

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the text of the bill was ordered to be printed in the RECORD, as follows:

S. 2485

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Physical Therapist Student Loan Repayment Eligibility Act of 2007”.

**SEC. 2. NATIONAL HEALTH SERVICE CORPS; PARTICIPATION OF PHYSICAL THERAPISTS IN LOAN REPAYMENT PROGRAM.**

(a) MISSION OF CORPS; DEFINITION OF PRIMARY HEALTH SERVICES.—Section 331(a)(3)(D) of the Public Health Service Act (42 U.S.C. 254d(a)(3)(D)) is amended by striking “or mental health,” and inserting “mental health, or physical therapy.”

(b) LOAN REPAYMENT PROGRAM.—Section 338B of the Public Health Service Act (42 U.S.C. 254f-1) is amended—

(1) in subsection (a)(1), by striking “and physician assistants;” and inserting “physician assistants, and physical therapists;”; and

(2) in subsection (b)(1)—

(A) in subparagraph (A), by inserting before the semicolon the following: “, or have a doctoral or master’s degree in physical therapy”; and

(B) in subparagraph (B), by inserting “physical therapy,” after “mental health;”; and

(C) in subparagraph (C)(ii), by inserting “physical therapy,” after “dentistry.”

**SUBMITTED RESOLUTIONS**

**SENATE RESOLUTION 406—URGING THE GOVERNMENT OF THE KINGDOM OF SAUDI ARABIA TO OVERTURN THE SENTENCE OF THE “GIRL OF QATIF”**

Ms. COLLINS (for herself, Mr. BIDEN, Mr. COLEMAN, Mr. LIEBERMAN, Mr. LEVIN, Ms. SNOWE, Mr. JOHNSON, Mr. SMITH, Mrs. FEINSTEIN, Mrs. CLINTON, Ms. LANDRIEU, and Mr. SPECTER) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 406

Whereas, in March 2006, the then-teenage woman known in media reports as the “Girl of Qatif” was abducted and raped by 7 men;

Whereas the “Girl of Qatif” endured significant physical and emotional harm as a result of her rape—a crime that was neither her fault nor acceptable under any circumstances;

Whereas, in October 2006, the General Court in Qatif, Saudi Arabia sentenced the 7 rapists to prison terms ranging from 10 months to 5 years, but also sentenced the victim to 90 lashes for being alone in a car with a man to whom she was not related;

Whereas, on November 13, 2007, when the “Girl of Qatif” appealed the decision of the General Court with her attorney, Abdul-Rahman al-Lahem, the victim’s sentence was increased to 200 lashes, a 6-month prison term was added, and the prison terms of the rapists were increased to 2 to 9 years;

Whereas, also on November 13, 2007, the General Court suspended Abdul-Rahman al-

Lahem’s license to practice law, and he was summoned to appear before a disciplinary committee of the Ministry of Justice of Saudi Arabia on December 5, 2007, for allegedly “misrepresenting legal subjects through the media to confuse the judicial establishment’s image and thus harming the country”, but his hearing was postponed to an unspecified date;

Whereas, on November 20 and 24, 2007, the Ministry of Justice issued statements on the case of the “Girl of Qatif”, alleging that the victim was guilty of an “illegal affair” that is “religiously prohibited”, that she was in “an indecent condition” at the time of her abduction, and that “the main reason for the occurrence of the crime” was that the victim and her accompanying person “violated the provisions of Islamic law”, but Abdul-Rahman al-Lahem has denied these accusations;

Whereas, when asked about the case of the “Girl of Qatif” on November 20, 2007, Department of State spokesman Sean McCormack stated, “We have expressed our astonishment at such a sentence. I think that when you look at the crime and the fact that now the victim is punished, I think that causes a fair degree of surprise and astonishment. But it is within the power of the Saudi Government to take a look at the verdict and change it”;

Whereas, on November 27, 2007, the Foreign Minister of Saudi Arabia, Prince Saud bin Faisal bin Abd al-Aziz Al Saud, stated that the judiciary of Saudi Arabia would further review the case of the “Girl of Qatif”;

Whereas the Department of State’s 2006 Country Report on Human Rights Practices in Saudi Arabia (referred to in this preamble as the 2006 Country Report), released on March 6, 2007, cited “significant human rights problems”, including “infliction of severe pain by judicially sanctioned corporal punishments”, “denial of fair public trials”, “exemption from the rule of law for some individuals and lack of judicial independence”, and “significant restriction of civil liberties—freedoms of speech and press, including the Internet; assembly; association; and movement”;

