Act of 1961 (22 U.S.C.2292) to provide for famine prevention and relief. <i>[Sec. 3016]</i></p> <p>No comparable provision.</p> <p>No comparable provision.</p> <p>Extends authorization for prepositioning through FY2012. Increases the limit that may be used to preposition commodities from \$2 million to \$8 million. <i>[Sec. 3001 (I)]</i></p> <p>Changes the annual report submission date from January 15 to March 1. Requires an assessment on the progress to reduce food insecurity in countries receiving U.S. food assistance. <i>[Sec. 3001(j)]</i></p> <p>Extends the authority to enter into P.L. 480 agreements to December 31, 2012. <i>[Sec. 3001(k)]</i></p>	<p>submitted in a form that can be readily displayed for public use on the USAID website. <i>[Sec. 3012]</i></p> <p>Reauthorizes program and increases appropriations authority from \$3 million to \$8 million annually for FY2008-12. <i>[Sec. 3013]</i></p> <p>Establishes a pilot program for local and regional purchase of commodities for emergency food aid. Authorizes appropriations of \$25 million annually for FY2009-12. <i>[Sec. 3014]</i></p> <p>Strikes the requirement that a USDA determination of domestic supply needs be made before a commodity is available for food aid. <i>[Sec. 3015]</i></p> <p>Adds costs incurred to improve food aid quality to the list of expenses that can be covered by CCC through advanced appropriations acts. <i>[Sec. 3016]</i></p> <p>Extends authorization for prepositioning through FY2012. Increases cap on funds from \$2 million to \$4 million, among requirements for non-emergency assistance agreements. <i>[Sec. 3017(1)]</i></p> <p>Changes the date of report submission from January 15 to April 1 each year, and requires its distribution to the public by electronic and other means. <i>[Sec. 3017(2)]</i></p> <p>Similar to the House bill. <i>[Sec. 3018]</i></p>

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<p>Authorizes to be appropriated such sums as may be necessary to carry out P.L. 480 food aid programs. [7 U.S.C. 1736f]</p> <p>No comparable provision.</p> <p>The Micronutrient Fortification Program establishes a micronutrient fortification program in food aid recipient countries through year-end 2007. [7 U.S.C. 1736g-2]</p> <p>The John Ogonowski and Doug Berueter Farmer-to-Farmer Program authorizes voluntary technical assistance to raise farm production/incomes in developing and middle income countries, emerging markets, and in Sub-Saharan Africa and the Caribbean Basin. [7 U.S.C. 1737]</p>	<p>Authorizes appropriations of such sums as may be necessary for Title I and III programs, and appropriations of \$2.5 billion for Title II emergency and non-emergency programs. [Sec. 3001(l)]</p> <p>Requires that non-emergency food assistance of not less than \$450 million be available for non-emergency programs. [Sec. 3013]</p> <p>Extends authorization for the program through December 31, 2012, and amends purposes. [Sec. 3001(m)]</p> <p>Provides minimum program funding of \$10 million. Authorizes appropriations of \$10 million to carry out the program in Sub-Saharan African and Caribbean Basin countries, and \$5 million for all other countries. [Sec. 3001(n)]</p>	<p>Reauthorizes discretionary appropriations for P.L. 480 programs and strikes authority to transfer funds between P.L. 480 Titles. [Sec. 3019]</p> <p>Provides that not less than \$600 million be available annually for FY2008-12 to for Title II non-emergency programs. [Sec. 3019(b)]</p> <p>Reauthorizes the program through December 31, 2012. Adds new authority to improve food quality, safety, and other aspects. Eliminates limitation to five countries. [Sec. 3020]</p> <p>Extends program through 2012. [Sec. 3022]</p>
Other Food Aid Programs		
<p>The Food for Progress Act provides commodities to support countries that have made commitments to expand free enterprise in their agricultural economies. [7 U.S.C. 1736o]</p>	<p>Extends program through 2012. [Sec. 3004]</p>	<p>Extends program through 2012. Raises the cap on coverage of costs of transporting commodities to \$48 million annually (FY2009-10). [Sec. 3106]</p>
<p>The McGovern-Dole International Food for Education and Child Nutrition Program makes available U.S. agricultural commodities, financial and technical assistance to carry out food for education and child nutrition programs in foreign countries. Authorizes CCC funding of \$100 million in FY2003 and such sums as may be necessary in FY2004-07. [7 U.S.C. 1736o-1]</p>	<p>Extends program through 2012. Authorizes USDA to carry out the program, providing mandatory (CCC) funding as follows: \$0 (FY2008); \$140 million (FY2009); \$170 million (FY2010); \$230 million (FY2011); \$300 million (FY2012); and \$0 (FY2013). [Sec. 3005]</p>	<p>Extends program through 2012. [Sec. 3107]</p>
<p>The Bill Emerson Humanitarian Trust</p>	<p>Reauthorizes through 2012. [Sec. 3006]</p>	<p>Reauthorizes through 2012 [Sec. 3201(6)], with some</p>

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<p>establishes a reserve of up to 4 million metric tons (mmt) of wheat, rice, corn and sorghum to meet emergency food needs in developing countries when there are unanticipated needs or when U.S. domestic supplies are short. The Trust can also hold cash. <i>[7 U.S.C. 1736f-1 note]</i></p>		<p>changes including (1) provides that the Trust can be held as a combination of cash and commodities (not to exceed 4 mmt.) <i>[Sec. 3201(1)]</i>; (2) allows the commodities in the Trust to be exchanged for funds available under Title II or the McGovern-Dole Program, or for sale in the market (in some cases) <i>[Sec. 3201(2)]</i>; (3) lists the rules for the release of commodities or funds from the Trust; defines emergency in cases of release <i>[Sec. 3201(3)]</i>; and (4) provides rules for USDA to manage the Trust. <i>[Sec. 3201(4)]</i></p>
Export Programs		
<p>Export Credit Guarantees provide for the repayment of credit made available to finance commercial sales of U.S. agricultural commodities. <i>[7 U.S.C. 5622]</i></p>	<p>Repeals the supplier credit guarantee program and the intermediate credit guarantee program. Lifts the 1% origination fee cap. Reduces the term of short term credit guarantees to six months beginning in FY2008. <i>[Sec. 3002]</i></p>	<p>Similar to the House bill; also clarifies how USDA should evaluate the creditworthiness of participating countries. Reduces the minimum volume of guarantees annually from \$5.5 billion to \$5 billion. <i>[Sec. 3101]</i></p>
<p>The Market Access Program (MAP) provides for CCC funding of export market development for U.S. agricultural commodities by eligible trade organizations. Authorizes CCC funding of \$200 million annually. <i>[7 U.S.C. 5623]</i></p>	<p>Makes organic agricultural commodities eligible for MAP promotions. Increases annual MAP funding from \$200 million (FY2007) to \$225 million (FY2008-12). <i>[Sec. 3003]</i></p>	<p>Makes organic agricultural products eligible for CCC funds. Increases funding above baseline level of \$200 million by raising it \$10 million annually until FY2011, with \$200 million for FY2012. <i>[Sec. 3102]</i>.</p>
<p>Technical Assistance for Specialty Crops (TASC) <i>[7 U.S.C. 5680]</i> authorizes USDA to address barriers prohibiting or threatening exports of U.S. specialty crops. Authorizes CCC funds of \$2 million annually (FY2002-07).</p>	<p>Extends authority for CCC funding of TASC through FY2012. Increases funding from \$2 million annually to \$4 million in FY2008, and rising to \$10 million in FY2011-12. <i>[Sec. 3007]</i></p>	<p>Extends authority to use CCC funds for TASC through FY20012 and increases funding by \$19 million over the baseline level. <i>[Sec. 1835]</i></p>
<p>No comparable provision.</p>	<p>Authorizes USDA to enhance U.S. participation in international standard-setting bodies (e.g., Codex Alimentarius Commission; International Plant Protection Convention; and the World Animal Health Organization). Authorizes appropriations as necessary for FY2007-12. <i>[Sec. 3009]</i></p>	<p>No comparable provision.</p>

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Foreign Market Development Cooperator Program (FMDP) [7 U.S.C. 5721] requires USDA to establish and carry out a program to maintain and develop foreign markets for U.S. agricultural commodities and products.	Extends through FY2012. [Sec. 3010]	Increases mandatory funding for FMDP from its current annual level of \$34.5 million for FY2007 by \$5 million annually for FY2008-09, by \$10 million in FY2010. Reverts to baseline levels in 2011 and thereafter.
The Emerging Markets Program (EMP) [7 U.S.C. 5622 note] promotes U.S. agricultural exports in emerging markets. Authorizes direct credits or export credit guarantees of not less than \$1 billion for exports to emerging markets. Requires a portion of export credit guarantees be available to establish or improve facilities and services for U.S. products.	Reauthorizes through FY2012. [Sec. 3011]	Reauthorizes through FY2012. [Sec. 3202 (1)] Permits waiving the requirement that U.S. goods be used in the construction of a facility, if such goods are not available or their use is not practicable. Provides for a guarantee that the term of the depreciation schedule for the facility will not exceed 20 years. [Sec. 3202(2)]
The Export Enhancement Program (EEP) (Section 301, Agricultural Trade Act of 1978) authorizes the CCC to encourage the sale of U.S. agricultural exports in world markets at competitive prices. The CCC may pay a bonus to exporters in markets where the competition is subsidized. [7 U.S.C. 5651]	Extends through FY2012. [Sec. 3012]	Repeals authority for EEP. [Sec. 3103]
Other Trade Provisions		
No comparable provision.	Requires USAID to contribute to the Global Crop Diversity Trust for germ plasm conservation (up to \$60 million over five years, but may not exceed one-fourth of the total of funds contributed to the Trust from all sources). [Sec. 3014]	Similar to the House bill. [Sec. 3021]
No comparable provision.	Directs USAID and USDA to submit a report on efforts to improve planning for food and transportation procurement, including efforts to eliminate bunching of food purchases. [Sec. 3015]	No comparable provision
No comparable provision.	No comparable provision.	Requires USDA, in cooperation with the Department of Labor, to develop standards to certify that U.S. agricultural imports were not produced with the use of abusive forms of child labor. [Sec. 3104]

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The Biotechnology and Agricultural Trade Program [7 U.S.C. 5679] provides for a biotechnology and agricultural trade program to remove, resolve, or mitigate nontariff barriers on U.S. agricultural commodities produced through biotechnology. Authorizes annual appropriations of \$6 million (FY2002-07).	No comparable provision	Extends authority through FY2012. [Sec. 3203]
No comparable provision.	Authorizes USDA to provide technical assistance to limited resource persons that are involved in trade disputes. Authorizes appropriations as necessary. [Sec. 3008]	Similar to the House bill. [Sec. 3204]
No comparable provision.	No comparable provision	Requires the Secretary of Health and Human Services to report to Congress on the importation and use of high protein food ingredients. [Sec. 3206]
NUTRITION (TITLE IV)		
Reauthorization		
Authorities in the Food Stamp Act and other laws covered by the nutrition title generally expired in FY2007. [7 U.S.C. 612c note, 1431e(2), 2020(t), 2025(h), 2025(k), 2026(b), 2028(a), 2034, 2036, 3007(a), 3171 note, 7508(a)]	Extends all expired authorities in the Food Stamp Act and other laws covered by the nutrition title through FY2012. [Sec. 4016, 4019-4021, 4025, 4027, 4028, 4201, 4202, 4203] Amendments made in the House bill generally are part of permanent law.	Extends all significant expired authorities in the Food Stamp Act and other laws covered by the nutrition title indefinitely, with the exception of funding for community food projects (extended through FY2012). [Sec. 4110, 4701, 4801-4803] Amendments generally terminate with FY2012.
Food Stamp Program		
The Food Stamp program is established under the Food Stamp Act. [7 U.S.C. 2011 et seq]	Renames the Food Stamp program as the "Secure Supplemental Nutrition Assistance Program" (SSNAP). [Sec. 4001]	Renames the Food Stamp program as the "Food and Nutrition Program." [Sec. 4001]
Sec. 5(e)(1) of the Food Stamp Act specifies that when determining benefits and, in some cases, judging income eligibility, a standard portion of households' monthly income be disregarded (deducted), as a "standard deduction." The minimum	Increases the minimum standard deduction to \$145 per month, annually indexed to inflation. [Sec. 4006]	Increases the minimum standard deduction to \$140 per month, annually indexed to inflation. [Sec. 4102]

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standard deduction is \$134 per month per household (with differing amounts for AK, HI, the Virgin Islands, and Guam). <i>[7 U.S.C. 2014(e)(1)]</i>		
Sec. 5(e)(3) of the Food Stamp Act specifies that when determining benefits and, in some cases, judging income eligibility, dependent care expenses related to employment, training, or education be disregarded (deducted) from household monthly income. This deduction is capped at \$200 per month for each dependent under age 2 and \$175 per month for all other dependents. <i>[7 U.S.C. 2014(e)(3)]</i>	Removes the caps on dependent care deductions. <i>[Sec. 4007]</i>	Same as the House bill. <i>[Sec. 4103]</i>
Sec. 8(a) of the Food Stamp Act sets the minimum benefit for households of one and two persons at \$10 per month. <i>[7 U.S.C. 2017(a)]</i>	Increases the minimum benefit to 10% of the inflation-indexed cost of the “Thrifty Food Plan” (the maximum benefit) for a one-person household. <i>[Sec. 4013]</i>	Same as the House bill. <i>[Sec. 4109]</i>
Under terms stipulated in USDA appropriations acts since FY2005, combat-related military pay is excluded from household income when determining eligibility and benefits. (Most recently, the Consolidated Appropriations Act, 2008, P.L. 110-161.)	Places into law an exclusion for combat-related military pay. <i>[Sec. 4005]</i>	Same as the House bill. <i>[Sec. 4101]</i>
No comparable provision.	Bars those disqualified from the Food Distribution Program on Indian Reservations (the FDPIR) from the (renamed) food stamp program. <i>[Sec. 4004]</i>	Same as the House bill. <i>[Sec. 4501]</i>
Sec. 5(g) of the Food Stamp Act specifies differing that eligible households’ liquid assets may not be more than \$2,000 (or \$3,000 for a household with an elderly or disabled member). <i>[7 U.S.C. 2014(g)]</i>	Indexes to inflation the dollar limits on assets annually (adjusted to the nearest \$100). <i>[Sec. 4008]</i>	Increases the dollar limits on assets to \$3,500 (\$4,500 for households with an elderly/disabled member) and indexes to inflation these dollar limits annually (adjusted down to the nearest \$250). <i>[Sec. 4104]</i>
No comparable provision.	Excludes tax-qualified education savings as countable assets in judging eligibility. <i>[Sec. 4009]</i>	Same as the House bill. <i>[Sec. 4104]</i>
Sec. 5(g) of the Food Stamp Act specifies rules as to	Excludes all tax-qualified retirement	Same as the House bill. <i>[Sec. 4104]</i>

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which types of retirement plans/accounts/savings are excluded from countable assets in judging eligibility. <i>[7 U.S.C. 2014(g)]</i>	plans/accounts/savings from countable assets in judging eligibility. <i>[Sec. 4010]</i>	
Sec. 6(o) of the Food Stamp Act limits the eligibility requirements of able-bodied adults without dependents (ABAWDs) who are (1) not working (20+ hours a week), (2) in an employment/training program, or (3) in a workfare program three months in every 36-month period. ABAWDs who gain eligibility by meeting one of the three above tests, but later fail to meet these tests, may remain eligible for an additional 3 consecutive months. <i>[7 U.S.C. 2015(o)]</i>	No comparable provision.	Lengthens the basic eligibility period for ABAWDs to 6 months in every 36-month period. Eliminates the current provision extending eligibility for ABAWDs who subsequently fail to meet work/training tests. <i>[Sec. 4107]</i>
Sec. 11(s) of the Food Stamp Act allows states to provide up to five months of transitional food assistance benefits to households that stop receiving federally funded cash assistance under the Temporary Assistance for Needy Families (TANF) program. <i>[7 U.S.C. 2020(s)]</i>	No comparable provision.	Adds permission for states to provide up to 5-months' transitional food assistance benefits to households with children that cease to receive cash aid under a state-funded public assistance program. <i>[Sec. 4108]</i>
No comparable provision.	No comparable provision.	Disqualifies persons found by a court or administrative agency to have intentionally obtained cash by misusing program benefits to obtain money for return of deposits on containers. Disqualifies persons found by a court or administrative agency to have intentionally sold any food that was purchased with program benefits. <i>[Sec. 4305]</i>
Sec. 11(e) of the Food Stamp Act specifies that state "merit system" employees must certify households' program eligibility. <i>[7 U.S.C. 2020(e)(6)]</i>	Specifies that only state agency merit system employees are authorized to make eligibility certifications or: (1) represent the state in communications with client households regarding their application/ participation, (2) participate in making any determinations regarding a household's substantive or procedural compliance with program	No comparable provision.

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	<p>requirements, or (3) make any other required program determinations. Provides exemptions from these restrictions for nonprofit agencies assisting in program outreach and for contracts with automated systems, benefit issuance services, and program information activities. Prohibits use of federal funds for any contract that does not comply with the above requirements, and bars waivers of program rules that do not comply with these requirements. Allows use of employees not in compliance with these requirements in cases of disasters. <i>[Sec. 4015]</i></p>	
<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>Requires USDA to develop standards for identifying major changes in state agency operations (e.g., substantial increases in reliance on automated systems, or potential increases in administrative burdens on applicant or recipient households). If a state implements a major change in operations, it must notify USDA and collect any information USDA needs to identify/correct adverse effects on program integrity/access. <i>[Sec. 4211]</i></p>
<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>Requires that computerized systems for state program operations must (1) be tested adequately before and after implementation, and (2) be operated under a plan for continuous updating (to reflect changed policies and circumstances) and testing (for effects on households and payment accuracy). <i>[Sec. 4212]</i></p>
<p>Sec. 13(b) of the Food Stamp Act specifies that states must attempt to collect all over-issued benefits, unless the state agency demonstrates that collection is not cost-effective. <i>[7 U.S.C. 2022(b)]</i></p>	<p>Permits USDA to make a determination that a state agency has over-issued benefits to a substantial number of households because of a “major systemic error.” If this determination is made, USDA may (1) prohibit the state agency from collecting any resulting over-issuances, and (2) collect the cost of the over-issuances from the state. <i>[Sec. 4018]</i></p>	<p>Same as the House bill. <i>[Sec. 4301]</i></p>

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<p>Sec. 6(c) of the Food Stamp Act specifies that states may require households (except for migrant/seasonal farmworkers, the homeless, and elderly/disabled households with no earned income) to file periodic reports of household circumstances. Households not required to file periodic reports must report any changes in circumstances when they occur. [7 U.S.C. 2015(c)]</p>	<p>No comparable provision.</p>	<p>Allows states to require periodic reporting of changes in household circumstances (versus reporting changes when they occur) by migrant/ seasonal farmworkers, the homeless, and elderly/disabled households with no earned income. Limits the frequency with which these households must report changes (other than changes whereby they exceed monthly income eligibility limits). [Sec. 4105]</p>
<p>Sec. 12 of the Food Stamp Act specifies that participating food retailers and wholesalers may be disqualified for violation of program rules (or, in cases where disqualification would cause hardship to food stamp households, receive a civil money penalty of up to \$10,000 per violation). Disqualification is to be: (1) six months to five years (first violation), (2) 10 months to 10 years (second violation), and (3) permanent on a third violation, a disqualification based on trafficking in benefits, or a finding of the sale of firearms, ammunition, explosives, or controlled substances. An alternative to permanent disqualification allows civil money penalties of up to \$20,000 per incident to be imposed. [7 U.S.C. 2021]</p>	<p>Increases the maximum civil money penalty to \$100,000 per violation. Removes the provision that limits the imposition of money penalties to cases where disqualification would cause hardship to food stamp households. Permits the imposition of <i>both</i> a disqualification and a money penalty. Removes the 6-month and 10-month minimum disqualification requirements. Requires the establishment of procedures whereby participating food concerns may be immediately suspended for “flagrant violations,” pending appeal. [Sec. 4017]</p>	<p>Same as the House bill. Also eases conditions under which bonds are required of a participating food retailer and wholesaler who has violated food stamp rules and wishes to be re-approved for participation. The provision limits the period of time for which bonding is required. [Sec. 4303]</p>
<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>Requires USDA to issue regulations defining dietary supplements: multivitamin-mineral supplements providing prescribed minimum amounts of essential vitamins, minerals and certain prescribed amounts of folic acid and calcium. Requires proposed regulations within one year of enactment, and final regulations within two years of enactment. No dietary supplements may be purchased with program benefits until final regulations have been issued or a voluntary system of labeling for the identification of eligible dietary supplements is certified by USDA. [Sec. 4402]</p>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
Fruits and Vegetables		
<p>Sec. 18(g) of the Richard B. Russell National School Lunch Act requires a fresh fruit and vegetable program. Most recently, this program was funded at a total of \$18.9 million for FY2008 (\$9 million of which is mandatory), and \$9.9 million of which was provided by the Consolidated Appropriations Act of 2008 (P.L. 110-161). This program makes fresh fruits and vegetables available in selected elementary and secondary schools in a limited number of states and on three Indian reservations. <i>[42 U.S.C. 1769(g)]</i></p>	<p>Expands the existing fresh fruit and vegetable program in elementary and secondary schools. Increases annual mandatory funding to \$70 million and makes the program available nationwide in (1) 35 elementary and secondary schools in each state and (2) additional schools in each state in proportion to the state’s student population. No new Indian reservations would be added specifically. Up to 1% of funds may be reserved for federal administration, and states may use up to 5% of their allocation for administrative expenses. <i>[Sec. 4303]</i></p>	<p>Replaces the existing fresh fruit and vegetable program. The new program provides mandatory funding of \$225 million in the first year (indexed for inflation in later years) to make free fresh fruits and vegetables available in selected (by states) elementary schools. Allocates funding among states under a formula distributing about half the money equally among states and apportioning the remainder based on population. At least 100 schools chosen to participate must be on Indian reservations. Annual per-student grants would be determined by states, but must be between \$50 and \$75. Requires an evaluation, providing \$3 million in funding. <i>[Sec. 4904]</i></p>
<p>Sec. 10603 of the 2002 farm bill states that USDA is required to use not less than \$200 million a year in Section 32 funding to purchase fruits, vegetables, and certain other specialty food crops. Of this amount, at least \$50 million a year must be used to acquire fresh fruits and vegetables for schools through the “DoD Fresh” program (using the Defense Department as the procurement agent). <i>[7 U.S.C. 612c-4]</i></p>	<p>Increases the set-aside for the Department of Defense Fresh program (“DoD Fresh”) to \$75 million a year. <i>[Sec. 4301]</i></p>	<p>Provides that, in lieu of purchases required under Sec. 10603, USDA purchase fruits, vegetables, and nuts for use in domestic food assistance programs using Section 32 funds. Minimum purchase amounts are \$390 million for FY2008, rising to \$406 million in FY2012 and for each year thereafter. <i>[Sec. 4907]</i></p>
The Emergency Food Assistance Program (TEFAP)		
<p>Sec. 27 of the Food Stamp Act to use \$140 million of annual appropriations under the Food Stamp Act to purchase food commodities for distribution through TEFAP emergency feeding organizations. Sec. 204(a) of the Emergency Food Assistance Act authorizes annual appropriations of \$60 million for TEFAP administrative and distribution costs. <i>[7 U.S.C. 2036 and 7508(a)]</i></p>	<p>Increases required funding for TEFAP commodities to \$250 million for FY2008; for later years, this amount is indexed annually for food-price inflation. <i>[Sec. 4028]</i> Increases the annual authorization of appropriations for TEFAP administrative and distribution costs to \$100 million. <i>[Sec. 4201]</i></p>	<p>Increases required annual funding for TEFAP commodities to \$250 million. <i>[Sec. 4110]</i> Increases the annual authorization of appropriations for TEFAP administrative and distribution costs to \$100 million. <i>[Sec. 4802]</i></p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
Commodity Supplemental Food Program (CSFP)		
Income eligibility limits for the CSFP are set at 130% of the federal income poverty guidelines for elderly applicants and 185% of the guidelines for households composed of women, infants, and children. <i>[7 U.S.C. 612c note; regulations under Sec. 5 of the 1973 Agriculture and Consumer Protection Act]</i>	Requires USDA to establish income eligibility limits for the CSFP that are the same for all applicants. The limits may not exceed 185% of the poverty guidelines. <i>[Sec. 4203]</i>	Permits CSFP projects to serve low-income elderly persons with income up to 185% of the poverty guidelines, if USDA determines that annual appropriations have enabled every state seeking to participate in the CSFP to participate. <i>[Sec. 4802]</i>
Food Distribution Program on Indian Reservations (FDPIR)		
Sec. 4 of the Food Stamp Act states that, at the request of Indian tribal organizations, a FDPIR may be operated on Indian reservations in lieu of food stamps. <i>[7 U.S.C. 2013]</i>	Authorizes annual appropriations of \$5 million for a fund to purchase traditional and locally grown foods for the FDPIR. Requires that at least 50% of these foods be produced by Native American farmers, ranchers, and producers. Requires a report reviewing the procedures for determining the contents of FDPIR food packages and the adequacy of the packages and any plans to revise them to conform with dietary guidelines. <i>[Sec. 4004]</i>	Similar to the House bill, but: (1) provides authority for the purchase of bison meat for the FDPIR (subject to appropriations), (2) requires a survey of participants to determine which traditional foods are most desired, and (3) does not include a House requirement that at least 50% of distributed foods be produced by Native American farmers, ranchers, and producers. <i>[Sec. 4501]</i>
Senior Farmers' Market Nutrition Program (SFMNP)		
Sec. 4402 of the Farm Security and Rural Investment Act of 2002 established the SFMNP to provide low-income seniors with vouchers for fresh, locally grown fruits, vegetables and herbs usable at farmers' markets, roadside stands, and community-supported agriculture programs. Provides annual mandatory funding of \$15 million. <i>[7 U.S.C. 3007]</i>	Authorizes additional appropriations of \$20 million for FY2008, rising to \$75 million by FY2012. Adds honey to the list of items that may be purchased. Provides that the value of benefits not be considered income or resources for any purposes under any federal, state, or local law. Prohibits states and localities from collecting sales taxes on SFMNP food-voucher purchases. <i>[Sec. 4401]</i>	Provides annual mandatory funding of \$10 million. The value of SFMNP benefits cannot be considered income or resources for any purposes under any federal, state, or local law. States and localities also are prohibited from collecting sales taxes on food purchased with SFMNP vouchers. <i>[Sec. 4701& 4702]</i>
Community Food Projects		
Sec. 25 of the Food Stamp Act authorizes USDA to make grants to non-profit agencies for community food projects that require a one-time infusion of assistance to become self-sustaining. Certain types	Expands the list of projects to be given preference to include emergency food infrastructure initiatives, those dealing with retail access in under-served markets, those integrating urban and metro-area food	Provides \$10 million in annual mandatory funding. <i>[Sec. 4801]</i>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>of projects are to be given preference. The term of a grant may not exceed three years. Not more than \$5 million of annual appropriations under the Food Stamp Act may be used for community food project grants. Of available funds, \$200,000 must be allocated to a special project grant for addressing common community food problems. Federal cost-sharing is not to exceed 50%. <i>[7 U.S.C. 2034]</i></p>	<p>production, and those providing assistance for youth, socially disadvantaged individuals, and groups with limited resources. Increases the maximum term for grants to five years. Authorizes annual appropriations of \$30 million and increases the set-aside for the grant for common community food problems to \$500,000. Raises the federal cost-sharing limit to 75%. <i>[Sec. 4027]</i></p>	
Geographic Preference (Purchase of Locally Produced Foods)		
<p>Sec. 9(j) of the Richard B. Russell National School Lunch Act requires USDA to encourage schools to purchase locally produced foods to the maximum extent practicable and appropriate. Authorizes appropriations of \$400,000 a year (including for start-up grants for equipment and incurred costs). <i>[42 U.S.C. 1758(j)]</i> By regulation, any procurement under USDA entitlement programs, including school meal and other child nutrition programs, must be conducted in a manner that prohibits the use of statutorily or administratively imposed in-state or local geographic preferences (except in cases where federal statute expressly mandates or encourages geographic preference). <i>[7 CFR 3016.60(c), 3016.36(c)(2)]</i></p>	<p>Removes provisions for start-up grant funding to help carry out the locally produced food purchase policy. Requires USDA to allow schools and other institutions receiving funds under the National School Lunch and Child Nutrition Acts to use geographic preference for the procurement of locally produced foods. The Defense Department, acting as a fresh fruit and vegetable procurement agent for schools, also is covered by this rule. <i>[Sec. 4304]</i></p>	<p>Same as the House bill, except that geographic preference would be allowed only for locally grown fruits and vegetables. <i>[Sec. 4902]</i></p>
Special Initiatives		
<p>No comparable provision.</p>	<p>Authorizes annual appropriations of \$10 million for a demonstration competitive grant program (“Initiative to Address Obesity Among Low-Income Americans”) to develop and implement strategies to reduce obesity in the low-income population. Project proposals would be evaluated against criteria including identification of a low-income target audience, incorporation of scientifically based</p>	<p>Provides total mandatory funding of \$50 million for pilot projects to develop and test methods of using the (renamed) Food Stamp program to improve the dietary and health status of participants, including obesity. Project initiatives are to increase the availability and purchase of healthy foods and may include expanded program benefits, greater access to farmers’ markets, incentives to participating food</p>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
	strategies to improve diet quality, commitment to a rigorous evaluation, and inclusion of strategies for after-school food service and improvement of children’s health. Prohibits the use of demonstration funds for projects that limit the use of benefits. <i>[Sec. 4023]</i>	concerns, new approval requirements for participating food concerns, point-of-purchase incentives for program recipients to buy healthy foods, and education programs. Up to 50% of the funding must be used for point-of-purchase incentive projects. <i>[Sec. 4403]</i>
No comparable provision. <i>Note:</i> Puerto Rico receives an annual (indexed) nutrition assistance block grant in lieu of operating a regular Food Stamp program.	Directs a comprehensive study of extending the regular (renamed) Food Stamp program to Puerto Rico. <i>[Sec. 4026]</i>	Same as the House bill, but also provides \$1 million in mandatory funding for the study. <i>[Sec. 4206]</i>
No comparable provision.	No comparable provision.	Provides mandatory funding (\$5 million) for grants to projects for expanding the number of farmers’ markets that accept electronic benefit transfer (EBT) cards used in the (renamed) Food Stamp program. <i>[Sec. 4210]</i>
No comparable provision.	No comparable provision.	Requires a periodically updated study of hunger in the U.S., assessing data and hunger-reduction measures and making policy recommendations. Authorizes annual appropriations of \$50 million for matching grants (1) to food program service providers and nonprofits to assess community hunger problems and meet goals for achieving “hunger-free communities” and (2) to emergency feeding organizations for infrastructure development. Authorizes \$50 million a year for these studies and grants. <i>[Sec. 4405]</i>
No comparable provision.	No comparable provision.	Requires periodic USDA surveys of foods purchased by schools in the School Lunch program and provides mandatory funding of \$3 million for each survey. <i>[Sec. 4901]</i>
Sec. 19 of the Child Nutrition Act authorizes appropriations for “Team Nutrition Network” grants	No comparable provision.	Provides annual mandatory funding of \$3 million for Team Nutrition Network grants. <i>[Sec. 4905]</i>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
to states and local education agencies to carry out nutrition education activities for schoolchildren. <i>[42 U.S.C. 1788]</i>		
No comparable provision.	No comparable provision.	Establishes a pilot project to provide whole grain products as meal supplements (snacks) in after-school programs operated by a limited number of elementary and secondary schools in 6 states and on one Indian reservation. Provides mandatory funding of \$4 million to carry out and evaluate project. Funds are to be derived equally from money otherwise available for the Senior Farmers' Market Nutrition program and community food projects. <i>[Sec. 4912]</i>
No comparable provision.	No comparable provision.	Authorizes a "food employment empowerment and development" (FEED) program with USDA providing grants to public and private nonprofit agencies to encourage the use of community resources to combat hunger through projects that recover unused food and provide job training related to food recovery and preparation. <i>[Sec. 4914]</i>
No comparable provision.	No comparable provision.	Authorizes competitive grants totaling \$10 million annually to expand the capacity and infrastructure of food banks so as to improve their ability to handle "time-sensitive" (perishable) food products, their identification of potential food donors, and procurement of locally produced foods. <i>[Sec. 4915]</i>
AGRICULTURAL CREDIT (TITLE V)		
USDA Farm Ownership Loans		
Requires borrowers for USDA direct farm ownership loans to have training, or farming and ranching experience, that "is sufficient to assure reasonable prospects of success in the proposed farming	No comparable provision.	Expands and clarifies the qualification criteria to allow USDA to take "into consideration all farming experience...without regard to any lapse between farming experiences." <i>[Sec. 5001]</i> Same provision

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
operations.” [7 U.S.C. 1922(a)(2)] Same provision for farm operating loans. [7 U.S.C. 1941(a)(2)]		for farm operating loans <i>Sec. 5101(1)-(2)</i>
Allows direct farm ownership loans to be used for buying a farm or ranch, capital improvements, closing costs, soil/water conservation projects, and refinancing bridge loans. [7 U.S.C. 1923(a)(1)]	No comparable provision.	Adds another loan purpose to allow beginning farmers and ranchers to use a direct farm ownership loan to refinance a guaranteed farm ownership loan. [Sec. 5002]
Allows direct and guaranteed loans for soil and water conservation projects. Gives priority to conservation structures or practices that comply with 16 U.S.C. 3812. Maximum loan size is \$50,000. [7 U.S.C. 1924]	Replaces prior law provision with a new conservation loan guarantee program. Provides loan guarantees or interest rate subsidies for qualified conservation projects to farmers, ranchers or other entities primarily engaged in farming. Gives priority to beginning farmers and ranchers, socially disadvantaged farmers or ranchers, conversion to sustainable or organic production, or structures or practices that comply with 16 U.S.C. 3812. Maximum loan size is \$1 billion, for up to 10 years. Allows guarantees up to \$1 million on between 80% to 90% of the loan amount. Interest rate subsidies range from 3-5%, depending on loan. Authorizes discretionary appropriations of such sums as necessary (FY2008-12). [Sec. 5001]	Adds additional purposes for the conservation loan to include (1) conversion to organic production and (2) certain environmental quality practices. Gives priority to beginning farmers or ranchers, socially disadvantaged farmers or ranchers, and management practices that comply with 16 U.S.C. 3812. Eliminates the maximum loan size provision. [Sec. 5003]
Sets a maximum per borrower of \$200,000 for direct farm ownership loans. [7 U.S.C. 1925]	Raises to \$300,000 the maximum loan per borrower. Requires USDA to establish plans to encourage borrowers to graduate to private or commercial credit. [Sec. 5002]	Similar to House bill, except does not have clause about graduation to other sources of credit. [Sec. 5004]
Authorizes down payment loans on farm real estate to beginning farmers and ranchers up to 40% of the purchase price or appraised value. Maximum property value is \$250,000. Loan duration up to 15 years. Interest rate equals 4%. Requires borrower down payment of 10%. [7 U.S.C. 1935]	Expands eligibility to include socially disadvantaged farmers and ranchers. Raises loan limit to 45% of the lowest of the purchase price, appraised value, or \$500,000. Removes limit on property value. Extends loan duration up to 20 years. Interest rate equals the greater of 1% or the regular direct farm ownership interest rate minus 4%. Reduces borrower down payment requirement to 5%. Requires USDA to	Similar to House bill, except interest rate equals the greater of 2% or the regular direct farm ownership interest rate minus 4%. [Sec. 5005]

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
	establish annual performance goals. <i>[Sec. 5003]</i>	
Creates a pilot program to guarantee loans made by a private seller of a farm or ranch to a beginning farmer or rancher on a contract land sales basis. Available in 5 States, up to 5 loans per state in each of fiscal years 2003-07. <i>[7 U.S.C. 1936]</i>	Makes permanent and nationwide the guarantee program for privately financed contract land sales. Expands eligibility to socially disadvantaged farmers and ranchers. Requires a 5% down payment. Sets maximum purchase price at \$500,000 and a 10-year maximum guarantee. Seller chooses a guarantee plan of either 3 amortized annual installments, or 90% of the outstanding principal. <i>[Sec. 5004]</i>	Similar to House bill, except does not include socially disadvantaged farmers and ranchers, and does not include seller's choice for guaranteed payment of 90% of outstanding principal. <i>[Sec. 5006]</i>
Authorizes USDA loans to any Indian Tribe or tribal corporation to acquire lands within the tribe's reservation or a community in Alaska. <i>[25 U.S.C. 488]</i>	Authorizes loans to purchasers of highly fractioned land. <i>[Sec. 5005]</i>	Similar to House bill. <i>[Sec. 5401]</i>
USDA Farm Operating Loans		
Limits direct farm operating loans to (1) beginning farmers or ranchers, or (2) farmers or ranchers who have received direct operating loans for 6 or fewer years. <i>[7 U.S.C. 1941(c)(1)]</i>	No comparable provision.	Extends by one year (to seven years) the eligibility for a direct operating loan. <i>[Sec. 5101(3)]</i>
Sets a maximum per borrower of \$200,000 for direct farm operating loans. <i>[7 U.S.C. 1943]</i>	Raises to \$300,000 the maximum per borrower. <i>[Sec. 5011]</i>	Similar to House bill. <i>[Sec. 5102]</i>
Limits eligibility for guaranteed operating loans to 15 years (a.k.a., term limits). The 2002 farm bill and successive legislation suspended application of this limit. <i>[7 U.S.C. 1949(b)(1)]</i>	Extends the suspension of term limits for guaranteed operating loans through Jan. 1, 2008. <i>[Sec. 5012]</i>	Repeals the term limits provision on guaranteed operating loans. <i>[Sec. 5103]</i>
Administrative Provisions		
No comparable provision.	No comparable provision.	Creates a pilot program of individual development accounts for beginning farmers and ranchers in at least 15 States. Producers make deposits into savings accounts and receive a matching deposit ranging between 3 to 1 per dollar deposited (maximum \$9,000 matching per year). Withdrawals allowed to

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
		buy farmland; make mortgage payments; buy equipment, breeding stock, or trees; harvest timber; or pay for training. Withdrawals must be made within two years after the last match. Program delivered through private entities that apply for grants up to \$300,000; requires non-federal matching of 25%. Duration is five years, plus two years for withdrawals. Authorizes appropriations of \$10 million annually in FY2008-12. <i>[Sec. 5201]</i>
Requires USDA to include beginning farmers and ranchers in the process when selling or leasing USDA-acquired property. <i>[7 U.S.C. 1985(c)]</i>	Gives first priority to socially disadvantaged farmers and ranchers when USDA sells or leases property. Adds socially disadvantaged farmers to beginning farmers when discussing steps in the process. <i>[Sec. 5021]</i>	Similar to House bill, except does not give priority to socially disadvantaged farmers over beginning farmers. <i>[Sec. 5202(a)]</i>
Reserves loan amounts for beginning farmers and ranchers: 70% of direct farm ownership loans, and of this amount, 60% for down payment loans. Reserves 35% of direct operating loans (FY2003-07). Reserves 25% of guaranteed farm ownership loans, and 40% of guaranteed operating loans. <i>[7 U.S.C. 1994(b)(2)]</i>	Increase the reservation for beginning farmers and ranchers: 75% of direct farm ownership loans, and of this amount 2/3 for the down payment and participation loans. Reserves 50% of direct operating loans in FY2008-12. Reserves 40% of guaranteed farm ownership loans. <i>[Sec. 5022]</i>	Similar to House bill, except refers to “joint financing arrangements” instead of “participation loans.” <i>[Sec. 5202(b)]</i>
Sets loan authorization levels totaling \$3.796 billion for each of FY2003-07, including \$770 million for direct loans (\$205 million for farm ownership loans, and \$565 million for operating loans), and \$3.026 billion for guaranteed loans (\$1 billion farm ownership loans, and \$2.026 billion for operating loans). <i>[7 U.S.C. 1994(b)(1)]</i>	No comparable provision.	Raises loan authorization levels to \$4.226 billion for each of FY2008-12, including \$1.2 billion for direct loans (\$350 million for farm ownership loans and \$850 million for operating loans). No increases for guaranteed loans. <i>[Sec. 5204]</i>
No comparable provision.	Requires USDA to promote the goal of moving borrowers to commercial or other sources of credit when writing regulations. <i>[Sec. 5023]</i>	Similar to House bill. <i>[Sec. 5203]</i>
Requires an interest rate reduction program for guaranteed loans. <i>[7 U.S.C. 1999(a)]</i>	No comparable provision.	Clarifies that the interest rate reduction program be available for new guaranteed operating loans or restructured guaranteed operating loans. <i>[Sec. 5205]</i>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
Allows re-amortization of the repayment of a shared appreciation agreement that is delinquent. <i>[7 U.S.C. 2001(e)(7)(D)]</i>	No comparable provision.	Clarifies that deferral is an available loan servicing tool and that deferral may not exceed one year. <i>[Sec. 5206]</i>
No comparable provision.	Prohibits USDA from studying or entering into a contract for competitive sourcing in the rural development or farm loan programs. <i>[Sec. 5025]</i>	Similar to House bill. <i>[Sec. 5207]</i>
Allows a borrower-owner who is occupying a homestead that is in the possession of USDA because of foreclosure or bankruptcy to have the right of first refusal to reacquire the homestead property at any time during occupancy. <i>[7 U.S.C. 2000(c)(4)(B)]</i>	Extends the right of first refusal to reacquire homestead property during the occupancy period to members of the immediate family of a borrower-owner who is a socially disadvantaged farmer or rancher. <i>[Sec. 5024]</i>	No comparable provision.
Authorizes the Farm Service Agency emergency disaster loans for farmers, ranchers, and aquaculture operations under certain conditions. <i>[7 U.S.C. 1961(a)]</i>	No comparable provision.	Adds eligibility for emergency loans to equine farmers and ranchers. <i>[Sec. 5404]</i>
Defines “farmer” and “farming” to include fish farming. <i>[7 U.S.C. 1991(a)(1)-(2)]</i>	No comparable provision.	Adds commercial fishing to the definition of farmer and farming. <i>[Sec. 6020(c)]</i>
Farm Credit System (FCS)		
Allows voting stock in Banks for Cooperatives to be held only by (1) cooperative associations that are eligible to borrow from the banks; and (2) other banks for cooperatives. <i>[12 U.S.C. 2124(c); 12 U.S.C. 2154a(c)(1)(D)]</i>	Allows other categories of persons and entities who are eligible to borrow from Banks for Cooperatives to hold voting stock, as determined by the board of directors. <i>[Sec. 5031]</i>	No comparable provision.
Sets the par value of capital stock in the Bank for Cooperatives. <i>[12 U.S.C. 2124(b)]</i>	No comparable provision.	Makes a technical correction to refer to par value. <i>[Sec. 5302]</i>
Requires that members of the Farm Credit Administration Board be appointed by the President and confirmed by the Senate. The President designates one as chairman. <i>[12 U.S.C. 2242(a)]</i>	No comparable provision.	Requires Senate confirmation of the President’s choice of chairman. <i>[Sec. 5303]</i>
Defines what types of loans are eligible for the	Allows rural utility (electric or telephone facility)	Similar to House bill, except (1) it recasts loan