Whereas the 2006 Country Report also stated that Islamic law, or Shari’a, prohibits abuse and violence against all innocent persons, including women, yet reportedly spousal abuse and other forms of violence against women were common problems, although the Government did not keep statistics on such violence and abuse;

Whereas the 2006 Country Report also cited complaints that “judges often acted capriciously and did not base judgments on precedent, leading to widely divergent rulings”;

Whereas the 2006 Country Report also stated that, “A woman’s testimony does not carry the same weight as a man. In a Shari’a court, the testimony of one man equals that of two women”;

Whereas the Universal Declaration of Human Rights, done at Paris December 10, 1948, stipulates that all human beings have the right to security of person, that, “All are equal before the law and are entitled without any discrimination to equal protection of the law”, and that, “No one shall be subjected to torture or to cruel, inhuman, or degrading treatment or punishment”;

Whereas the legal system of Saudi Arabia is based on Shari’a and does not mandate specific punishments for many offenses, leaving judges with wide discretion in issuing verdicts; and

Whereas, in October 2007, the King of Saudi Arabia, Abdullah bin Abd al-Aziz Al Saud, issued a decree to reform aspects of the country’s judicial system, including new training for judges, changes to the appeals process, and the establishment of two supreme courts to replace the Supreme Judi-

cial Council as the final recourse after courts of first instance and appellate courts: Now, therefore, be it

*Resolved*, That the Senate—

(1) respects the sovereign rights of the Kingdom of Saudi Arabia;

(2) welcomes the commitment of the Government of the Kingdom of Saudi Arabia to reform its judicial system;

(3) condemns sexual violence in all forms;

(4) urges the Government of the Kingdom of Saudi Arabia to undertake robust efforts to address the significant problem of violence against women in the society of Saudi Arabia, to promote equal treatment of women in the country’s legal system, and to ensure that victims of sexual violence are not punished for the crimes committed against them and have access to and recourse through the country’s legal system to bring the perpetrators of such violence to justice;

(5) urges the Government of the Kingdom of Saudi Arabia to overturn the sentence of the “Girl of Qatif” of 200 lashes and 6 months in prison; and

(6) expresses solidarity with the “Girl of Qatif” and the women of Saudi Arabia in their efforts to address violence against women and attain equal treatment in their country’s legal system, and with the many citizens of Saudi Arabia who were outraged by the sentence of the “Girl of Qatif”.

**AMENDMENTS SUBMITTED AND PROPOSED**

SA 3853. Mr. SCHUMER (for Mr. DODD (for himself and Mr. SHELBY)) proposed an amendment to the bill S. 2338, to modernize and update the National Housing Act and enable the Federal Housing Administration to more effectively reach underserved borrowers, and for other purposes.

SA 3854. Mr. COBURN proposed an amendment to the bill S. 2338, *supra*.

SA 3855. Mr. HARKIN (for himself and Mr. CHAMBLISS) proposed an amendment to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

SA 3856. Ms. STABENOW (for Mr. BAUCUS (for himself, Mr. GRASSLEY, Ms. STABENOW, Mr. KERRY, Mr. GREGG, Mr. VOINOVICH, Mrs. LINCOLN, Mr. ALLARD, Mr. SUNUNU, Mr. COLEMAN, Mr. SPECTER, Mrs. DOLE, Ms. COLLINS, Mr. NELSON, of Florida, Mr. BAYH, Ms. SNOWE, Mr. LIEBERMAN, Ms. CANTWELL, and Mr. SCHUMER)) proposed an amendment to the bill H.R. 3648, to amend the Internal Revenue Code of 1986 to exclude discharges of indebtedness on principal residences from gross income, and for other purposes.

**TEXT OF AMENDMENTS**

**SA 3853.** Mr. SCHUMER (for Mr. DODD (for himself and Mr. SHELBY)) proposed an amendment to the bill S. 2338, to modernize and update the National Housing Act and enable the Federal Housing Administration to more effectively reach underserved borrowers, and for other purposes; as follows:

At the end of title I, insert the following:  
**SEC. 123. MORATORIUM ON IMPLEMENTATION OF RISK-BASED PREMIUMS.**

For the 12-month period beginning on the date of enactment of this Act, the Secretary of Housing and Urban Development shall not enact, execute, or take any action to make

effective the planned implementation of risk-based premiums, which are designed for mortgage lenders to offer borrowers an FHA-insured product that provides a range of mortgage insurance premium pricing, based on the risk the insurance contract represents, as such planned implementation was set forth in the Notice published in the Federal Register on September 20, 2007 (Vol. 72, No. 182, Page 53872).