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>agricultural mortgage secondary market (Farmer Mac). <i>[12 U.S.C. 2279aa(9)]</i></p> <p>Establishes a risk-based capital test for the Federal Agricultural Mortgage Corporation (Farmer Mac) to determine a sufficient level of capitalization. <i>[12 U.S.C. 2279bb-1(a)]</i></p>	<p>loans to qualify for the agricultural mortgage secondary market (Farmer Mac). Does not apply certain requirements for guarantees and standards to rural utility loans. <i>[Sec. 5032]</i></p> <p>Provides for separate consideration of rural utility (electric and telephone) loans when determining credit risk. <i>[Sec. 5034]</i></p>	<p>standards in terms of agricultural mortgages, and (2) removes congressional review of standards (in 12 U.S.C. 2279aa-8). <i>[Sec.5306(a)-(c)]</i></p> <p>Similar to House bill. <i>[Sec. 5306(d)]</i></p>
<p>Allows any Farm Credit System bank to charge associations in its district for the cost of premiums due to the Farm Credit System Insurance Corporation (FCSIC) by using a specified formula based on accrual status and various government guarantees. <i>[12 U.S.C. 2020(b)]</i></p> <p>Gives the FCSIC Board of Directors power to issue rules and regulations. <i>[12 U.S.C. 2277a-7(10)]</i></p> <p>Allows the FCSIC to collect premiums annually. When the Insurance Fund does not exceed the secure base amount, premiums equal different rates multiplied by outstanding principal of accrual (0.0015), non-accrual (0.0025), and various government-guaranteed (0.00015-0.0003) loans. Allows reduced premiums when the Fund exceeds the secure base amount. The base amount is 2% of outstanding insured obligations of all insured System banks reduced by 90% of federally-insured loans and 80% of state-insured loans. Excess premiums collected in the Fund over the secure base amount are allocated to insurance reserve accounts for each bank and the Financial Assistance Corporation using average daily balances. <i>[12 U.S.C. 2277a-4]</i></p> <p>Requires annual certification, reporting of loan</p>	<p>Replaces the formula for computing assessments with a requirement that the assessment be computed in an equitable manner. <i>[Sec. 5033(a)]</i></p> <p>Gives rule-making authority for “authority to pass along cost of insurance premiums” to FCSIC Board of Directors. <i>[Sec. 5033(h)]</i></p> <p>Removes specification of “annual” when referring to FCSIC premiums. Changes formula for premiums by using different rates and classes of assets: insured obligations after deducting 90% of federally-insured accrual loans and investments and 80% of state-insured accrual loans and investments (0.002), non-accrual loans (0.001), and other than temporarily-impaired investments (0.001). Revises the secure base amount definition to include federal- and state-guaranteed investments. Calculate outstanding principal to include investments. Calculate excess funds using year-end balances and simplify formula to allocate among banks. Terminates reserve fund for Financial Assistance Corp. <i>[Sec. 5033(b)-(f)]</i></p> <p>Gives discretion to FCSIC for timing of certification.</p>	<p>Similar to House bill, except it specifies that the equitable manner be determined by the FCS Insurance Corporation. <i>[Sec. 5301(a)]</i></p> <p>Similar to House bill. <i>[Sec. 5301(b)]</i></p> <p>Similar to House bill. <i>[Sec. 5304]</i></p> <p>Similar to House bill. <i>[Sec. 5305]</i></p>

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balances, and payment of premiums by FCS banks to the FCSIC. <i>[12 U.S.C. 2277a-5]</i>	Premiums are not to be collected more than quarterly. <i>[Sec. 5033(g)]</i>	
No comparable provision.	No comparable provision.	Changes lending authorities of FCS associations (in AL, MS, and LA) by allowing Federal Land Bank Associations to make short-and intermediate-term loans, and Production Credit Associations to make long-term loans. Requires board of directors and stockholder approval. Effective Jan. 1, 2010. <i>[Sec. 5307]</i>
RURAL DEVELOPMENT (TITLE VI)		
Defining Rural Eligibility		
Sec. 343(a) of the Consolidated Farm and Rural Development Act (Con Act), as amended, defines rural as any area other than a city or town with a population greater than 50,000 and the urbanized area contiguous and adjacent to such a city or town. <i>[7 U.S.C. 1991(a)]</i>	Directs USDA to submit a report to the Agriculture Committees: (1) assessing the varying definitions of rural used by USDA; (2) describing the effect of varying definitions on USDA's programs; and (3) recommending changes to better target funds through rural development programs. <i>[Sec. 6001]</i>	Creates a standard definition of rural area that <i>excludes</i> (1) cities of 50,000 or more, (2) urbanized area contiguous and adjacent to a city of 50,000 or more, and (3) any collection of contiguous census blocks with a specific housing density, or adjacent to a city of 50,000 or urban area. <i>[Sec. 6020]</i>
No comparable provision.	Authorizes USDA to review socioeconomic variables as consideration factors in awarding rural development loans and grants, and to issue regulations. <i>[Sec. 6014]</i>	No comparable provision.
Rural Infrastructure: Water and Waste Disposal		
The 2002 farm bill amended the Con Act to authorize USDA to make water and wastewater grants for development projects for the storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas. Authorizes \$30 million in annual appropriations for FY2002-07. <i>[7 U.S.C. 1926(a)(2)(B)(vii)]</i>	Reauthorizes through 2012. <i>[Sec. 6002]</i>	Reauthorizes through 2012. <i>[Sec. 6001].</i>

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The 2002 farm bill amended the Con Act to authorize appropriations for a water/wastewater circuit rider program, providing technical assistance based on a National Rural Water Association program. <i>[7 U.S.C. 1926(a)(22)(C)]</i> Authorizes appropriations of \$15 million for FY2003 and each year thereafter.	Reauthorizes through 2012, authorizing \$25 million for FY2008. <i>[Sec. 6004]</i>	Reauthorizes through 2012, authorizing \$20 million for FY2008. <i>[Sec. 6004]</i>
The 2002 farm bill amended the Con Act to authorize USDA to provide Emergency and Imminent Community Water Assistance Grants to rural areas and small communities comply with the Water Pollution Control Act or Safe Drinking Water Act. <i>[7 U.S.C. 1926a(i)(2)]</i> Authorizes an appropriation of \$35 million annually for FY2003-07.	Reauthorizes through FY2012. <i>[Sec. 6006]</i>	Reauthorizes through FY2012. <i>[Sec. 6011]</i>
No comparable provision.	No comparable provision.	Provides \$135 million in mandatory spending for pending water/wastewater loans, grants and emergency community assistance grants, to be available until expended. <i>[Sec. 6033]</i>
The Con Act, as amended, authorizes USDA to make grants for water systems for rural and native villages in Alaska. Authorizes appropriations of \$30 million annually for FY2001-07. <i>[7 U.S.C. 1926d(d)(1)]</i>	Reauthorizes through FY2012. <i>[Sec. 6007]</i>	Reauthorizes through FY2013. Amends program to provide grants to the Denali Commission for solid waste management and for rural drinking water sites in Alaska (not more than 5% of total program funding). <i>[Sec. 6012]</i>
The 2002 farm bill amended the Con Act to authorize USDA to make grants to private nonprofits for loans to eligible low-income individuals to construct, refurbish, and service household water well systems in rural areas (giving priority to certain grant applicants). Authorizes appropriations of \$10 million annually for FY2003-07. <i>[7 U.S.C. 1926e(d)]</i>	Reauthorizes through FY2012. Amends program to authorize USDA to make grants to private nonprofits for loans to eligible low-income individuals. <i>[Sec. 6008]</i>	Reauthorizes through FY2012. <i>[Sec. 6013]</i>
The 2002 farm bill amended the Con Act to establish a SEARCH grant program, providing technical assistance for water and waste disposal facilities. <i>[7</i>	No comparable provision.	Reauthorizes SEARCH grants and amends program. Provides up to 4% of funds available for water, waste disposal, and essential community facilities to

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<i>U.S.C. 2009ee]</i>		financially distressed communities. Directs USDA to develop a simplified application for applicants. <i>[Sec. 6010]</i>
Rural Broadband and Telecommunications Development		
The 2002 farm bill amended the Con Act to authorize grants to acquire radio transmitters to increase rural coverage by all-hazards weather radio broadcasts of the National Oceanic and Atmospheric Administration. Authorizes appropriation of such sums as needed for FY2002-07. <i>[7 U.S.C. 2008p]</i>	Reauthorizes grants through FY2012. <i>[Sec. 6018]</i>	Similar to the House bill. <i>[Sec. 6026]</i>
The 2002 farm bill amended the Rural Electrification Act (REA) of 1936 <i>[7 U.S.C. 901 et seq.]</i> by authorizing USDA to provide loans and loan guarantees for the costs of providing broadband service to rural areas, as part of the Enhancement of Access to Broadband Service in Rural Areas provisions. <i>[7 U.S.C. 950bb]</i>	Reauthorizes through FY2012. Redefines eligibility and prioritizes loan applications to areas based on number of service providers. Amends definition of rural area. Limits loan terms to 35 years. Extends authority to provide loans to FY2012. Authorizes a National Center for Rural Telecommunications Assessment and authorizes \$1 million in appropriations annually. <i>[Sec. 6023]</i>	Reauthorizes through FY2012. Redefines eligibility and prioritizes loan applications. Prohibits loans to areas served by 3 or more providers. Authorizes \$25 million annually (FY2008-12). Authorizes a National Center for Rural Telecommunications Assessment and authorizes \$1 million in appropriations annually. <i>[Sec. 6110]</i> Establishes which areas are eligible for REA assistance. <i>[Sec. 6105]</i>
Sec. 601(a) <i>et seq.</i> of the REA, as amended, authorizes USDA to provide loans and loan guarantees to electric utilities to serve customers in rural areas. <i>[7 U.S.C. 950bb(b)]</i>	Authorizes the Community Connect Grant Program to provide broadband service for education, public safety, and health care in rural areas. Authorizes appropriations of \$25 million annually (FY2008-12). <i>[Sec. 6024]</i>	Authorizes the Connect the Nation Act and creates a competitive matching grant program to encourage state initiatives for public-private partnerships <i>[Sec. 6201]</i> and authorizes grants to encourage state initiatives <i>[Sec. 6202]</i> to provide broadband service to rural areas. Authorizes appropriations of \$40 million annually (FY2008-12).
Sec. 2333 of the 1990 farm bill (Food, Agriculture, Conservation, and Trade Act, P.L. 101-624) provides grants to non-commercial television that serve rural areas. <i>[7 U.S.C. 950aaa-2]</i> Also, Sec. 2335A authorizes Telemedicine and Distance Learning Services in Rural Areas by providing loans/grants to schools and medical facilities for telecom technologies. <i>[7 U.S.C. 950aaa5]</i>	Reauthorizes the grant program to assist rural public television stations in making the transition from analog to digital broadcast equipment. <i>[Sec. 6028]</i> Reauthorizes Telemedicine and Distance Learning Services in Rural Areas through FY2012. <i>[Sec. 6029]</i>	Reauthorizes appropriations through FY2012. Amends provision: (1) adds library connectivity and public television station digital conversion into the notification; (2) species requirements on how financial assistance is to be used and criteria for prioritizing; (3) requires USDA to notice the amount of financial assistance available to applicants, among other provisions. Renames program the

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
		Telemedicine, Library Connectivity, Public Television, and Distance Learning in Rural Areas, and reauthorizes through FY2012. <i>[Sec. 6302]</i>
The Con Act, as amended, authorizes appropriations for grants for broadcasting systems, funded at \$5 million annually (FY2002-07). <i>[7 U.S.C. 1932(f)]</i>	No comparable provision.	Reauthorizes through FY2012. <i>[Sec. 6016]</i>
No comparable provision.	Directs USDA to prepare a report that develops a comprehensive national broadband strategy. <i>[Sec. 6031]</i>	Directs the Federal Communications Commission, in coordination with USDA, to submit a report to Congress describing a comprehensive rural broadband strategy. <i>[Sec. 6111]</i> Instructs the U.S. Comptroller General of to conduct a study of the Rural Utilities Service administration and of Federal assistance for broadband programs, with recommendations. <i>[Sec. 6113]</i>
The 2002 farm bill amended the REA to authorize USDA to expand 911 access and make telephone loans for rural emergency services. <i>[7 U.S.C. 940e]</i>	Reauthorizes through FY2012. <i>[Sec. 6022]</i>	Reauthorizes through FY2012. Expands eligibility to emergency communication providers. Authorizes USDA to use funds made available for telephone or broadband loans; requires USDA promulgate regulations <i>[Sec. 6107]</i>
Agricultural-Based Rural Economic Development		
The 2002 farm bill amended the Con Act to authorize appropriations for direct and guaranteed loans for rural business development. <i>[7 U.S.C. 1926(a)(11)(D)]</i>	Establishes new criteria for loans and loan guarantees, directing USDA to favor projects that support local/regionally produced agricultural products. <i>[Sec. 6010]</i>	Similar to the House bill, but also: defines “underserved community;” establishes priorities for projects that support community development and marketing, distributing, storing, aggregating, or processing a locally-produced product; sets a per-facility limit of up to \$250,000 in loan/loan guarantees to modify/update facilities; and requires USDA to submit an annual report to Congress. <i>[Sec. 6017]</i>
No comparable provision.	Authorizes appropriations for Appropriate Technology Transfer for Rural Areas at \$5 million annually (FY2008-12). <i>[Sec. 6011]</i>	Similar to the House bill. <i>[Sec. 6018]</i>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
No comparable provision.	No comparable provision.	Establishes Artisanal Cheese Centers to provide educational technical assistance to eligible cheese manufacturing and marketing businesses. <i>[Sec. 6023]</i>
Sec. 231 of the Agricultural Risk Protection Act of 2000 <i>[7 U.S.C. 1621]</i> , as amended by the 2002 farm bill, authorizes USDA to make Value-Added Agricultural Product Development Grants to assist agricultural producers to establish businesses to produce value-added agricultural products, and provide for technical assistance and planning.	Authorizes mandatory funding of \$30 million annually (FY2008-12). <i>[Sec. 6027]</i>	Expands the definition of value-added products. Reduces the maximum grant amount to \$300,000. Authorizes appropriations of such sums as are necessary annually (FY2008-12). <i>[Sec. 6401]</i>
No comparable provision.	No comparable provision.	Amends the Con Act to provide reimbursement payments to “geographically disadvantaged farmers” (e.g., AK, HI) for costs associated with transporting or producing an agricultural commodity. <i>[Sec. 6021]</i>
The 2002 farm bill amended the Con Act authorizing a program to restore historic barns. <i>[7 U.S.C. 2008o(c)]</i>	Reauthorizes through FY2012 and gives priority to projects that identify, document, and conduct research on historic barns and develop and evaluate appropriate techniques or best practices for protecting historic barns. <i>[Sec. 6017]</i>	Similar to the House bill; also establishes a grant may be made for projects that rehabilitate or repair historic barns; preserve historic barns; and identify, document, survey, and conduct research on historic barns/structures. <i>[Sec. 6025]</i>
The 2002 farm bill authorized an Agricultural Innovation Center Demonstration program. <i>[7 U.S.C. 1621]</i>	Reauthorizes the program and provides \$6 million annually (FY2008-12). <i>[Sec. 6025]</i>	No comparable provision
Regional Economic Development and Planning		
The Con Act, as amended, authorizes a Delta Regional Authority, providing funds for 240 counties in 8 states in Mississippi Delta. <i>[7 U.S.C. 2009aa-1]</i>	Reauthorizes appropriations through FY2012. <i>[Sec. 6019]</i>	Reauthorizes appropriations through FY2012; amends program to allow for grants for health care facility development. <i>[Sec. 6029]</i>
The 2002 farm bill amended the Con Act authorizing the Northern Great Plains Regional Authority to make grants and loans and implement a regional development plan. <i>[7 U.S.C. 2009bb-1]</i>	Amends program to eliminate prioritization of activities to be funded. Modifies federal share of administrative expenses. Eliminates Isolated Areas of Distress designation. <i>[Sec. 6020]</i>	Eliminates requirement of a federal member of the commission, unless appointed. Broadens list of eligible organizations. Provides assistance to states in providing regional plans for renewable energy and

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
		transportation. <i>[Sec. 6030]</i>
No comparable provision.	No comparable provision.	Amends the Con Act to authorize a new Northern Border Economic Development Commission (VT, NY, NH, and ME); authorizes appropriations of \$40 million annually (FY2008-12). <i>[Sec. 6034]</i>
The Con Act, as amended, authorizes USDA to make grants to multi-jurisdictional regional planning and development organizations; \$30 million annually through FY2007. <i>[7 U.S.C. 1926(a)(23)]</i>	No comparable provision.	Reauthorizes through FY2012. <i>[Sec. 6005]</i>
The Con Act, as amended, authorizes loans and grants for business and community development. <i>[7 U.S.C. 1932]</i>	No comparable provision.	Directs USDA to continue Rural Economic Area Partnership Zones (NY, ND, and VT) with areas of high unemployment/poverty. <i>[Sec. 6019]</i>
No comparable provision.	Directs USDA, in coordination with the Department of Transportation, to prepare a report on railroad issues regarding the movement of agricultural products, renewable fuels, and economic development. <i>[Sec. 6032]</i>	No comparable provision.
Rural Entrepreneurship and Business Investment Programs		
The 2002 farm bill amended the Con Act to authorize USDA to make Rural Business Opportunity Grants for business development or labor training in rural areas. Authorizes appropriations of \$15 million annually through FY2007. <i>[7 U.S.C. 1926(a)(11)]</i>	Reauthorizes through FY2012. <i>[Sec. 6003]</i>	Similar to the House bill. <i>[Sec. 6002]</i>
The Con Act, as amended, authorizes appropriations for grants to cooperative development centers. <i>[7 U.S.C. 1932(e)(5)]</i>	Authorizes USDA to give preference to grant applications that establish centers for rural cooperative development that demonstrate specified requirements. Authorizes \$50 million annually (FY2008-12). <i>[Sec. 6009]</i>	Similar to House bill. Allows USDA to award multi-year grants to programs as deemed by the Secretary; establishes a cooperative research program; and creates a reserve for socially disadvantaged communities. <i>[Sec. 6015]</i> .

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No comparable provision.	Authorizes a new Rural Entrepreneur and Microenterprise Assistance Program. Authorizes \$20 million annually (FY2008-12). <i>[Sec. 6013]</i>	Authorizes a new Rural Microenterprise Assistance Program, with mandatory spending of \$40 million for FY2008, available until expended. <i>[Sec. 6022]</i>
The 2002 farm bill amended the Con Act, authorizing the Rural Strategic Investment Program, providing an equity generating program for rural business development modeled on the Small Business Investment Companies of the Small Business Administration. <i>[7 U.S.C. 2099dd et seq.]</i>	Limits discretionary funding of not more than \$25 million annually FY2008-2012. Adds planning grant eligibility for “rural heritage sites.” <i>[Sec. 6021]</i>	Authorizes a new Rural Collaborative Investment Program, with mandatory spending of \$135 million for grants and administrative activities. <i>[Sec. 6032]</i>
The 2002 farm bill amended the Con Act, authorizing the Rural Business Investment Program to make loans/grants through regional investment boards. <i>[7 U.S.C. 2009cc-5]</i>	No comparable provision.	Reauthorizes through FY2012, with modifications: debentures may be prepaid at any time; distributions may be made to cover tax liability; USDA fees are limited to an application fee of \$500; and USDA will not be required to operate the program with other federal agencies. <i>[Sec. 6031]</i>
Community Development Programs		
The 2002 farm bill authorizes grants for units of general local government, Indian tribes, to pay the cost of training firefighters and emergency medical personnel. <i>[7 U.S.C. 1621]</i>	Reauthorizes the Rural Firefighters and Emergency Personnel Grant Program, appropriations up to \$30 million annually (FY2008-12). Expands the types of eligible entities. <i>[Sec. 6026]</i>	No comparable provision.
The 2002 farm bill amended the Con Act to authorize the National Rural Development Partnership, a state-federal partnership of community rural development entities. <i>[7 U.S.C. 2008m]</i>	Reauthorizes through FY2012. <i>[Sec. 6016]</i>	Reauthorizes through FY2012. <i>[Sec. 6024]</i>
The 2002 farm bill amended the Con Act to authorize loans and grants for “essential community facilities” (incl. child day care). <i>[7 U.S.C. 1926(a)(19)]</i>	No comparable provision.	Authorizes \$40 million in mandatory spending for loans, grants, and loan guarantees to construct child day care facility grants. <i>[Sec. 6003]</i>
The Con Act, as amended, authorizes the Community Facility Grants Program, limited to \$10 million per fiscal year for grants to local governments, nonprofits, and Indian tribes to provide the federal	No comparable provision	Reserves 0.5% of the funds for community facilities to eligible entities located in freely associated states or outlying areas as defined in the Elementary and Secondary Education Act of 1965. <i>[Sec. 6008]</i>

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share of the cost of developing specific essential community facilities authorizes funds for essential community facilities. <i>[7 U.S.C. 1926(a) 19]</i>		
The Con Act, as amended, authorizes funds for essential community facilities; the maximum amount of a community facility grant cannot exceed 75% of the project costs. <i>[7 U.S.C. 1926(a) 19B]</i>	No comparable provision	Amends to give priority for community facility projects that are carried out with a non-Federal share of funds that is substantially greater than the minimum requirement, as determined by USDA regulation. <i>[Sec. 6009]</i>
The 2002 farm bill amended the Con Act to authorize USDA to provide cost-share grants to tribal colleges and universities for developing essential community facilities in rural areas and universities, as defined in the Higher Education Act of 1965 for developing essential community facilities in rural areas. Authorizes \$10 million in annual appropriation for FY2003-07. <i>[7 U.S.C.1926(a)(25)]</i>	Reauthorizes through FY2012. Amends program to direct USDA to establish a maximum percentage of the cost of a facility covered by a grant. Caps non-federal support to no more than 5% of the facility's total cost. <i>[Sec. 6005]</i>	Reauthorizes through FY2012. Increases the maximum federal grant tribal colleges and universities receive for the cost of developing essential community facilities in rural areas to 95%. <i>[Sec. 6007]</i>
No comparable provision.	No comparable provision	Makes technical changes to address funding for cooperative organizations by allowing for business guarantees of loans. <i>[Sec. 6014]</i>
No comparable provision.	No comparable provision.	Provides grants to expand rural employment opportunities for individuals with disabilities. Authorizes \$2 million annually (FY2008-12). <i>[Sec. 6028]</i>
The Con Act authorizes grants to train farm workers in new technologies and in specialized skills for higher value crops; authorizes appropriations of \$10 million annually through FY2007 <i>[7 U.S.C. 1981q(c)]</i>	No comparable provision.	Reauthorizes through FY2012. <i>[Sec. 6027]</i>
No comparable provision.	Amends the Con Act to authorize grants to improve the technical infrastructure of rural health care facilities at \$30 million annually (FY2008-12). Identifies types of eligible rural health facilities.	Authorizes loans and loan guarantees to improve the technical infrastructure of rural health care facilities. Provides \$50 million in mandatory spending (with at least \$25 million for hospitals with less than 50 acute

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	<i>[Sec. 6012]</i>	care beds). <i>[Sec. 6006]</i>
No comparable provision.	No comparable provision.	Authorizes the Secretary of Housing and Urban Development to provide financial assistance for community-based housing development entities and affordable housing projects, and other requirements. Authorizes appropriations of \$10 million (FY2008); \$15 million annually (FY2009-10). <i>[Secs. 6501-6505]</i>
Other Rural Development Provisions		
The REA, as amended, authorizes USDA to make loans for rural electrification and telephone services and to assist borrower in implementing improvements to electrical and telephone service. <i>[7 U.S.C. 901 et seq.]</i>	No comparable provision.	Inserts “efficiency and” before “conservation;” makes technical changes to loan and grants for electric generation; establishes fees for baseload generation loan guarantees; defers loan payments for improved energy efficiency; defines “rural” and “farm” for borrowing eligibility; and specifies procedures for borrowers. <i>[Secs. 6101-6104; 6109]</i>
The REA, as amended, authorizes USDA to issue bonds for rural electrical generation or telephone purposes. <i>[7 U.S.C. 940c-1(f)]</i>	Reauthorizes through FY2012. <i>[Sec 6030]</i>	Similar to the House bill, but limits guarantees to no more than \$1 billion and establishes technical provisions for bond guarantees. <i>[Sec. 6106]</i>
The REA, as amended, authorizes USDA to make loans for electrical generation in rural areas. <i>[7 U.S.C. 940f]</i>	No comparable provision.	Defines “qualified energy source” and permits loans for electrical generation from renewable sources sold to non-rural residents at sets loan rates. <i>[Sec. 6108]</i>
The REA, as amended, authorizes USDA to make exceptions for electrification borrowers to relieve them of regulatory requirements. <i>[7 U.S.C. 936e]</i>	No comparable provision.	Defines “substantially underserved trust areas” and to authorize USDA to make loan rates as low as 2% to qualified utilities serving these areas. <i>[Sec. 6112]</i>
The 1990 farm bill, as amended, authorizes a rural electronic commerce extension program to provide assistance to rural businesses. <i>[7 U.S.C. 59239e]</i>	No comparable provision.	Reauthorizes through FY2012. <i>[Sec. 6301]</i>
The Housing Act of 1949, as amended, authorizes a loan and grant program to provide housing construction and assistance to farm labor. <i>[42 U.S.C.</i>	No comparable provision.	Amends program to include aquacultural workers. <i>[Sec. 6420]</i>

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<i>1484(f)(3)]</i>		
AGRICULTURAL RESEARCH (TITLE VII)		
Structure and Funding of Research, Education, and Extension		
Current policy functionally categorizes Cooperative State Research, Education, and Extension Service (CSREES) programs for state-level research, education, or extension activities as “formula funded” or “competitive.”	Formally categorizes each existing CSREES program as a “capacity program” or “competitive program,” and designates the current level of funding for each category as “critical base funding.” <i>[Sec. 7101]</i>	Formally categorizes each existing CSREES program as an “infrastructure program” (i.e., capacity program) or “competitive program,” as in the House provision. <i>[Sec. 7401]</i>
The 1994 USDA reorganization act merged the Extension Service with the Cooperative State Research Service to establish CSREES. The Agricultural Research Service (ARS) was established in its current form in 1953. Both agencies are under the jurisdiction of the Undersecretary for Research, Extension, and Economics. <i>[7 U.S.C. 6971]</i>	Establishes a National Agricultural Research Program Office (NARPO) under the Undersecretary, with six sub-offices organized by research focus. The provision integrates the administrative functions of ARS’s and CSREES’s respective National Program Leaders, but retains the separate agencies. <i>[Sec. 7104]</i>	Directs the Undersecretary to coordinate the programs under the authority of the ARS and CSREES national program leaders, as well as the Director of the National Institute of Food and Agriculture. <i>[Sec. 7402]</i>
The National Research Initiative (NRI) grant program is an expansion of a 1990 farm bill program initially authorized in 1965, funded by annual appropriations. The Initiative for Future Agriculture and Food Systems (IFAFS) is a mandatory-funded grant program, which was first authorized in the Agricultural Research, Extension, and Education Reform Act of 1998 (AREERA, P.L. 105-185), reauthorized in the 2002 farm bill. <i>[IFAFS 7 U.S.C. 7621; NRI 7 U.S.C. 450(b)]</i>	Merges the existing NRI and IFAFS grant programs and groups them with all other competitive grant programs currently administered by CSREES to become the National Institute of Food and Agriculture (NIFA). <i>[Sec. 7105]</i>	CSREES is terminated as an agency; all of its competitive and infrastructure programs are to be administered under the National Institute of Food and Agriculture. <i>[Sec. 7401]</i>
Matching funds are not required for NRI and IFAFS grants; they may be required for certain applied research grants. <i>[IFAFS 7 U.S.C. 7621; NRI 7 U.S.C. 450(b)]</i>	Creates two categories of research grants; fundamental research (to be called NRI grants); and applied research (to be called IFAFS grants). Matching funds are required for IFAFS grants, not for NRI grants. Authorizes \$500 million in annual appropriations, and transfers mandatory IFAFS funds to support the merged NRI/IFAFS program.	No comparable provision.

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	<i>[Sec. 7106]</i>	
Most current research and extension programs appear as individual line items in the President’s annual budget request.	Requires the President to submit an annual budget making a single line item request for capacity programs and a single line item request for competitive programs. <i>[Sec. 7102]</i>	No comparable provision.
Sec. 1403 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (NARETPA, Title XIV of P.L. 97-98) sets out the purposes of agricultural research and extension. <i>[7 U.S.C. 3101]</i>	Adds integrating and organizing all USDA research, extension, and education programs; minimizing duplication; and maximizing cooperation to the purposes of the Department’s research mission. <i>[Sec. 7103]</i>	Directs the USDA to submit a “roadmap” that, among other things, describes recommended funding for competitive programs and infrastructure programs as unified categories, with some flexibility in implementation. <i>[Sec. 7402]</i>
Current law limits eligibility for formula funded and other non-competitive research, extension, and education programs to 1862 and 1890 institutions, 1994 institutions (tribally controlled colleges), and Hispanic-serving institutions. <i>[7 U.S.C. 361a, 343]</i>	Expands eligibility for these programs to public non-land grant institutions offering four-year degrees in agriculture (American Association of State Colleges of Agriculture and Renewable Resources, or ASCARR institutions). <i>[Sec. 7102]</i>	Requires the “roadmap” to include consideration of the needs of ASCARR institutions in addition to those of the 1862, 1890, 1994, and Hispanic-serving institutions. <i>[Sec. 7402]</i>
Current law authorizes capacity-building grant programs for 1890 and 1994 institutions, and Hispanic-serving institutions. <i>[7 U.S.C. 3152]</i>	Authorizes the appropriation of such sums as necessary for a new capacity-building grant program for ASCARR institutions. <i>[Sec. 7107]</i>	No comparable provision.
Sec. 1417 of NARETPA makes land grant and non-land grant, high minority enrollment, and secondary and post-secondary institutions eligible for higher education grants. <i>[7 U.S.C. 3152]</i>	Expands eligibility for grants/fellowships for food and agricultural sciences education to include Agriculture in the K-12 Classroom programs, nonprofit organizations, and other institutions of higher education. <i>[Sec. 7206]</i>	Similar to the House bill. <i>[Sec. 7007]</i>
The Hatch Act and Smith-Lever Acts set the minimum amount of federal formula funds spent on multi-state research and extension projects at either 25% or twice the percentage of state matching funds, whichever is less. <i>[7 U.S.C. 361a, 343]</i>	Sets 25% as the minimum amount of federal formula funds that must be expended on multistate research and extension projects. <i>[Sec. 7603]</i>	No comparable provision.
Annual work plans are required from states to receive federal funds under NARETPA, the Hatch Act of 1887 (for research), and the Smith-Lever Act (for	Requires USDA to prepare a report for Congress on how to streamline the submission, reporting requirements, and implementation of plan-of-work	Similar to the House bill. <i>[Sec. 7503]</i>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
extension). [7 U.S.C. 3101, 361a, 343]	requirements. [Sec. 7602]	
The 1998 reseach act (AREERA) requires CSREES to conduct merit reviews of non-competitive research and extension grants, and peer reviews of grants. [7 U.S.C. 7613]	Provides for the continuation, under NIFA, of the mandatory merit and peer review processes for non-competitive and competitive grants. [Sec. 7601]	No comparable provision.
Sec. 1462(a) of NARETPA currently limits the amount of indirect costs that USDA reimburses to institutions that are awarded research, extension, and teaching grants to 19%. [7 U.S.C. 3310]	Amends Sec. 1462(a) to apply the 19% limitation on indirect cost reimbursement to any grant the institution receives, not just competitively awarded grants. [Sec. 7225]	Raises the limitation on reimbursement of indirect costs from 19% to 30% for competitively awarded research, extension, and teaching grants. [Sec. 7027]
Sec. 1408(g)(1) of NARETPA authorizes the National Agricultural Research, Extension, Education, and Economics Advisory Board. [7 U.S.C. 3123]	Increases authorized appropriations for the Advisory Board from \$350,000 to \$500,000 annually. [Sec. 7201]	Similar to the House bill. [Sec. 7002]
Subtitle K of NARETPA authorizes miscellaneous programs. [7 U.S.C. 3311]	No comparable provision.	Authorizes \$19 million annually through FY2012 for grants to the Consortium for Agricultural and Rural Transportation Research and Education. [Sec. 7051]
Provisions Affecting Certain Research Institutions		
Sec. 1417 of NARETPA authorizes grants/fellowships to land grant colleges and universities for food and agricultural sciences education. [7 U.S.C. 3152]	Specifies that the University of the District of Columbia (UDC) be eligible to receive education grants and fellowships. [Sec. 7204]	Similar to the House bill. [Sec. 7004]
Sec. 1447 of NARETPA authorizes grants to upgrade agriculture and food science facilities at the 1890 institutions. [7 U.S.C. 3222b]	Extends eligibility to UDC for grants to upgrade facilities, and authorizes appropriations of \$750,000 annually through FY2012. [Sec. 7212]	Similar to the House bill. [Sec. 7020]
The District of Columbia Public Post-secondary Education Reorganization Act (P.L. 93-471) designates UDC as a land grant institution, with certain exceptions. [88 Stat. 1423]	Makes UDC eligible to receive funds for the Expanded Food and Nutrition Education Program (EFNEP). [Sec. 7512]	Similar to the House bill. [Sec. 7313]
The Hatch Act of 1887 authorizes federal funding for agricultural research in the states/U.S. territories.	Exempts UDC from the matching funds requirement for Hatch Act funds. [Sec. 7513]	Similar to the House bill. [Sec. 7304]

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<i>[7 U.S.C. 361a]</i>		
The 2002 farm bill amended NARETPA Sec. 1444(a)(2) to require that (1) federal support for extension at the 1890 institutions be at least 15% of the amount appropriated for extension at 1862 universities <i>[7 U.S.C. 3221]</i> , and (2) federal support for research at the 1890 institutions be at least 25% of the amount appropriated for research at the 1862 universities. <i>[7 U.S.C. 3222]</i>	Increases the level of required federal support for (1) extension at the 1890 institutions to 20% of the amount appropriated for 1862 extension programs <i>[Sec. 7215]</i> , and (2) research at the 1890 schools to 30% of the amount appropriated for research at the 1862 schools <i>[Sec. 7216]</i>	Similar to the House bill. <i>[Secs. 7017-7018]</i>
Sec. 1434(b) of NARETPA defines which institutions are eligible for animal health/disease funding. <i>[7 U.S.C. 3196]</i>	No comparable provision.	Specifies that 1890 institutions are eligible to receive funding for animal health and disease research. <i>[Sec. 7016]</i>
The 2002 farm bill amended NARETPA Sec. 1449 to phase in increasing state matching funds for federal formula funds for research and extension at the 1890 institutions, reaching the 100% matching level in FY2007. <i>[7 U.S.C. 3222d]</i>	Makes permanent the requirement that states provide a 100% match to federal funds for research and extension at the 1890 colleges. <i>[Sec. 7220]</i>	Similar to the House bill. <i>[Sec. 7022]</i>
Sec. 3 of the Smith-Lever Act (extension) authorizes federal funds for cooperative state extension programs. <i>[7 U.S.C. 343]</i>	No comparable provision.	Makes 1890 institutions eligible for the Children, Youth, and Families Education and Research Network funds. <i>[Sec. 7303]</i>
The McIntire-Stennis Cooperative Forestry Act (P.L. 87-788) authorizes certain forestry research programs. <i>[16 U.S.C. 582]</i>	No comparable provision.	Makes the 1890 institutions eligible for McIntire-Stennis forestry research funds. <i>[Sec. 7310]</i>
Sec. 1447 of NARETPA authorizes grants to upgrade facilities at 1890 institutions. <i>[7 U.S.C. 3222]</i>	Authorizes \$8 million annually for grants to land grant institutions in insular areas to upgrade agriculture and food science facilities. <i>[Sec. 7237]</i>	No comparable provision.
Funding for tropical and subtropical research currently is provided under the Special Research grant program to the land grant institutions in U.S. insular areas. <i>[7 U.S.C. 450i]</i>	No comparable provision.	Within miscellaneous programs, adds authority for a Tropical and Subtropical Agricultural Research competitive grant program limited to the insular area land grant institutions and divided equally between the Caribbean and Pacific basins. Authorizes

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		appropriations of such sums as necessary. <i>[Sec. 7038]</i>
Subtitle K of NARETPA authorizes miscellaneous programs. <i>[7 U.S.C. 3311]</i>	No comparable provision	Establishes a grant program for research, extension, and education programs at land grant institutions in the American Pacific region (AK, HI). <i>[Sec. 7041]</i>
Sec. 1425(c)(2)(B) of NARETPA sets a minimum distribution level and a formula for distribution of any annual appropriation for the Expanded Food and Nutrition Education Program (EFNEP) in excess of the previous year's level. <i>[7 U.S.C. 3175]</i>	Authorizes annual appropriations of \$90 million; sets a minimum \$100,000 annual distribution in EFNEP funds to each land grant institution; sets minimum funding percentages for the 1890 institutions through FY2013; establishes a formula to distribute funds to states after FY2013; and establishes UDC's eligibility to receive EFNEP funds. <i>[Sec. 7604]</i>	Establishes UDC's eligibility to receive EFNEP funds. <i>[Sec. 7313]</i> The bill does not contain other comparable provisions in the House bill.
Sec. 1417(b)(4) of NARETPA authorizes capacity-building grants for research and teaching at high minority-enrollment institutions. <i>[7 U.S.C. 3152]</i>	Extends eligibility for higher education capacity-building grants and fellowships to extension programs at high minority-enrollment institutions. <i>[Sec. 7605]</i>	Similar to the House bill. <i>[Sec. 7005]</i>
Sec. 1455 of NARETPA authorizes grants to Hispanic-serving institutions to strengthen educational capacity, and authorized \$20 million annually in appropriations through FY2007. <i>[7 U.S.C. 3241]</i>	Establishes an endowment fund for Hispanic-serving institutions for basic institutional support. Authorizes appropriations through FY2012 for grant programs and for collaborative extension projects at 1862 institutions. <i>[Sec. 7222]</i>	Similar to the House bill. <i>[Sec. 7024]</i> Also, clarifies Hispanic-serving institutions' eligibility for programs authorized under NARETPA. <i>[Sec. 7001]</i>
The current definition of "Hispanic-serving institution" in NARETPA is based on a formula found in Sec. 316(b)(1) of the Higher Education Act of 1965. <i>[20 U.S.C. 1059]</i>	Changes the definition of a Hispanic-serving institution in NARETPA from one based on a formula to one based on the total enrollment of students being at least 25% Hispanic. <i>[Sec. 7234]</i>	Similar to the House bill. <i>[Sec. 7001]</i>
Sec. 1458 of NARETPA authorizes USDA agencies and land grant institutions to participate in international research, extension, and teaching programs. <i>[7 U.S.C. 3291]</i>	Extends eligibility for participation in international research, extension, and teaching programs to Hispanic-serving institutions. <i>[Sec. 7223]</i>	Similar to the House bill. <i>[Sec. 7025]</i>
Organic Agricultural Research		
Sec. 1672B of the 1990 farm act, as amended,	Adds emphasis on the environmental impact of	Provides \$16 million annually in mandatory funds

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
provides \$3 million annually in mandatory funds to support an organic agriculture research and extension initiative. <i>[7 U.S.C. 5925]</i>	organic farming and on new plant varieties suited to organic farming. Authorizes annual appropriations through FY2012 of \$25 million; and provides \$25 million annually in mandatory funds through FY2012. <i>[Sec. 7310]</i>	through FY2012 to support the organic research and extension initiative. <i>[Sec. 7104]</i>
No comparable provision.	Sense of Congress that in-house funding for ARS research on organic agriculture be at least commensurate with its share of the U.S. food market. <i>[Sec. 7608]</i>	Similar to the House bill. <i>[Sec. 7505]</i>
Sec. 7405 of the 2002 farm bill established the Beginning Farmer and Rancher Development program. <i>[7 U.S.C. 3319f]</i>	No comparable provision.	Authorizes annual appropriations of \$30 million through FY2012; permits grants for farmers/ranchers who convert to certified organic production. <i>[Sec. 7309]</i>
Specialty Crops Research		
The Specialty Crop Competitiveness Act of 2004 (P.L. 108-465) established a specialty crop committee to inform the Advisory Board on research needs. <i>[7 U.S.C. 3123a(c)]</i>	Expand information that the specialty crop committee provides the Advisory Board to include a comprehensive analysis of the specialty crop sector. <i>[Sec. 7204]</i>	No comparable provision.
Sec. 1672 of the 1990 farm act authorizes research and extension grants on specialty crops as a high-priority research area. <i>[7 U.S.C. 5925]</i>	Adds new specialty crop research initiative to the 1998 research act (AREERA). Authorizes annual appropriations of \$100 million through FY2012; provides \$215 million annually in mandatory funds. <i>[Sec. 7411]</i>	Similar to the House bill, but authorizes \$16 million annually in mandatory funds through FY2012. <i>[Sec. 7211]</i>
Food safety research is part of USDA's research, extension, and education mission area, and is included in both intra- and extramural programs.	Authorizes USDA to make competitive grants to universities/others to design and implement programs to improve the safety of fresh-cut produce; authorizes appropriation as necessary, with \$25 million annually in mandatory funds through FY2012. <i>[Sec. 7511]</i>	No comparable provision.
Section 1419A of NARETPA authorizes the Secretary to enter into a wide variety of grants and other collaborative agreements with private and	Requires the Food and Agricultural Policy Research Institute (a university-based economic research institute, in part supported by federal funds) to	No comparable provision.