**SA 3854.** Mr. COBURN proposed an amendment to the bill S. 2338, to modernize and update the National Housing Act and enable the Federal Housing Administration to more effectively reach underserved borrowers, and for other purposes; as follows:

On page 20, between lines 18 and 19, insert the following:

(e) **EFFECTIVE DATE.**—The amendment made by subsection (a)(2)(A) shall not take effect until the study and report required under subsection (d) has been submitted to Congress.

**SA 3855.** Mr. HARKIN (for himself and Mr. CHAMBLISS) proposed an amendment to amendment SA 3500 proposed by Mr. HARKIN (for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY) to the bill H.R. 2419, to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes; as follows:

On page 884, line 16, strike “or”.

On page 884, between lines 16 and 17, insert the following:

“(6) competitive grants, for public television stations or a consortium of public television stations, to provide education, outreach, and assistance, in cooperation with community groups, to rural communities and vulnerable populations with respect to the digital television transition, and particularly the acquisition, delivery, and installation of the digital-to-analog converter boxes described in section 3005 of the Digital Television Transition and Public Safety Act of 2005 (47 U.S.C. 309 note); or

On page 884, line 17, strike “(6)” and insert “(7)”.

On page 652, between lines 14 and 15, insert the following:

**SEC. 440. SENSE OF CONGRESS REGARDING NUTRITION EDUCATION UNDER THE FOOD AND NUTRITION PROGRAM.**

(a) **FINDINGS.**—Congress finds that—

(1) nutrition education under the Food and Nutrition Act of 2007 (7 U.S.C. 2011 et seq.) plays an essential role in improving the dietary and physical activity practices of low-income people in the United States, helping to reduce food insecurity, prevent obesity, and reduce the risks of chronic disease;

(2) expert organizations, such as the Institute of Medicine, indicate that dietary and physical activity behavior change is more likely to result from the combined application of public health approaches and education than from education alone; and

(3) State programs are implementing nutrition education using effective strategies, including direct education, group activities, and social marketing.

(b) **SENSE OF CONGRESS.**—It is the sense of Congress that—

(1) the Secretary should support and encourage effective interventions for nutrition education under the Food and Nutrition Act of 2007 (7 U.S.C. 2011 et seq.), including coordination with public health approaches and traditional education, to increase the likelihood that recipients of food and nutrition program benefits and people who are po-

tentially eligible for those benefits will choose diets and physical activity practices consistent with the Dietary Guidelines for Americans;

(2) to promote the most effective implementation of publicly-funded programs, State nutrition education activities under the Food and Nutrition Act of 2007 (7 U.S.C. 2011 et seq.)—

(A) should be coordinated with other federally-funded food assistance and public health programs; and

(B) should leverage public/private partnerships to maximize the resources and impact of the programs; and

(3) funds provided under the Food and Nutrition Act of 2007 (7 U.S.C. 2011 et seq.) for nutrition education should be used only for activities that promote diets and physical activity consistent with the Dietary Guidelines for Americans among—

(A) recipients of food and nutrition program benefits; and

(B) people who are potentially eligible for those benefits.

On page 626, line 7, insert “(including childhood obesity)” after “obesity”.

In section 4802(c)(1)(B), strike “and” at the end.

In section 4802(c)(2), strike the period at the end and insert “; and”.

In section 4802(c), add at the end the following:

(3) in subsection (g)—

(A) by striking “If a local” and inserting the following:

“(1) **IN GENERAL.**—If a local”; and

(B) by adding at the end the following:

“(2) **STATE OPTION.**—Subject to a determination by the Secretary that annual appropriations have enabled every State seeking to participate in the commodity supplemental food program to participate in that program, a State may serve low-income persons aged 60 and older that have a household income that is not more than 185 percent of the most recent annual Federal Poverty Income Guidelines published by the Department of Health and Human Services, if—

“(A) the State has submitted to the Secretary justification for that service; and

“(B) the Secretary has approved the request of the State.”.

Beginning on page 672, strike line 7 and all that follows through page 673, line 4, and insert the following:

**SEC. 4904. BUY AMERICAN REQUIREMENTS.**

(a) **FINDINGS.**—Congress finds the following:

(1) Federal law requires that commodities and products purchased with Federal funds be, to the extent practicable, of domestic origin.