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
public educational institutions, corporations, and individuals to conduct independent research and public policy analysis on food and agriculture. <i>[7 U.S.C. 3155]</i>	establish a corollary institute specializing in specialty crop policy research (drawing on university expertise in states with specialty crop production). <i>[Sec. 7235]</i>	
Bioenergy Research		
No comparable provision.	Establishes a renewable energy committee to report to the Advisory Board concerning research needs and budget recommendations. <i>[Sec. 7203]</i>	No comparable provision.
Sec. 404 of the 1998 research act (AREERA) establishes an agricultural bioenergy and biobased products research initiative, and authorizes the appropriation of such sums as necessary. <i>[7 U.S.C. 7624]</i>	Establishes a network of federal, state, and private labs to carry out a bioenergy and biobased products research initiative, coordinated by the National Agricultural Research Program Office. Awards grants to entities in the network; authorizes \$50 million annually in appropriations through FY2012. <i>[Sec. 7410]</i>	No comparable provision.
No comparable provision.	Establishes a New Era Rural Technology Program that makes grants available to rural community colleges and technical centers to support training a workforce in bioenergy, renewable energy, and pulp and paper manufacturing; authorizes appropriation as necessary. <i>[Sec. 7312]</i>	Similar to the House bill. <i>[Sec. 7043]</i>
Other Research Provisions		
No comparable provision.	Authorizes USDA to establish animal disease laboratories, conduct research on diseases that constitute a threat to the livestock industry, and gives USDA discretion over the importation and movement of live viruses. <i>[Sec. 7108]</i>	Requires USDA to issue a permit to the Department of Homeland Security (DHS) for work on live Foot and Mouth Disease virus at the National Bio- and Agro-defense Lab; clarifies only the Secretary of Agriculture has the authority to grant and revoke such permits. <i>[Sec. 11016]</i>
The ARS National Animal Disease Center in Ames, Iowa, is currently the highest bio-security lab for	No comparable provision.	Authorizes \$16 million annually through FY2012 to construct a higher-level bio-secure ARS animal

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
animal disease research.		health and disease facility in Bozeman, MT. <i>[Sec. 7508]</i>
Sec. 1415A of NARETPA authorizes a program to defray the school loans of veterinary medical school graduates who agree to serve for limited time periods in under-served areas. <i>[7 U.S.C. 3151]</i>	No comparable provision.	Amends program to require USDA to favor large and mixed animal practitioner shortages in rural areas in initial phases of program implementation. <i>[Sec. 7003]</i>
Sec. 1672(e) of the 1990 farm bill, as amended, authorizes USDA to make grants for research and extension projects in a variety of high priority topic areas. <i>[7 U.S.C. 5925]</i>	Adds nine new subjects to the list of high priority research and extension areas. <i>[Sec. 7305]</i>	No comparable provision.
Sec. 410 of the 1998 research act (AREERA) provides a one-time transfer of \$8 million in mandatory funds to make grants to four national youth groups to support pilot projects in rural areas; also provides authority for appropriations through FY2007. <i>[7 U.S.C. 7630]</i>	Amends the 1998 act to encourage flexibility in making grants to youth organizations; allows the organizations to redistribute grant funds among themselves; authorizes the appropriation of such sums as necessary through FY2012. <i>[Sec. 7408]</i>	Reauthorizes appropriations through FY2012. <i>[Sec. 7209]</i>
A number of international agricultural research exchange opportunities currently are available under several different statutes.	Authorizes appropriations to establish a Borlaug International Agricultural Science and Technology Fellowship Program to promote collaboration between U.S. and foreign agricultural professionals and international research systems. <i>[Sec. 7606]</i>	Similar to the House bill. <i>[Sec. 7042]</i>
The Act of March 4, 1927, authorizes the establishment of the National Arboretum. <i>[20 U.S.C. 191]</i>	Authorizes the construction of a Chinese garden at the National Arboretum, using federal appropriations. <i>[Sec. 7509]</i>	Also authorizes construction of a Chinese garden at the arboretum, but forbids use of appropriated funds. <i>[Sec. 7312]</i>
Subtitle K of NARETPA authorizes miscellaneous programs. <i>[7 U.S.C. 3311]</i>	No comparable provision. No comparable provision. No comparable provision.	Authorizes appropriations for grants to nonprofits to distribute donated vegetable seeds to community food projects in low-income areas. <i>[Sec. 7046]</i> Authorizes appropriations for grants to support farm safety education/outreach. <i>[Sec. 7047]</i> Authorizes appropriations for grants to increase participation of women/under-represented minorities

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
	<p>No comparable provision.</p> <p>No comparable provision.</p> <p>No comparable provision.</p> <p>No comparable provision.</p> <p>No comparable provision.</p>	<p>from rural areas in science, technology, engineering, and math education/careers. <i>[Sec. 7408]</i></p> <p>Establishes a National Farm Management Center to create a public benchmarking database and improve farm financial management training. <i>[Sec. 7037]</i></p> <p>Authorizes appropriations for a research program to develop plant, marine, and microbial products. <i>[Sec. 7049]</i></p> <p>Authorizes a \$1 million annual appropriation to support nonprofit research on international anti-hunger and nutrition activities. <i>[Sec. 7050]</i></p> <p>Authorizes appropriations for competitive grants to establish regional centers of excellence in food systems veterinary medicine. <i>[Sec. 7052]</i></p> <p>Authorizes appropriations for land grant institutions to establish regional centers of excellence for agricultural commodities (incl. poultry sustainability); requires matching funds. <i>[Sec. 7039]</i></p>
<p>No comparable provision.</p>	<p>Prohibits USDA from disposing of land or facilities at the Grazinglands Research Laboratory in El Reno, OK. <i>[Sec. 7109]</i> Authorizes USDA to lease land at the El Reno facility to the University of Oklahoma. <i>[Sec. 7111]</i></p>	<p>No comparable provision.</p>
<p>No comparable provision.</p>	<p>Requires scientists conducting research on biotech crops to receive training in USDA's biotech regulatory regime. Authorizes the certification of third-party providers of such training. <i>[Sec. 7110]</i></p>	<p>No comparable provision</p>
<p>No comparable provision.</p>	<p>Authorizes appropriations for a grant to update USDA's Nutrient Composition Handbook for Beef. <i>[Sec. 7112]</i></p>	<p>No comparable provision.</p>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
No comparable provision.	Sense of Congress that there should be greater support for USDA human nutrition research. <i>[Sec. 7113]</i>	No comparable provision.
Sec. 1433 of NARETPA authorizes animal health and disease research. <i>[7 U.S.C. 3195]</i>	Encourages setting priorities for animal health/disease research through regular regional/national meetings. <i>[Sec. 7213]</i>	No comparable provision.
Sec. 1424(b) of NARETPA authorizes a human nutrition research initiative. <i>[7 U.S.C. 3174]</i>	Adds as a focus of human nutrition research examination of the efficacy of current agriculture policies in promoting the health and welfare of economically disadvantaged populations. <i>[Sec. 7236]</i>	No comparable provision.
Sec. 1672(d) of the 1990 farm bill, as amended, encourages USDA to give funding priority to high-priority collaborative research proposals. <i>[7 U.S.C. 5925]</i>	Requires USDA to give funding priority to collaborative research grants. <i>[Sec. 7303]</i>	No comparable provision.
The 1990 farm bill, as amended, authorizes research and extension on aflatoxin. <i>[7 U.S.C. 5925]</i>	Changes the focus of aflatoxin research and extension from controlling aflatoxin to improving and commercializing control technologies. <i>[Sec. 7304]</i>	No comparable provision.
The 1990 farm bill, as amended, authorizes a nutrient management research and extension initiative. <i>[7 U.S.C. 5925]</i>	Adds dairy cattle waste and regional concerns to the purposes of the nutrient management research and extension initiative. <i>[Sec. 7307]</i>	No comparable provision.
Sec. 1417(i) of NARETPA authorizes a National Food and Agricultural Sciences Teaching Awards. <i>[7 U.S.C. 3152]</i>	No comparable provision.	Adds extension and research to the award program and requires at least one cash award be made per year. <i>[Sec. 7006]</i>
Sec. 604 of AREERA, the 1998 research act, authorizes the Food Animal Residue Avoidance Databank. <i>[7 U.S.C. 7642]</i>	No comparable provision.	Authorizes annual appropriations of \$2.5 million through FY2012. <i>[Sec. 7213]</i>
USDA's FY2000 appropriations act (P.L. 106-7) authorizes grants for education at Alaska Native- and Native Hawaiian-serving institutions. <i>[7 U.S.C. 3242]</i>	No comparable provision.	Permits the Alaskan consortia of institutions to designate fiscal agents for each member institution, and to allocate funds among members. <i>[Sec. 7308]</i>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
In 1994, the Federal Crop Insurance Reform and Department of Agriculture Reauthorization Act (P.L. 103-354) reorganized USDA, including the merger and realignment of certain research agencies. <i>[7 U.S.C. 6971]</i>	No comparable provision.	Gives USDA authority to exchange, sell, or otherwise dispose of ARS' animals, animal products, plants, and plant products (except for seeds, germplasm). <i>[Sec. 7314]</i> Authorizes a pilot program to allow property at the ARS research center and the National Agricultural Library to be leased out. <i>[Sec.7316]</i>
Research on antibiotic-resistant bacteria in livestock is authorized under general statutory authority for federal and state agricultural research.	No comparable provision.	Authorizes a competitive grant program for targeted research on antibiotic-resistant bacteria in livestock. <i>[Sec. 7317]</i>
No comparable provision.	No comparable provision.	Directs USDA to prepare a report, in coordination with other federal agencies, on the prevalence of areas in the U.S. with limited access to affordable and nutritious food, and to make recommendations. <i>[Sec. 7504]</i>
No comparable provision.	No comparable provision.	Requires USDA to prepare a report on: (1) domestic and international markets for products from cloned animals; and (2) the safety of foods from cloned animals (particularly milk). <i>[Sec. 7507]</i>
No comparable provision.	No comparable provision.	Provision concerning the recruitment and hiring processes for ARS and the Forest Service, but does not directly affect research policy. <i>[Sec. 7502]</i>
No comparable provision.	No comparable provision.	Provision concerning the National Finance Center and National Information Technology Center, but not related to USDA's research mission. <i>[Sec. 7502]</i>
FORESTRY (TITLE VIII)		
Cooperative Forestry Programs		
The Forest Land Enhancement Program provided financial aid for private forest practices (mandatory	No reauthorization provision, allowing program to terminate.	No reauthorization provision, allowing program to terminate.

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>spending of \$100 million for FY2002-07). Only about half of \$100 million was spent; the remainder was borrowed for firefighting or cancelled by Congress. <i>[16 U.S.C. 2103]</i> General program authority is provided for under the Cooperative Forestry Assistance Act of 1978 (CFAA, P.L. 95-313), as amended, authorizes USDA to establish a variety of cooperative programs to protect and manage nonfederal forest lands. <i>[16 U.S.C. 2101-2114]</i></p>		
<p>No comparable CFAA provision.</p>	<p>Adds new priorities: (1) conserving working forests, (2) protecting forests from natural threats and restoring forests, and (3) enhancing public benefits from private forests. <i>[Sec. 8001]</i></p>	<p>Similar to the House bill, but with subtle differences in priorities for protecting and restoring forests and for enhancing benefits. <i>[Sec. 8001]</i></p>
<p>No comparable CFAA provision.</p>	<p>No comparable provision.</p>	<p>Authorizes new cost-share grants for local governments, tribes, and non-profits to acquire lands threatened by conversion to non-forest uses and provide public benefits. <i>[Sec. 8002]</i></p>
<p>No comparable CFAA provision.</p>	<p>Adds requirements for financial assistance: state-wide forest assessment of conditions, trends, threats, and priorities and strategies to address threats and describe resources. <i>[Sec. 8002]</i></p>	<p>Adds new requirements for financial assistance: statewide forest plan to identify critical areas; address regional needs; and plan for managing and monitoring forests, achieving national priorities. <i>[Sec. 8004]</i></p>
<p>Sec. 2109(d)(1) of the CFAA defines “State” to include “Trust Territory of the Pacific Islands.” <i>[16 U.S.C. 2109]</i></p>	<p>Replaces “Trust Territory of the Pacific Islands” with “the Federated States of Micronesia, the Republic of the Marshall Islands, the Republic of Palau.” <i>[Sec. 8003]</i></p>	<p>Similar to the House bill. <i>[Sec. 8005]</i></p>
<p>Subsections of the CFAA provide for a USDA Coordinating Committee, to coordinate among agencies, and for State Coordinating Committees, to coordinate with state foresters and other interested parties. <i>[16 U.S.C. 2113]</i></p>	<p>Replaces USDA Committee with new Forest Resource Coordinating Committee, to coordinate among agencies, state agency representatives, and others. <i>[Sec. 8004]</i> Modifies state committee duties to include recommendations concerning the new state-wide forest assessment and strategies. <i>[Sec. 8004]</i></p>	<p>Exempts projects proposed by Indian tribes from State Coordinating Committee recommendations. <i>[Sec. 8003]</i></p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
	<i>8005]</i>	
No comparable CFAA provision.	Requires a Secretary-determined portion of funds to be allocated competitively among states. <i>[Sec. 8006]</i>	No comparable provision.
No comparable CFAA provision.	Authorizes up to 5% of funding for cost-shared competitively-allocated innovative education, outreach, or technology transfer projects. <i>[Sec. 8006]</i>	No comparable provision.
Other Forestry Provisions		
No comparable provision.	No comparable provision.	Includes definitions and makes tribes eligible for Forest Legacy funding (16 U.S.C. 2103c) and forest management assistance. Authorizes Cultural and Heritage Cooperation, with purposes, definitions, and prohibition on disclosing information, and provides for reburial of human remains and cultural items; for temporary area closures for traditional and cultural purposes; and for free use of forest products for traditional and cultural purposes. <i>[Sec. 8101]</i>
The Healthy Forests Restoration Act of 2003 (P.L. 108-148) authorized easements through FY2008 to protect private forests for endangered species and biodiversity. <i>[16 U.S.C. 6578]</i>	Extends program with \$10 million from the CCC annually through FY2012. <i>[Sec. 8101]</i>	No comparable provision.
The Cooperative Forestry Assistance Act of 1978 (P.L. 95-313) permanently authorized an Emergency Reforestation program. <i>[16 U.S.C. 2106a]</i> It has not been funded since FY1993.	Authorizes a new Emergency Reforestation program as part of the Emergency Conservation program (16 U.S.C. 2201-2204). <i>[Sec. 8102]</i>	No comparable provision.
The Renewable Resources Extension Act of 1978 (P.L. 95-306) authorized educational and technical aid via state extension agencies and eligible universities and colleges. <i>[16 U.S.C. 1671-1676]</i>	No comparable provision.	Extends the program through FY2012. <i>[Sec. 8201]</i>
The Global Climate Change Prevention Act of 1990 within the 1990 farm bill authorized the Forest Service Office of International Forestry through	Extends the program through FY2012. <i>[Sec. 8103]</i>	Extends the program through FY2012. <i>[Sec. 8202]</i>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
FY2007. [7 U.S.C. 6704(d)]		
The 1990 farm bill, as amended, authorized Rural Revitalization Through Forestry via technology transfer, business assistance, and local training, through FY2008. [7 U.S.C. 6601(d)(2)]	Extends the program through FY2012. [Sec. 8104]	No comparable provision.
No comparable provision.	Authorizes competitive forestry grants to Hispanic-serving institutions to recruit, retain, and train “Hispanics and other under-represented groups.” [Sec. 8201]	No comparable provision.
No comparable provision.	No comparable provision.	Amends the Lacey Act Amendments of 1981 (P.L. 97-79; 16 U.S.C. 3371-78) to expand restrictions on and penalties for importing wild plants/parts (e.g., lumber, logs) removed in violation of U.S. or foreign laws. [Sec. 8204]
No comparable provision.	No comparable provision.	Expands boundary of Green Mountain National Forest (VT) to allow additional land acquisition. Authorizes exchange/ sale of specific forest lands to Bromley Mountain Ski Resort, with directions on proceeds use. [Secs. 8204-05]
No comparable provision.	No comparable provision.	For non-salvage timber sale contracts awarded between 7/1/04 and 12/31/06, the purchasers may request that the contract be cancelled, the contract payment rate be redetermined, or a substitute Producer Price Index be used. USDA may agree to the contract modification, if the specified terms and limitations are met. [Sec. 8301]
No comparable provision.	No comparable provision.	Sense of Senate that the President should act to ensure that imports of softwood lumber from Canada are consistent with the U.S.-Canada Softwood Lumber Agreement. [Sec. 11903]

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
ENERGY (TITLE IX)		
Farm and Community Energy Systems		
Sec. 9005 of the 2002 farm bill authorizes appropriations for the Energy Audit and Renewable Energy Development Program for grants to state agencies and organizations to assist farmers and rural businesses to be energy efficient. <i>[7 U.S.C. 8105]</i>	Extends program through FY2012. Funding continues of such sums as necessary for FY2008-12. <i>[Sec. 9004]</i>	Extends program through FY2012, but folds it into the new Rural Energy for America Program where mandatory funding is available (see next section). <i>[Sec. 9007]</i>
Sec. 9006 of the 2002 farm bill authorizes the Renewable Energy Systems and Energy Efficiency Program to assist farmers, ranchers, and rural businesses with renewable energy systems and improving energy efficiency. \$23 million annual mandatory CCC funding for FY2003-07, but with annual spending, shortfalls lapse. <i>[7 U.S.C. 8106]</i>	Renames program “Rural Energy for America Program.” Adds production and sale of electricity by renewable energy systems to loan purposes, and assistance for feasibility studies. Reserves 15% for small projects. Mandatory CCC funds: \$50 million (FY2008), \$75 million (FY2009), \$100 million (FY2010), \$125 million and \$125 million (FY2011-FY2012), respectively. <i>[Sec. 9005]</i>	Renames program similar to House bill. Implements energy audits for state agencies, coops, educational institutions and utilities. Provides grants, loan guarantees and incentive payments for energy efficiency and renewable energy, and manure-to-energy projects. Reserves 20% for small projects. Establishes the Rural Energy Star program. Mandatory funds of \$230 million (FY2008), available until expended. <i>[Sec. 9007]</i>
No comparable provision.	Establishes the Farm Energy Production Pilot Program, with matching grants (up to 75% of cost) to demonstrate energy neutral-farms with existing technologies. Authorizes appropriations of \$5 million (FY2008-12). <i>[Sec. 9010]</i>	No comparable provision.
No comparable provision.	Establishes Future Farmsteads Program to equip and demonstrate five farms and farm households in five regions with energy efficient/producing technologies. Authorized appropriations of such sums as necessary. <i>[Sec. 9015]</i>	Similar to the House bill. <i>[Sec. 9025]</i>
No comparable provision.	Establishes Community Wood Energy Program, with matching grants (up to 50%) for use of local, sustainable wood sources for a community wood energy system. Authorizes appropriations of such sums as necessary. <i>[Sec. 9019]</i>	Provides matching grants for use of local, sustainable wood sources for a community wood energy system based on a Community Wood Energy Plan. Authorizes appropriations of \$5 million annually (FY2008-12). <i>[Sec. 9014]</i>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
No comparable provision.	No comparable provision.	Establishes New Century Farm Project to develop and operate sustainable and integrated biomass — biofuel production systems. Authorizes one-time funding of \$15 million (FY2008-FY2012) until spent. <i>[Sec. 9011]</i>
No comparable provision.	No comparable provision.	Establishes Rural Energy Systems Renewal program, with matching grants (up to 50% of project cost) to fund community energy renewal projects. Authorizes annual appropriations of \$5 million (FY2008-12). <i>[Sec. 9015]</i>
No comparable provision.	No comparable provision.	Establishes program to provide grants to Northeast land-grant universities for research, extension, and demonstration projects for dairy nutrient management and energy development in the Northeast. Authorizes discretionary funds of such sums as are necessary. <i>[Sec. 9023]</i>
No comparable provision.	No comparable provision.	Establishes Voluntary Renewable Biomass Certification Program to certify biomass feedstocks meet standards designed to reduce greenhouse emissions and improve soil carbon content while protecting wildlife habitat/environment. No funds authorized. <i>[Sec. 9016]</i>
No comparable provision.	No comparable provision.	Creates Rural Energy Self Sufficiency program (five annual matching grants up to 75% of cost) for rural communities with other institutions to increase energy self-sufficiency through integrated renewable energy systems. Authorizes \$5 million (FY2008) and sums as necessary (FY2009-12). <i>[Sec. 9011]</i>
Biofuel Feedstocks		
Sec. 9008 of the 2002 farm bill extended the Biomass Research and Development Act of 2000 (P.L. 106-224), providing grants and financial assistance	Extends the Biomass Research & Development Act of 2000 from 2007 to 2012. Mandatory CCC funding of \$35 million (FY2008), \$60 million	Extends the Biomass Research & Development Act of 2000 from 2007 to 2012, and incorporates it into the farm bill. Mandatory CCC funding of \$15

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>from the Department of Energy (DOE) and USDA to establish a technical advisory committee and a Biomass Research and Development Board. Mandatory funds of \$5 million (FY2002); \$14 million annually (FY2003-07). Authorized additional annual appropriations of \$49 million (FY2002-07). [7 U.S.C. 8101]</p>	<p>(FY2009), \$75 million (FY2010), \$100 million (FY2011), \$150 million (FY2012). Authorizes appropriations of \$200 million annually (FY2006-15). [Sec. 9008]</p>	<p>million (FY2008), \$25 million (FY2009), \$35 million (FY2010). Authorizes appropriations of \$85 million annually (FY2008-12). [Sec. 9008]</p>
<p>No comparable provision.</p>	<p>Establishes the Feedstock Flexibility Program, authorizing the use of CCC funds to purchase sugar to be resold as a biomass feedstock to produce bioenergy. Mandatory funding of such sums as necessary. [Sec. 9013]</p>	<p>Similar to the House bill. [Sec. 1501]</p>
<p>No comparable provision.</p>	<p>Establishes the Renewable Woody Biomass for Energy Program, providing Forest Service grants to encourage the use of woody renewable biomass for energy. Mandatory funds of \$15 million annually (FY2008-12). [Sec. 9019]</p>	<p>Similar to the House bill. Authorizes \$5 million annually (FY2008-12). [Sec. 9013]</p>
<p>No comparable provision.</p>	<p>Establishes the Biomass Energy Reserve (BER). Provides financial and technical assistance to landowners and operators to grow dedicated energy crops as feedstock for cellulosic ethanol and other energy production. Incentives cover harvesting, storing, and transporting of biomass to bioenergy facilities. BER projects would be within a 50-mile radius of a bioenergy facility. Authorizes mandatory funding of such sums as necessary. [Sec. 9018]</p>	<p>Establishes the Biomass Crop Transition Program, providing technical/financial assistance to agricultural producers for production, collection, harvest, storage and transportation of biomass crops for use in a biorefinery. Directs USDA to collect and disseminate information on production potential, environmental impacts, and best practices. Authorizes mandatory funds: \$130 million for FY2008 and \$10 million annually for FY2009- 11, available until expended. [Sec. 9004]</p>
<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>Establishes Regional Biomass Crop Experiment Grants for regional biomass production experiments by land grant institutions. Mandatory CCC funds: \$10 million (FY2008), \$20 million (FY2009), \$10 million (FY2010); also authorizes appropriations of such as necessary (FY2008-12). [Sec. 9010]</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
Sec. 9002 of the 2002 farm bill requires federal agencies to purchase biobased products and authorizes a voluntary biobased labeling program. USDA sets procurement regulations. Provides \$1 million in mandatory CCC annual funding (FY2002-07) for testing biobased products. [7 U.S.C. 8102]	Extends the federal procurement program; sets biobased component of product at 5% minimum; and revises the deadline for USDA to set labeling requirements. Authorizes appropriations of \$1 million for procurement provisions and \$1 million for labeling provisions (FY2008-13). [Sec. 9002]	Extends the program and refines federal procurement rules for biobased products. Requires federal agencies to maximize procurement of biobased products and submit reports to Congress. Continues voluntary labeling. Establishes testing centers and education grants. Authorizes \$3 million in annual mandatory funds (FY2008-12). [Sec. 9002]
Sec. 9003 of the 2002 farm bill provides grants to help finance biorefineries and biofuel plants for demonstration. No mandatory funds were authorized; no discretionary funds were appropriated. Implementing regulations have been developed. [7 U.S.C. 8103]	Renames as “Biorefinery and Repowering Assistance.” Provides cost sharing grants; adds loan guarantees for new and developing technologies for advanced cellulosic bioenergy production and biorefinery repowering. Mandatory CCC funds: \$75 million (FY2008); \$100 million (FY2009); \$125 million (FY2010); \$200 million (FY2011); and \$300 million (FY2012). [Sec. 9003]	Renames as “Biorefinery and Repowering Assistance.” Provides cost sharing grants (up to 50%) and loan guarantees (up to 80%) to assist new and developing technologies focusing on advanced cellulosic bioenergy production and biorefinery repowering. Authorizes mandatory CCC funds of \$300 million for FY2008 to be made available until expended. [Sec. 9005]
No comparable provision.	No comparable provision.	Establishes E-85 fuel program, providing grants for E-85 fuel infrastructure. Authorizes discretionary funding of \$20 million (FY2008-12) to be available until expended. [Sec 9021]
Biofuel Research and Education		
The 2002 farm bill amended the Sun Grant Research Initiative Act of 2003 to establish bioenergy research programs through grants to land grant institutions and five regional centers. Authorizes appropriations: \$25 million (2005), \$50 million (2006), and \$75 million annually (FY2007-10). [7 U.S.C. 8109]	Extends program through FY2012, and adds new center in Hawaii. [Sec. 9008]	Similar to the House bill. Provides grants to other land grant institutions within each region, in addition to designated centers. Mandatory funds: \$5 million (FY2008) and \$10 million (FY2009-10) until expended; authorizes annual appropriations of \$70 million (FY2008-15). [Sec. 9009]
Sec. 7134 of the 2002 farm bill provides research grants on production/marketing of alcohols and industrial hydrocarbons from agricultural and forest products. Authorized annual appropriations of \$20 million (FY1991-2007). [7 U.S.C. 3154]	No comparable provision.	Extends grants through FY2012. [Sec. 7008]
Sec. 9004 of the 2002 farm bill provides for the	Extends biodiesel education grants. Provides annual	Similar to the House bill. [Sec 9003]

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
Biodiesel Fuel Education Program with grants to educate fleet operators and the public on biodiesel benefits. Annual mandatory CCC funding of \$1 million (FY2003-07). <i>[7 U.S.C. 8104]</i>	mandatory funding of \$2 million (FY2008-12). <i>[Sec 9017]</i>	
Sec. 9009 of the 2002 farm bill provides for Cooperative Research and Extension projects, encouraging research on carbon sequestration in soils and plants, and the role of agriculture in greenhouse gas emissions. <i>[7 U.S.C. 6711]</i>	No comparable provision.	No comparable provision, but authorizes USDA to continue to provide for grants to the Consortium for Agricultural Soils Mitigation of Greenhouse Gases to develop, analyze, and implement carbon cycle and greenhouse gas management research through cooperative research at the land grant universities. Authorizes appropriations of \$15 million annually (FY2008-12). <i>[Sec. 7315]</i>
Sec. 9010 of the 2002 farm bill provides for the Bioenergy Program, continuing incentive payments to biofuel producers based on year-to-year production increases. Annual mandatory CCC funding of \$150 million (FY2002-06), but no funding authorized for FY2007. <i>[7 U.S.C. 8108]</i>	Renews and extends the “Bioenergy Program for Advanced Biofuels” through FY2012. Excludes ethanol produced from corn starch; expands eligibility for production incentives for combined heat and power production using biomass at biofuels plants. Provides mandatory CCC funding of \$225 million (FY2008), \$250 million (FY2009), \$275 million (FY2010), \$300 million (FY2011), and \$350 million (FY2012). <i>[Sec. 9007]</i>	Similar to the House bill. Bases payments on: biofuel production; feedstock prices; and net non-renewable energy fuel content. Benefits purchasers of feedstocks for cellulosic biofuels and biodiesel; excludes those who claim a biofuel production tax credit or who produce more than 150 million gallons per year. One-time mandatory funding of \$245 million (FY2008-12), available until expended. <i>[Sec. 9006]</i>
No comparable provision.	Establishes grants for Biochar Research, Development, and Demonstration. Annual authorized appropriations of \$3 million (FY2008-12). <i>[Sec. 9012]</i>	No comparable provision.
No comparable provision.	Sense of Congress on renewable energy production, use, and benefits. <i>[Sec. 9016]</i>	No comparable provision.
No comparable provision.	No comparable provision.	Sense of Congress on ethanol blends, and need for inter-agency cooperation to encourage increased production of intermediate ethanol blends between E-10 and E-85. <i>[Sec 9002]</i>
No comparable provision.	No comparable provision.	Sense of Congress regarding research, extension and

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
		education programs on biofuels and bioproducts. <i>[Sec. 9004]</i>
No comparable provision.	No comparable provision.	Authorized appropriations for a pilot program for academic internships with government, private, or non-profit institutions. <i>[Sec. 9015]</i>
No comparable provision.	No comparable provision.	Directs USDA and other agencies to submit reports: growth potential for cellulosic material <i>[Sec. 9024]</i> ; biofuels infrastructure <i>[Sec. 9018]</i> ; rural nitrogen fertilizers <i>[Sec. 9019]</i> ; and life-cycle analysis of biofuels <i>[Sec. 9020]</i> .
No comparable provision.	No comparable provision.	Directs USDA and other agencies on Research and Development of Renewable Energy, including farm to fuel research on biofuel production; and research on small scale wind and solar energy production and fuel cells. Annual authorized appropriations of \$5 million (FY2008-12), and annual appropriations of \$110 million for cellulosic biofuel research (USDA) and \$110 million for smaller-scale biorefineries and plant research (DOE). <i>[Sec. 9022]</i>
Other Renewable Energy Provisions		
No comparable provision.	No comparable provision.	Directs USDA report on the potential economic issues (including costs) associated with animal manure used in normal agricultural operations and as a bioenergy feedstock. <i>[Sec. 10307]</i>
Sec. 9001 of the 2002 farm bill provides for definitions, including biomass, biobased product, biomass, renewable energy and small rural business <i>[7 U.S.C. 8101]</i>	Same as prior law.	Keeps prior law definitions, but adds definitions for advanced biofuels, biofuel, biomass conversion facility, biorefinery, feedstock, among others. Adds ocean and hydroelectric to the renewable energy definition. <i>[Sec. 9001]</i>
No comparable provision.	Establishes the USDA Energy Council to coordinate energy related activities within USDA and between	Similar to the House bill, in that it would establish an entity at USDA to provide oversight and

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
	USDA and other agencies. <i>[Sec. 9017]</i> Establishes an entity at USDA to provide oversight and coordination, liaison activities, biobased product evaluation, and database maintenance. <i>[Sec. 9009]</i>	coordination, liaise with other federal departments, evaluate new biobased products, and maintain a database of biobased research and best practices. <i>[Sec. 9017]</i>
CROP INSURANCE & DISASTER ASSISTANCE (TITLE XI)		
Timing of Crop Insurance Payments and Receipts		
The federal government provides three levels of subsidies to the crop insurance program: (1) subsidizing a portion of the farmer-paid premium, (2) reimbursing the private crop insurance companies for most administrative and operating expenses, and (3) absorbing most of the program losses. <i>[7 USC 1501 et seq.]</i>	Changes the timing of crop insurance receipts (premium collections) and the timing of payments to the insurance companies. Two insurance years of program receipts will be received in the same fiscal year (FY2012) and payments will be delayed until the next fiscal year, thus scoring budget savings in FY2012. <i>[Secs. 11001(c), 11001(e), and 11010]</i>	Similar, but not identical, language as the House bill, which effectively requires premiums to be collected from producers slightly earlier, and payments to the insurance companies to be made slightly later, beginning in the 2012 crop year, so that savings can be scored in the last year of the five-year farm bill (FY2012). <i>[Secs. 1906 and 1914]</i>
Reimbursement of Administrative and Operating Expenses		
Current law prohibits companies from receiving a reimbursement greater than 24.5% of total premiums. The current Standard Reinsurance Agreement (SRA) establishes the reimbursement rate below the statutory maximum for all insurance plans, ranging from 18.1% to 24.2%. <i>[7 USC 1508(k)(4)(A)]</i>	Beginning in the 2009 reinsurance year, the reimbursement rate to the insurance companies for their administrative and operating expenses for all policies declines by 2.9 percentage points from the current rate. The range of reimbursement rates declines to between 15.2% to a maximum of 21.3%. <i>[Sec. 11001(d)(1)]</i>	Beginning in the 2009 reinsurance year, the reimbursement rate for additional coverage policies falls by 2 percentage points. An exception is any reinsurance year in any state that has a loss ratio greater than 1.2 (i.e., when indemnity payments exceed total premiums by more than 20%.) The reimbursement rate for policies based on area-wide losses is reduced to 17% of premiums. <i>[Sec. 1912]</i>
Premiums and Fees		
For catastrophic (CAT) coverage, producers pay no premium, but pay an administrative fee of \$100 per crop per county. <i>[7 USC 1508(b)(5)(A)]</i> Growers of uninsurable crops are eligible for a Noninsured Assistance Program (NAP) and pay a fee of \$100 per crop, or \$300 per producer per county, not to exceed \$900 per producer. <i>[7 USC 7333(k)(1)]</i> When permitted by state law, a cooperative or trade	Increases the producer-paid fee for catastrophic coverage to \$200 per crop per county. For NAP, the fee also is raised to \$200 per crop per county, or \$600 per producer per county, not to exceed \$1800 per producer. <i>[Secs. 11002 and 11009]</i> Limits the ability of associations to pay the CAT fee	Similar to the House bill for raising the CAT fee to \$200. The NAP fee is increased to \$200 per crop per county, or \$600 per producer per county, not to exceed \$1,500 per producer. <i>[Secs. 1905 and 1926]</i> Revises current law to clarify that the provision

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>association may pay on behalf of its members, any or all of the administrative fee for CAT coverage. <i>[7 USC 1508(b)(5)(B)]</i>.</p> <p>Authorizes crop insurance companies to offer customers a discount when the insurance companies adopt efficiencies that reduce their administrative and operating costs. <i>[7USC 1508(b)(5)(A)]</i></p> <p>No comparable provision.</p> <p>Requires USDA to set premiums so that the overall program loss ratio is 1.075. <i>[7 USC 1506(n)]</i></p> <p>Authorizes an Agricultural Management Assistance (AMA) program to in part help certain states make better use of risk management tools. <i>[7 USC 1524(b)]</i></p>	<p>on behalf of a producer. <i>[Sec. 11001(b)]</i> Prohibits insurance companies from paying or rebating premiums, or making any inducements to purchase crop insurance. <i>[Sec. 11001(a)]</i></p> <p>Strikes authority for companies to offer a Premium Reduction Plan (PRP). <i>[Sec. 1101(f)]</i></p> <p>Reduces the premium subsidy for area risk plans by 4 percentage points. <i>[Sec. 11013]</i></p> <p>No comparable provision</p> <p>No comparable provision</p>	<p>applies only to fees for CAT coverage. <i>[Sec. 1905]</i></p> <p>Similar to the House bill and requires USDA to commission a study on the feasibility of the PRP within 18 months of enactment. <i>[Sec. 1908]</i></p> <p>No comparable provision.</p> <p>Reduces the statutory loss ratio to 1.0, meaning that total premiums should be established to equal expected total indemnity payments. <i>[Sec. 1903]</i></p> <p>Allows USDA to use AMA funds to match state funds used to provide additional premium discounts to underserved states. <i>[Sec. 1923]</i></p>
Standard Reinsurance Agreement and Risk-Sharing		
<p>The current Standard Reinsurance Agreement (SRA) between the federal government and private crop insurance companies determines levels of risk sharing. The current agreement requires companies to reinsure 5% of their retained premium with the government.</p>	<p>Requires the private insurance companies to reinsure at least 22% of their retained premiums with the government, and in return the government will provide a ceding commission of 2% to companies, allowing the government to receive some underwriting gains that would otherwise accrue to the companies. <i>[Sec. 11014]</i></p>	<p>No comparable provision.</p>
<p>No comparable provision.</p>	<p>USDA can renegotiate the SRA starting with the 2012-13 reinsurance year, and once every five years thereafter. Insurance companies can confer with each other during the process. <i>[Sec. 11001(d)(2)]</i></p>	<p>Similar to the House bill, except that USDA has discretion to renegotiate the SRA more frequently than every five years, with congressional notification of such action. <i>[Sec. 1913]</i></p>
Program Integrity (Waste, Fraud, and Abuse)		
<p>Annual mandatory funds of \$23 million for data</p>	<p>Authorizes mandatory funding of \$11 million in</p>	<p>Requires USDA to establish a program whereby crop</p>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>mining and program integrity activities expired at the end of FY2005. [7 USC 1516(k)] Annual appropriations acts provided \$3.6 million in annual discretionary funds (FY2006, FY2007). FY2008 appropriations act authorized mandatory funds of \$11.2 million.</p>	<p>FY2008, and \$7 million in FY2009 and subsequent years for crop insurance program compliance and integrity activities, including data mining. [Sec. 11008]</p>	<p>insurance companies pay USDA a fee for access to its data mining system, and USDA uses proceeds for its data system. [Sec. 1915] Prohibits farmers from collecting commissions as agents on policies in which their family has a substantial interest. [Sec. 1904]</p>
<p>Risk Management Research and Development</p>		
<p>USDA is required to reimburse an applicant for the R&D costs associated with developing a new plan of crop insurance that is approved by USDA [7 USC 1522] and with developing crop insurance education programs. [7 USC 1524] Current annual mandatory funding is \$15 million for R&D reimbursements and \$25 million for contracting and partnerships. [7 USC 1522(e)]</p>	<p>Authorizes USDA to use no more than \$30 million annually in mandatory funds for grants for R&D and education and information programs, of which \$5 million is for underserved states. Stipulates criteria for which grants will be awarded. Requires USDA to enter into contracts to improve coverage for organic crops, and to address the needs of beginning and minority farmers. [Secs. 11003-11006]</p>	<p>Reduces mandatory funding for R&D from \$15 million to \$7.5 million, and for contracting and partnerships from \$25 million to \$12.5 million. Prohibits a surcharge on premiums for organic crops, unless greater loss history is confirmed. Establishes an alternative reimbursement grant process. Requires USDA to enter into contracts to expand coverage for organic crops, aquaculture, energy crops such as switchgrass, and to address the needs of beginning and minority farmers. [Secs. 1917-1919, 1907]</p>
<p>Other Crop Insurance Provisions</p>		
<p>No comparable provision.</p>	<p>Establishes a National Drought Council within USDA and national drought preparedness plans, including a Drought Assistance Fund to provide technical and financial assistance to states for mitigating drought risk. [Sec. 11012]</p>	<p>No comparable provision.</p>
<p>Ad-hoc emergency disaster payments are available to producers who experienced significant losses to a 2005, 2006, or 2007 crop. (Sec. 9001 of P.L. 110-28, as amended by P.L. 110-161).</p>	<p>Prohibits USDA from using production data from the sweet potato crop insurance pilot program in determining crop disaster payments for 2005 and 2006. [Sec. 11016]</p>	<p>Similar to the House bill. Also requires USDA to extend the disaster application deadline for sweet potato growers, if necessary, to implement this provision. [Sec. 1927]</p>
<p>Authorizes USDA to create crop insurance pilot programs. [7 USC 1523]</p>	<p>Mandates a sesame insurance pilot program for Texas. [Sec. 11011]</p>	<p>Creates pilot programs for sesame [Sec. 1921], camelina [Sec. 1920], and enterprise/whole farm units [Sec. 1909].</p>
<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>Makes contract livestock producers eligible for crop</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
		insurance, if not covered by other policies. <i>[Sec. 1916]</i> Requires a USDA report on issues regarding declining crop insurance yields, especially for perennials. <i>[Sec. 1928]</i>
“Sodsaver” Provisions Related to Farmland Conservation — see section on Conservation Programs (above)		
Disaster Assistance		
Congress periodically provides ad-hoc emergency disaster payments to crop and livestock growers to supplement income following a natural disaster. Most recently, Congress provided emergency supplemental assistance for 2005, 2006, or 2007 production losses. <i>[Sec. 9001 of P.L. 110-28, as amended by P.L. 110-161]</i> .	No comparable provision.	Creates permanent authority for a disaster payment program that provides payments to crop and livestock growers who experience significant production losses in a USDA-declared disaster area. For FY2008-12, the program is funded through a transfer of 3.34% of annual customs receipts from the U.S. Treasury. Payments are made under new permanent programs: crop disaster; livestock indemnity; tree assistance and emergency livestock assistance. <i>[Sec. 12101]</i>
The Small Business Administration offers low interest, fixed-rate loans to small businesses to help them recover from economic injury caused by a natural disaster. <i>[15 USC 636(b), (c), and (f)]</i> <i>Note:</i> Farmers generally are not eligible for SBA loans, and instead receive assistance through USDA programs.	No comparable provision.	Makes many changes to SBA disaster loan program authority including raising the loan cap from \$1.5 million to \$2 million; extending assistance to non-profits; enhancing SBA and FEMA coordination of disaster response, among other provisions. <i>[Secs. 11111-11161]</i>
Sec. 9012 of the U.S. Troop Readiness, Veterans’ Care, Katrina Recovery, and Iraq Accountability Appropriations Act of 2007 (P.L. 110-28) required that “in carrying out crop disaster and livestock assistance in this title, the Secretary shall require forage producers to have participated in a crop insurance pilot program or the Non-Insured Crop Disaster Assistance Program (NAP) during the crop year for which compensation is received.” In August 2007, separate legislation was enacted	Amends Sec. 9012 by stating that “the purchase of a Non-insured Assistance Program (NAP) policy shall not be a requirement to receive any Federal livestock disaster assistance.” <i>[Sec. 11015]</i> <i>Note:</i> The House farm bill was passed prior to enactment of P.L. 110-80, which removed the crop insurance or NAP purchase requirement for forage producers.	No comparable provision.

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
(P.L. 110-80), removing this requirement of forage producers.		
MISCELLANEOUS FOOD SAFETY PROVISIONS (TITLE XI)		
Agricultural Biosecurity		
No comparable provision.	No comparable provision.	Defines the terms for purposes of program: agent, agricultural biosecurity, agricultural countermeasure, agricultural disease, agriculture, agroterrorist act, animal, department, development, plant, and qualified agricultural counter-measure. <i>[Sec. 11011]</i>
No comparable provision, but Homeland Security Presidential Directive 9 (HSPD-9) instructs USDA and DHS to develop a National Plant Disease Recovery System and a National Veterinary Stockpile. <i>[HSPD-9(18)]</i>	No comparable provision.	Establishes (1) a National Plant Disease Recovery System of countermeasures to respond to an outbreak of plant disease within a single growing season; and (2) a National Veterinary Stockpile of countermeasures, available to state veterinarians within 24 hours to leverage the strategic national stockpile. <i>[Sec. 11012]</i>
No comparable provision.	No comparable provision.	Establishes a competitive grant program at USDA to stimulate R&D of agricultural countermeasures. Waves competitive process in emergencies. Provides for coordination with DHS grants and countermeasure development. Authorizes annual appropriations of \$50 million for FY2008-12. <i>[Sec. 11013]</i>
No comparable provision, but HSPD-9 instructs USDA to support the development and promotion of higher education programs for the protection of animal and plant health. <i>[HSPD-9(20)]</i>	No comparable provision.	Establishes a veterinary workforce grant program at USDA to increase the number of veterinarians trained in biosecurity. Authorizes appropriations (such sums as necessary) for FY2008-12. <i>[Sec. 11014]</i>
No comparable provision.	No comparable provision.	Provides grants for biosecurity training programs in planning, preparedness and response for food science professionals/ veterinarians. Authorizes

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		appropriations (such sums as necessary) for FY2008-12. Provide grants and low-interest loans to states to assess response capability for food science and veterinary biosecurity. Authorizes annual appropriations of \$25 million for FY2008-12. <i>[Sec. 11015]</i>
Prohibits importation of the foot and mouth disease (FMD) virus, and limits research on FMD virus to locations outside of the U.S. mainland to lessen the likelihood that an accidental laboratory release of FMD might reach domestic animals. By statute, USDA must explicitly permit research on FMD virus to be performed on the mainland of the United States, and has not yet done so. <i>[21 U.S.C. 113a]</i>	Allows explicitly for USDA to conduct FMD (and other hazardous virus) research on the U.S. mainland without issuing itself a permit. Prohibits anyone other than USDA from possessing certain viruses on a USDA-prescribed list, unless USDA issues a permit. But the prohibition would not apply to “select agents,” and FMD virus is a select agent. <i>[Sec. 7108]</i>	Requires USDA to issue a permit to DHS to possess and work with live FMD virus at the proposed National Bio- and Agro-Defense Facility, subject to compliance with USDA rules for handling “select agents.” Leaves unchanged the current restrictions on possession of FMD and other dangerous viruses. <i>[Sec. 11016]</i>
Sets civil penalties for violations of the Plant Protection Act: \$50,000 in the case of any individual (civil penalty may not exceed \$1,000 in the case of an initial violation for moving regulated articles not for monetary gain); \$250,000 in the case of any other person for each violation; \$500,000 for all violations adjudicated in a single proceeding; or twice the gross gain or gross loss for any violation, forgery, counterfeiting, unauthorized use, etc. <i>[7 U.S.C. 7734(b)]</i>	No comparable provision.	Amends civil penalties as follows: \$500,000 for <i>each</i> violation adjudicated in a single proceeding; adds a penalty of \$1 million for each violation adjudicated in a single proceeding involving a genetically modified organism. Requires action on a violation no later than five years after the date of violation. <i>[Sec. 11017]</i>
No comparable provision.	No comparable provision.	Requires a DHS report on regulations for the possession of propane in certain quantities, including number of agricultural facilities, alternative security programs, and compliance costs. <i>[Sec. 11070]</i>
Food Safety Commission		
Sec. 10807 of the Farm Security and Rural Investment Act of 2002 (P.L. 107-171) established a 15-member Food Safety Commission appointed by the President to make recommendations to enhance the U.S. food safety system. Provision not	No comparable provision.	Establishes a Congressional Bipartisan Food Safety Commission to study and make recommendations to modernize food safety programs, including organizational and resource requirements which emphasize prevention and are based on risk

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implemented. <i>[21 U.S.C. 341 note]</i>		assessment and best-available science. Specifies membership requirements, meeting procedures and timetables, and other aspects of the commission's report <i>[Sec. 11060]</i> Requires the President review the report and submit proposed legislation based on recommendations. Expresses Sense of the Senate on the need for additional resources and direction for federal food safety agencies, for agreements between the U.S. and its trading partners, and for comprehensive food safety legislation. <i>[Sec. 11072]</i>
Foods from Cloned Animals		
FDA had asked companies to voluntarily not introduce meat and milk from cloned animals and offspring until it completes a final risk assessment and guidance on their safety. FDA published the final risk assessment/guidance on 1/15/08; USDA has asked that the moratorium on cloned animals (but not offspring) continue until markets are educated on safety.	No comparable provision.	Prohibits FDA from issuing a final risk assessment and lifting the voluntary moratorium until completion of newly mandated National Academy of Sciences and USDA studies on, respectively, the safety and on the market impacts of introducing products from cloned animals. <i>[Sec. 7507]</i>
Invasive Species		
A number of federal agencies, including USDA, have statutory responsibilities aimed at preventing the introduction of and controlling invasive species.	No comparable provision.	Requires cooperation among these federal agencies and Hawaii in preventing and controlling the spread of invasive species in the state; establishes expedited procedures for Hawaii to seek federal approval to adopt restrictions on movements into the state in addition to federal restrictions; authorizes appropriations of such sums as necessary (FY2008-12). <i>[Sec. 11063]</i>
USDA is authorized under several authorities to provide financial assistance to eradicate outbreaks of invasive pests and diseases, including on an emergency basis.	No comparable provision.	Clarifies that USDA may provide funds on an emergency basis to assist states in combating invasive pest and disease outbreaks for any appropriate period of years after the date of initial detection, as determined by USDA. <i>[Sec. 11078]</i>

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<p>The Plant Protection Act (PPA) [7 U.S.C. 7701 et seq.] authorizes USDA’s Animal and Plant Health Inspection Service (APHIS) to cooperate with states, localities and others to prevent the spread of and eradicate invasive pests and diseases, some which are affecting trees in urban areas, including the Asian Longhorned Beetle and the Emerald Ash Borer.</p>	<p>No comparable provision.</p>	<p>Establishes a revolving loan fund for eligible local governments to borrow up to \$5 million (2% interest), to finance purchases of equipment to monitor, remove, dispose of and replace infested trees within their jurisdictions; spells out repayment terms. Authorizes appropriations of such sums as necessary. [Sec. 11090] Requires USDA, in cooperation with states, to allow states to pass along cost-sharing assistance to local government for activities relating to invasive species infestations. [Sec. 11091]</p>
<p>Animal Welfare Act</p>		
<p>No comparable provision under the Animal Welfare Act (AWA) as amended [7 U.S.C. 2131 et seq.], which is intended to ensure the humane treatment of research animals, bred for commercial sale, exhibited to the public, or commercially transported; and to prevent animal fighting activities.</p> <p>Sec. 7 of the AWA prohibits research facilities from buying dogs or cats except from certain persons regulated under the AWA.</p> <p>Sec. 26 of the AWA spells out a series of prohibited acts related to animal fighting and establishes penalties for violations. [18 U.S.C. 49] Enables the federal government to collect costs incurred for caring for seized animals. There is no comparable provision on importation of young dogs in current law.</p>	<p>Amends the AWA to prohibit use of live animals for marketing medical devices. Increases the cap for AWA violations from \$2,500 to \$10,000 per violation, and specifies that each day and each animal subject to a violation be considered a separate offense, among other things. [Sec. 11316]</p> <p>Replaces language in Sec. 7 to expand the definition of a person regulated under this section; and to stipulate permissible sources of dogs and cats for research facilities. Introduces an additional penalty of \$1,000 for each violation of this section of the AWA. [Sec. 11317]</p> <p>No comparable provisions on animal fighting or commercial importation of young dogs.</p> <p>Amends the AWA to strengthen prohibitions on dog and other animal fighting activities; defines a dog fighting venture; and appears to expand who can collect for costs of care of seized animals. Increases the maximum imprisonment from three to five years. [Sec. 11076]</p>	<p>No comparable provision on medical marketing.</p> <p>Same as the House provision except a provision directing that use of random source dogs and cats from “Class B dealers” be phased out within five years of enactment. [Sec. 11079]</p> <p>Amends the AWA to require HHS and USDA regulations prohibiting importing for resale dogs less than six months of age, unless USDA determines the dog is in good health and has all necessary vaccinations (exemptions for research or veterinary treatment). [Sec. 3205]</p>

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Other APHIS-Related Provisions		
FDA since 1975 has banned the sale of pet turtles under four inches long due to health concerns (i.e., the risk of children getting <i>Salmonella</i> infections from them). Does not ban sale of other pet reptiles and amphibians. [21 C.F.R. 1240.62 (b)]	No comparable provision.	Requires FDA to study the prevalence of <i>Salmonella</i> in legally-sold reptiles and amphibians in the U.S. compared with the level in pet turtles. If prevalence is similar, USDA is to take additional specified actions. [Secs. 11101-11103]
USDA's APHIS operates a program (other legislative authority) that provides certification as a service to U.S. exporters desiring to meet foreign sanitary and phytosanitary (SPS) requirements.	Requires USDA to coordinate fruit and vegetable market analyses with its Foreign Agricultural Service and with the private sector; requires USDA to list on the Internet the status of all plant-related export petitions, and provide SPS-related information. [Sec. 11307]	No comparable provision.
The 1990 farm bill, as amended, authorizes APHIS to collect agricultural quarantine inspection (AQI) user fees for both APHIS and DHS's Customs and Border Protection services in connection with preclearance or the port-of-entry arrival of international passengers and of commercial vessels, trucks, loaded railroad cars, aircraft. [21 U.S.C. 136a]	No comparable provision.	Exempts from AQI user fees trucks transiting Canada between Alaska and the lower 48 states (and vice versa), so long as they remain sealed when in Canada. [Sec. 11080]
The USDA-APHIS Wildlife Services program is charged with helping to alleviate wildlife damage to agricultural, urban, and natural resources. [7 U.S.C. 426]	No comparable provision.	Sense of Senate that USDA's Wildlife Services program should not compete with or condone competition with the private sector in managing nuisance birds in urban areas [Sec. 11085]
APHIS is responsible for preventing, detecting, eradicating, and controlling animal diseases and pests under authority of the Animal Health Protection Act [AHPA; 7 U.S.C. 8301 et seq.]	No comparable provision.	Requires USDA to issue regulations for the national aquatic health improvement program, in accordance with AHPA and recommendations of a new General Advisory Committee for Oversight of National Aquatic Animal Health. Establishes an indemnification fund to compensate aquatic farmers for losses due to the eradication of aquatic animal diseases. Provides for cost-sharing of plan

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
		implementation. Authorizes appropriations of \$15 million annually (FY2008-09). <i>[Sec. 11086]</i>
OTHER MISCELLANEOUS PROVISIONS (TITLE XI)		
Miscellaneous Provision Related to Payments to Deceased Farmers — see section on Commodity Programs (above)		
Socially Disadvantaged and Limited Resource Producers		
<p>Sec. 2501(a)(1) of the 1990 farm bill established Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Limited Resource Farmers and Ranchers, authorizing USDA to carry out outreach and technical assistance to assist socially disadvantaged farmers and ranchers in: owning and operating farms and ranches; and in participating equitably in the full range of agricultural programs offered by USDA <i>[7 U.S.C. 2279]</i></p> <p>Sec. 2501(g)(1) of the 1990 farm bill directs USDA to improve service delivery on Indian reservations. <i>[7 U.S.C. 2279(g)(1)]</i></p> <p>Sec. 2501A(c)(1) of the 1990 farm bill directs USDA to annually compute the participation rate of socially disadvantaged farmers and ranchers as a percentage of the total participation of all farmers and ranchers for each USDA program <i>[7 U.S.C. 2279]</i></p> <p>Sec. 7405 of the 2002 farm bill establishes the Beginning Farmer and Rancher Development Program; provides training, education, outreach/technical assistance initiatives. <i>[7 U.S.C. 3319f]</i></p> <p>No comparable provision.</p>	<p>Amends program to specify that technical and outreach assistance program is to be used to enhance the coordination, outreach, technical assistance, and education efforts authorized under USDA programs. Mandates CCC funding of \$15 million annually for FY2008-12. No more than 5% of funds are to be used for administrative expenses. <i>[Sec. 11201]</i></p> <p>Reauthorizes improved program delivery by USDA on Indian reservations. <i>[Sec. 11202]</i></p> <p>Directs USDA annually to compile program application and participation rate data on socially disadvantaged farmers and ranchers for each county and state. Data are to be made public. <i>[Sec. 11203]</i></p> <p>Reauthorizes program, and provides \$15 million in mandatory funding annually (FY2008-12). <i>[Sec. 11204]</i></p> <p>Authorizes USDA to provide a receipt for service or denial of service upon request to any applicant for USDA loans and grants. <i>[Sec. 11205]</i></p>	<p>Similar to the House bill, with technical differences. Authorizes appropriations of up to \$50 million annually for FY2008-12. No more than 5% of funds are to be used for administrative expenses. Allows USDA to not require matching funds to award a grant, contract or cooperative agreement. <i>[Secs. 11052-53]</i></p> <p>Similar to the House bill, with technical differences. <i>[Sec. 11054]</i></p> <p>Similar to the House bill. Directs USDA, acting through USDA's Assistant Secretary for Civil Rights, to use the enhanced data collection <i>[Sec. 11056]</i>, but also to conduct of oversight and evaluation of civil rights compliance. <i>[Sec. 11064]</i></p> <p>Authorizes \$30 million in annual appropriations. Incorporates energy conservation efficiency and transition to organic farming into program, limiting grants to \$250,000 each. <i>[Sec. 7309]</i></p> <p>Specifies that the USDA's Farm Service Agency and USDA's Natural Resources Conservation Service as the agencies subject to this provision; requires USDA receipt upon request. <i>[Sec. 11057]</i></p>

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No comparable provision.	Directs USDA to ensure that the Census of Agriculture and USDA’s Economic Research Service (ERS) track socially disadvantaged and limited resource farmers and ranchers. <i>[Sec. 11206]</i>	Similar to the House bill. <i>[Sec. 11055]</i>
No comparable provision.	Directs USDA to prepare a plan to join the technical and support assistance for socially disadvantaged farmers/ranchers within the Office of Outreach, and to relocate USDA’s office. <i>[Sec. 11208]</i>	No comparable provision.
No comparable provision.	Directs USDA to establish an Advisory Committee on Minority Farmers under USDA’s Office of Outreach, which will be responsible for reviewing civil rights cases and ensuring they are processed in a timely manner. <i>[Sec. 11209]</i>	No comparable provision.
No comparable provision.	Directs USDA to establish a Coordinator for Chronically Underserved Rural Areas, to be located in USDA’s Office of Outreach and to direct resources to high need, poverty rural areas. <i>[Sec. 11210]</i>	No comparable provision.
No comparable provision.	No comparable provision.	Creates an Office of Small Farms and Beginning Farmers and Ranchers to coordinate USDA activities across agencies to ensure access to all USDA programs for small, beginning, and socially disadvantaged farmers and ranchers, representation in Agriculture Census data, and development of and access to enhanced outreach programs. <i>[Sec. 11088]</i>
Pigford Discrimination Decision		
Commonly known as the “Pigford decision,” pertains to a federal district court decision resolving a class action discrimination suit between USDA and black farmers. The suit claimed USDA discriminated against black farmers on the basis of race and failed to investigate or properly respond to complaints from 1983-1997. <i>[Pigford v. Glickman, No. 97-1978 and</i>	Permits any claimant in the Pigford decision who has not previously obtained a determination on the merits of a claim, to petition in civil court to obtain such a determination (limits total amount of payment/debt relief pursuant to this court action to \$100 million). Restricts USDA from starting foreclosure of a loan if the borrower is a Pigford claimant who can show that	Similar to the House bill, but with technical differences. Authorizes appropriations of such sums as necessary beyond the \$100 million in mandatory funding. <i>[Sec. 5402]</i>

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<i>No. 98-1693 (D.D.C. July 14, 2000)</i>	a pending foreclosure is related to a Pigford claim. <i>[Sec. 11312]</i>	
Miscellaneous Rural Development Provisions		
No comparable provision.	Prohibits closure or relocation of USDA Farm Service Agency (FSA), Rural Development Agency, and Natural Resources Conservation Service county offices until one year after enactment. <i>[Sec. 11306]</i>	Prohibits any expenditures to close “critical access county FSA offices” through 2012, unless approved by Congress. <i>[Sec. 11071]</i>
No comparable provision.	Authorizes USDA to make grants to reduce the availability of anhydrous ammonia to curtail the production of methamphetamine (up to \$15 million) for FY2008-12. <i>[Sec. 11308]</i>	Similar to the House bill. <i>[Sec. 11062]</i>
No comparable provision.	Authorizes USDA to make available to rural areas any excess and surplus USDA computers. <i>[Sec. 11303]</i>	No comparable provision.
No comparable provision.	No comparable provision.	Provides emergency grants to community-based agencies to assist low-income migrant and seasonal farmworkers (for use in transportation, food, clothing, housing). <i>[Sec. 11061]</i>
No comparable provision.	Sense of Congress regarding “food deserts” or geographically isolated neighborhoods/communities with limited or no access to major chain grocery stores. Directs USDA, in coordination with other agencies/non-profits, to conduct a national assessment. <i>[Sec. 11311]</i>	No comparable provision.
No comparable provision.	No comparable provision.	Authorizes USDA to make grants to community-based organizations to improve the supply, stability, safety, and training of farmworkers. <i>[Sec. 11066]</i>
No comparable provision.	No comparable provision.	Directs GAO, in consultation with other agencies and organizations to issue a report on access to health care for farmers. <i>[Sec. 11074]</i>

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Various sections of the Department of Agriculture Reorganization Act of 1994 pertain to the reorganization of USDA. [7 U.S.C. 6933; 7 U.S.C. 7014]	Directs USDA to create a Farmworker Coordinator (working in consultation with other agencies and organizations) to assist and support farmworkers and migrant seasonal workers. [Sec.11207]	Similar to the House bill, but amends different section of the Department of Agriculture Reorganization Act of 1994. [Sec. 11059]
No comparable provision.	No comparable provision.	Directs USDA to conduct a study on the economic impacts of local food systems and commerce. [Sec. 11089]
Other Miscellaneous Title Provisions		
Provision pertaining to U.S. government claims collected from a person through administrative offset. [31 U.S.C. 3716(e)]	Eliminates the statute of limitations applicable to collection of debt by administrative offset. [Sec. 11314]	Similar to the House bill. [Sec. 11069]
No comparable provisions.	No comparable provisions.	Other miscellaneous provisions: <ul style="list-style-type: none"> — Additional contracting authority. [Sec. 11053] — Amendment to the Right to Financial Privacy Act of 1978. [Sec. 11068] — Action by President/Congress based on report. [Sec. 11072] — Chihuahuan Desert Nature Park land conveyance. [Sec. 11075] — Management and oversight regulations. [Sec. 11077] — USDA conference transparency. [Sec. 11081] — Report on ending of childhood hunger in U.S. [Sec. 11082] — Emergency grant for effects of Kansas tornado. [Sec. 11083] — Program report. [Sec. 11084] — Southwest regional dairy program. [Sec. 11092]
No comparable provisions.	Other miscellaneous provisions: <ul style="list-style-type: none"> — Permanent debarment from participation in USDA programs for fraud. [Sec. 11304] — No discrimination against use of pesticide 	No comparable provisions.

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
	products. <i>[Sec. 11305]</i> — Provisions regarding USDA Graduate School. <i>[Sec. 11309]</i> — Prevention/investigation of fraud and error. <i>[Sec. 11310]</i> — Study of wastewater infrastructure near U.S.-Mexico border. <i>[Sec. 11310]</i>	
REVENUE AND OFFSETTING COST PROVISIONS (TITLES XII AND XIII)		
Revenue-Increasing Provisions		
Tax-Treaty Withholding Tax Rates. The U.S. Internal Revenue Code (IRC) <i>[IRC sec. 871]</i> applies a 30% withholding tax to interest, dividends, and similar “fixed and determinable” income payments made to foreign persons and firms residing outside the U.S. (nonresident aliens). The tax rate is reciprocally reduced or eliminated in many cases by one of the many bilateral tax treaties the U.S. has signed (acknowledged in IRC sec. 894).	Provides in IRC section 894 that if a U.S. subsidiary makes a deductible payment to a foreign corporation that has a common foreign parent, and the withholding tax rate on the payment would be higher if the payment were made directly to the common parent, the higher rate will be applied. <i>[Sec. 12001]</i>	No comparable provision.
Corporate estimated tax payments. Corporations are required to make quarterly tax payments generally equal to a specified percentage of their estimated tax liability for the year. <i>[IRC sec. 6655]</i> In 2005, P.L. 109-222 increased the amount of estimated tax payments due in the last quarter of federal FY2012 to 106.25% of the amount otherwise due and reduced firms’ next required payments by a corresponding amount. The provision shifted a portion of payments forward from FY2013 to FY2012. In 2007, P.L. 110-28 increased the amount thus shifted to 114.5% of the amount otherwise required.	Increases the amount of required corporate estimated tax payments falling in the last quarter of FY2012 to 115.75% of the amount otherwise required (a 1.25 percentage-point increase over P.L. 110-28) and reduces firms’ next required payments by a corresponding amount. (Note, however, that P.L. 110-142, passed after the House approved H.R. 2419, increased the required payments by 1.50 percentage points, rendering the House-passed provision inapplicable. <i>[Sec. 13003]</i>	Increases the amount of required corporate estimated tax payments falling in the last quarter of FY2012 to 121.5% of the otherwise required amount and reduces firms’ next required payments by a corresponding amount. <i>[Sec. 12506]</i>
Limitation on farm losses. No provision in current law, although the tax code’s passive activity rules	No comparable provision.	Modifies IRC section 461 to limit deductible farm losses for the year in which losses are incurred to

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<i>[IRC sec. 469]</i> may limit farm losses where the taxpayer does not materially participate in the farm business. Section 461 contains special rules governing when deductions can be claimed.		\$200,000 in cases where the taxpayer receives Agriculture Program Payments or CCC loans. <i>[Sec. 12501]</i>
Limitation on tax deferral for like-kind exchanges. Under current law, no gain or loss is recognized if property used in a trade or business is exchanged for property of a like kind used in a trade or business. <i>[IRC section 1031]</i> .	No comparable provision.	Denies non-recognition treatment for like-kind exchanges that include unimproved real estate in cases where the owner receives Agriculture Program Payments or CCC loans. <i>[Sec. 12504]</i>
Increase in information return penalties. The tax code requires information returns to be filed that report on a variety of transaction types. <i>[IRC secs. 6721 — 6723]</i> The returns are one of the tax system’s tool for boosting tax compliance and for monitoring tax shelters. There are penalties for failure to file required information returns.	No comparable provision.	Increases penalties for failure to file information returns. <i>[Sec. 12508]</i>
Economic substance doctrine. The “economic substance” doctrine is a judicial doctrine that has developed in regard to tax shelter cases. In general terms, it denies the use of tax benefits in transactions not having an economic substance not related to taxes.	No comparable provision.	“Clarifies” the economic substance doctrine by integrating a part of it into the IRC (generally section 7701, relating to definitions). In cases where a court determines the economic substance doctrine is relevant, applies a two-part (“conjunctive”) test to a transaction, requiring that (1) the transaction change the taxpayer’s economic position in a meaningful way (an “objective” test); and (2) the taxpayer has a substantial non-federal-tax purpose for engaging in the transaction. <i>[Sec. 12521]</i>
No comparable provisions.	No comparable provisions.	Other miscellaneous provisions: <ul style="list-style-type: none"> — Increases index dollar threshold for computing net earnings from self-employment. <i>[Sec. 12502]</i> — Denies deduction for certain fines and penalties. <i>[Sec. 12507]</i> — Modifies penalties for failure to file partnership

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		returns. <i>[Sec. 12511]</i> — Denies deduction for interest paid in certain tax-motivated transactions. <i>[Sec. 12523]</i>
Supplemental Agricultural Disaster Assistance — see section on Miscellaneous Programs (above)		
Tax-Related Conservation Provisions		
Conservation Reserve Tax Credit. USDA provides a conservation reserve program under which farmers receive annual federal payments for contracting to establish resource-conserving covers on farmland (Title XII of the Food Security Act of 1985). There is no related tax credit under current law, although taxpayers may currently deduct charitable donations made for conservation purposes under <i>IRC sec. 170</i> .	No comparable provision.	Creates a new elective conservation reserve tax credit that can be claimed in place of payments received under the conservation reserve program. <i>[Sec. 12201]</i>
Application of Self-Employment Contributions Act (SECA) social security tax to conservation reserve payments. In December 2006, the Internal Revenue Service (IRS) issued a notice (Notice 2006-108) proposing to apply SECA tax <i>[IRC sec. 1401]</i> to conservation reserve program payments.	No comparable provision.	Exempts conservation reserve program payments received by persons receiving social security benefits from SECA tax. <i>[Sec. 12202]</i>
Charitable contributions for conservation purposes. Deductible contributions of capital gain property are limited by <i>IRC sec. 170</i> to generally 30% of an individual's income. Rules were temporarily liberalized (through 2007) for contributions of property for conservation purposes; contributions are deductible to the extent they exceed 50% of what is generally an individual's income over other contributions.	No comparable provision.	Makes permanent the temporary relaxation of the deduction cap for contributions of conservation property. <i>[Sec. 12203]</i>
No comparable provision.	No comparable provision.	Creates a new tax credit for costs incurred or the loss in value to property to carry out a habitat management plan. The credit's rate varies with the length of the qualifying plan. <i>[Sec. 12204]</i>

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<p>Deductions for endangered species recovery expenditures. No provision, but under current <i>IRC sec. 175</i>, farmers are permitted to “expense” (deduct immediately) outlays for soil or water conservation rather than treating the outlays as capital expenditures — a treatment that would generally delay the deductions.</p>	<p>No comparable provision.</p>	<p>Permits farmers to treat outlays made pursuant to the Endangered Species Act in the same manner as soil or water conservation outlays (i.e., the outlays can be expensed). <i>[Sec. 12205]</i></p>
<p>Tax-exempt bonds for forest conservation. In general, interest on bonds issued by state and local governments is tax-exempt if used for governmental purposes (<i>IRC</i> section 103). However, not all state and local bonds used to finance private activities are tax exempt; private activity bonds are subject to certain restrictions and are subject to caps. <i>[IRC secs. 141-142]</i></p>	<p>No comparable provision.</p>	<p>Establishes (in limited amounts) a new type of tax-exempt private activity bond for bonds whose proceeds are used to finance forest conservation. <i>[Sec. 12211]</i></p>
<p>Deduction for qualified timber gain and timber real estate investment trust (REIT) provisions. For tax years beginning before 2011, individuals’ long term capital gain is taxed at reduced rates (generally, 15%; section 1 of the tax code). Taxpayers are permitted to treat the cutting of timber as a sale eligible for capital gains treatment. <i>[IRC sec. 631]</i> REITs are specially-defined “pass through entities” that are permitted to deduct dividends they distribute from taxable income, thus eliminating corporate-level tax from distributed income. <i>[IRC secs. 856-859]</i> REITs are subject to several minimum-distribution requirements and 75% of REIT gross income must consist of certain types of real estate income.</p>	<p>No comparable provision.</p>	<p>Adds new section 1203 to the Internal Revenue Code, which permits taxpayers to elect to deduct 60% of timber gain from taxable income. (The remaining 40% would be taxed at ordinary-income rates.) Also includes several provisions affecting timber REITs, including clarification that timber gain is qualified real estate income for a REIT. <i>[Sec. 12212-12217]</i></p>
<p>No comparable provisions.</p>	<p>No comparable provisions.</p>	<p>Other miscellaneous provisions: — Exclusion for programs and payments for fish, wildlife, forest protection, and pest management. <i>[Sec. 12206]</i></p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
		— Elective tax credits for payments under conservation programs [<i>Sec. 12207</i>]
Tax-Related Energy Provisions		
Credit for cellulosic fuel production. <i>IRC sec. 40</i> provides an alcohol fuels 3-part credit consisting of: (1) a 10¢ per gallon small-producer tax credit for ethanol production; (2) a 60¢ per gallon tax credit for alcohol used in a mixture of alcohol and gasoline or other fuels; and (3) a 60¢ per gallon credit for production of alcohol that is not used in a mixture. (The latter two credits are 51¢ per gallon in the case of ethanol.) The credit expires at the end of 2010.	No comparable provision.	Provides a fourth tax credit under section 40 for small producers who produce alcohol fuel from cellulosic materials (e.g., corn stover or switchgrass). The credit is \$1.25 per gallon less the amount of small-producer ethanol credit claimed and the alcohol mixture credit claimed for ethanol. [<i>Sec. 12312</i>]
Alcohol Fuels Credit. For ethanol, the rates for the alcohol mixture credit and the alcohol credit are 51¢ per gallon rather than the 60¢ per gallon rate that otherwise applies.	No comparable provision.	Reduces the tax credit rate for ethanol credits to 46¢ from 51¢ per gallon. [<i>Sec. 12315</i>]
Small-Producer Ethanol Credit. One component of the 3-part credit is the 10¢ per gallon tax credit for small ethanol producers. The credit is scheduled to expire year-end 2010.	No comparable provision.	Extends the small producer ethanol credit for two years through 2012. [<i>Sec. 12313</i>]
As described in the preceding entries, <i>IRC sec. 40</i> provides a three-part tax credit for alcohol fuels. There is no comparable provision in current law providing for a small producer credit for fossil-free alcohol.	No comparable provision.	Provides a fourth component of the alcohol fuels credit consisting of a 10¢ per gallon credit for fossil-free alcohol fuels. The credit terminates at the end of 2012. [<i>Sec. 12314</i>]
Alternative Fuels Excise Tax Credits. Current law provides two alternative fuels tax credits that can be claimed against federal excise taxes: the alternative fuels tax credit and the alternative fuel mixture credit. [<i>IRC secs. 6426-6427</i>] The credits generally expire at the end of September 2009, but the credit for hydrogen expires at the end of September 2014.	No comparable provision.	Extends the two alternative fuels credits through December 2010 for all fuels other than hydrogen. [<i>Sec. 12331</i>]

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>Tax Credits for Biodiesel Fuels. <i>IRC sec. 40A</i> provides income tax credits for biodiesel (scheduled to expire at the end of 2008): (1) biodiesel mixture credit; (2) biodiesel credit; and (3) the small producer agri-biodiesel credit. Other IRC provisions include an excise tax credit for biodiesel fuel mixtures and payments for biodiesel fuel mixtures.</p>	No comparable provision.	Generally extends the biodiesel fuel credits and payment provisions for two years (through 2010). The small producer agri-biodiesel credit is extended through 2012. [<i>Sec. 12321</i>]
<p>Renewable diesel fuel incentives. Current law provides a tax incentive of \$1.00 per gallon for qualified renewable diesel fuel. It can be claimed as an excise tax credit [<i>IRC secs. 6426-6427</i>], an income tax credit [<i>IRC sec. 40A</i>], or a government payment. It is scheduled to expire at the end of 2008.</p>	No comparable provision.	Extends the renewable diesel fuel incentives for two years, through 2010. It also places a cap on the credit that can be claimed for co-produced fuel. [<i>Sec. 12321</i>]
No comparable provisions.	No comparable provisions.	<p>Other miscellaneous provisions:</p> <ul style="list-style-type: none"> — Wind credit [<i>Sec. 12301</i>] — Landowner incentive for electric transmission. [<i>Sec. 12302</i>] — Modified treatment of energy grants/loans. [<i>Sec. 12303</i>] — Expansion of depreciation for biofuel plants. [<i>Sec. 12311</i>] — Modification of alcohol credit [<i>Sec. 12315</i>], and calculation of fuel credits. [<i>Sec. 12316</i>] — Extension of temporary duty on ethyl alcohol. [<i>Sec. 12317</i>] — Limits on drawback of duty on imported ethanol. [<i>Sec. 2318</i>] — Treatment of qualified fuel mixtures. [<i>Sec. 12322</i>] — Extension of credit for installing alternative fuel refueling property. [<i>Sec. 12332</i>]
Agricultural Tax Provisions		
Installment Sale Rules for Farm Property.	No comparable provision.	Repeals the immediate recognition of recapture

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>Taxpayers in some cases are permitted to recognize income from installment sales gradually, as income is actually received. <i>[IRC sec. 453]</i> Separately, taxpayers who recognize gain from the sale of depreciable assets are required to “recapture” a portion of the gain in accordance with depreciation deductions that have been claimed on the asset; recaptured gain is taxed at ordinary income tax rates rather than capital gains rates. <i>[IRC secs. 1245 and 1250]</i> Under current law, income that is treated as ordinary income under the recapture rules is taxed in the year of the property’s disposition rather than in installments.</p>		<p>income for sales of single-purpose agricultural or horticultural structures (i.e., barns and similar farm buildings). <i>[Sec. 12402]</i></p>
<p>Tax-credit bonds for investment in qualified rural infrastructure projects. In general, interest on bonds issued by state and local governments is tax-exempt if used for governmental purposes. <i>[IRC sec. 103]</i> However, not all state and local bonds used to finance private activities are tax exempt; private activity bonds are subject to certain restrictions and are subject to caps. An additional type of tax-favored bond are “tax credit” bonds, for which the purchaser can claim a tax credit rather than receive a tax exemption. Several different types of tax credit bonds have been created in recent decades, including qualified zone academy bonds <i>[IRC sec. 1397E]</i>, clean renewable energy bonds <i>[IRC sec. 54]</i>, and gulf tax credit bonds <i>[IRC sec. 1400N]</i>.</p>	<p>No comparable provision.</p>	<p>Creates a new type of tax credit bond (rural renaissance bonds) under new section 54A of the tax code for investment in certain rural projects, generally including utilities programs, distance learning or telemedicine projects, electric programs, rural telephone programs, broadband access programs, and rural community facility programs. The amount of such bonds that can be issued is limited to \$400 million. <i>[Sec. 12404]</i></p>
<p>No comparable provision.</p>	<p>No comparable provision.</p>	<p>Creates a new tax credit under new IRC section 45P equal to 50% of a taxpayer’s expenditures on the testing of new drugs for “minor” species (e.g., sheep and goats, but not cattle and poultry). <i>[Sec. 12406]</i></p>
<p>Reduced depreciation recovery period for certain</p>	<p>No comparable provision.</p>	<p>Shortens the recovery period for farm machinery and</p>

CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
<p>farm machinery and equipment. Federal tax rules (generally <i>IRC sec. 167</i> and related regulations) specify the rules regarding income tax deductions for depreciation of tangible capital assets, including recovery periods (years over which deductions must be spread) and recovery methods (portion of an assets cost that can be deducted in each year). Current law generally assigns a recovery period of 10 years to farm machinery.</p>		<p>equipment to 5 years from 10 years. The shortened recovery period applies only to assets placed in service before 2010. <i>[Sec. 12407]</i></p>
<p>No comparable provision.</p>	<p>No comparable provisions.</p>	<p>Other miscellaneous provisions:</p> <ul style="list-style-type: none"> — Increased loan limit for issue bonds for farming. <i>[Sec. 12401]</i> — Exchange treatment involving mutual ditch, reservoir, or irrigation stock. <i>[Sec. 12403]</i> — Agriculture business security tax credit. <i>[Sec. 12405]</i> — Expensing of broadband internet access. <i>[Sec. 12408]</i> — Tax credit for energy-efficient motors. <i>[Sec. 12409]</i>
Other Provisions		
<p>Authorization for the Commodity Futures Trading Commission (CFTC), a “sunset” agency established in 1974, expired on September 30, 2005. In the past, Congress has used the reauthorization process to consider amendments to the Commodity Exchange Act (CEA), which provides the basis for federal regulation of commodity futures trading. The last reauthorization resulted in the enactment of the Commodity Futures Modernization Act of 2000 (CFMA), the most significant amendments to the CEA since the CFTC was created in 1974. <i>[7 U.S.C. 2(c)(2)]</i> Both chambers considered reauthorization bills in the 109th Congress, but none was enacted.</p>	<p>No comparable provision.</p>	<p>Reauthorizes the CFTC <i>[Sec. 13001-13204]</i>. Clarifies the CFTC’s jurisdiction over foreign exchange contracts offered to retail customers. Expands CFTC’s authority over non-exchange “electronic trading facilities” where contracts based on metals and energy commodities are traded. If the CFTC determined that trading on such a market played a significant role in price discovery, the facility would have to comply with several core regulatory principles, including maintaining and enforcing rules to prevent price manipulation. Such markets would also have to publish data on prices and trading volume.</p>

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CURRENT LAW/POLICY	HOUSE-PASSED BILL (H.R. 2419)	SENATE-PASSED SUBSTITUTE AMENDMENT (H.R. 2419)
Key provisions covering income tax relief in times of disaster: casualty loss deductions [<i>IRC sec. 165</i>]; deferral of gain from involuntary conversions [<i>IRC sec. 1231</i>]; delayed filing deadlines; abatement of fines/fees (P.L. 109-73); and tax exemption for certain disaster relief payments. [<i>IRC section 139</i>]	No comparable provision.	Provides several tax relief measures for areas in Kansas affected by the tornados of May 2007. Among the proposals are suspension of limits on certain casualty losses and relaxation of time requirements in the case of involuntary conversions. [<i>Sec. 12701</i>]
No comparable provisions.	No comparable provisions.	Other miscellaneous provisions: <ul style="list-style-type: none"> — Income treatment of Exxon Valdez litigation. [<i>Sec. 12801</i>] — Extension of special rule for charitable contributions of food inventory. [<i>Sec. 12802</i>] — Increase exclusion amount for mileage reimbursements to volunteers. [<i>Sec. 12803</i>] — Technical correction for treatment of stock basis in S corporations making charitable contributions. [<i>Sec. 12804</i>] — Payment test for pro-sports facility bonds. [<i>Sec. 12805</i>] — Rehabilitation credit and depreciation schedules to low-income housing for the elderly. [<i>Sec. 12806</i>] — Modifies awards authority for advanced coal-based electricity credits and gasification credits. [<i>Sec. 12807</i>] — Tax treatment for forestry conservation bonds. [<i>Sec. 12808</i>]