(2) Federal Buy American statutory requirements seek to ensure that purchases made with Federal funds benefit domestic producers.

(3) The Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) requires the use of domestic food products for all meals served under the program, including foods products for all meals served under the program, including foods products purchased with local funds.

(b) **BUY AMERICAN STATUTORY REQUIREMENTS.**—The Department of Agriculture should undertake training, guidance, and enforcement of the various current Buy American statutory requirements and regulations, including those of the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) and the Department of Defense fresh fruit and vegetable distribution program.

At the end of subtitle C of title III, add the following:

**SEC. 32. IMPORTATION OF LIVE DOGS.**

(a) **IN GENERAL.**—The Animal Welfare Act is amended by adding after section 17 (7 U.S.C. 2147) the following:

**“SEC. 18. IMPORTATION OF LIVE DOGS.**

“(a) **DEFINITIONS.**—In this section:

“(1) **IMPORTER.**—The term ‘importer’ means any person who, for purposes of resale, transports into the United States puppies from a foreign country.

“(2) **RESALE.**—The term ‘resale’ includes any transfer of ownership or control of an imported dog of less than 6 months of age to another person, for more than de minimis consideration.

“(b) **REQUIREMENTS.**—

“(1) **IN GENERAL.**—Except as provided in paragraph (2), no person shall import a dog into the United States for purposes of resale unless, as determined by the Secretary, the dog—

“(A) is in good health;

“(B) has received all necessary vaccinations; and

“(C) is at least 6 months of age, if imported for resale.

“(2) **EXCEPTION.**—The Secretary, by regulation, shall provide an exception to any requirement under paragraph (1) in any case in which a dog is imported for—

“(A) research purposes; or

“(B) veterinary treatment.

“(c) **IMPLEMENTATION AND REGULATIONS.**—The Secretary, the Secretary of Health and Human Services, the Secretary of Commerce, and the Secretary of Homeland Security shall promulgate such regulations as the Secretaries determine to be necessary to implement and enforce this section.

“(d) **ENFORCEMENT.**—An importer that fails to comply with this section shall—

“(1) be subject to penalties under section 19; and

“(2) provide for the care (including appropriate veterinary care), forfeiture, and adoption of each applicable dog, at the expense of the importer.”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) takes effect on the date of enactment of this Act.

On page 1290, strike lines 9 through 20 and insert the following:

“(1) **IN GENERAL.**—Effective beginning on the date of enactment of this subsection, there shall be in effect a moratorium on all loan acceleration and foreclosure proceedings instituted by the Department of Agriculture against any farmer or rancher who—

“(A) has pending against the Department a claim of discrimination; or

“(B) files a claim of discrimination against the Department.

On page 160, line 12, strike “improve” and insert “further strengthen”.

On page 160, line 17, after “sugar policies” insert “, to the fullest extent consistent with the international obligations of the United States”.

On page 160, lines 20 and 21, strike “United States sugar market and the Mexican sugar market” and insert “United States and Mexican sweetener markets”.

On page 160, line 24, after “Mexico” insert “, while supporting the interests of corn growers, corn refiners, and sweetener users in both markets”.

At the appropriate place in subtitle G of title I, insert the following:

**SEC. 19. MALTING BARLEY.**

Section 508(m) of the Federal Crop Insurance Act (7 U.S.C. 1508(m)) is amended by adding at the end the following:

“(5) **SPECIAL PROVISIONS FOR MALTING BARLEY.**—The Corporation shall promulgate special provisions under this subsection specific to malting barley, taking into consideration any changes in quality factors, as required by applicable market conditions.”.

Subtitle F—Specialty crops  
 Subtitle F

**Durbin amendment—strikes MAP preferences, agreed by Senator Stabenow and Specialty Crop Alliance**

**SECTION 1832. MARKET ACCESS PROGRAM.**

Page 241, Strike lines 17–25.

Page 242, Strike lines 1–17.

**Baucus-Stabenow amendment—removes language under the jurisdiction of the Senate Finance Committee**

**SECTION 1834. CONSULTATIONS ON SANITARY AND PHYTOSANITARY RESTRICTIONS FOR FRUITS AND VEGETABLES.**

On page 244, strike lines 15–26.

On page 245, strike lines 1–16.

On page 1129, strike lines 16 through 22 and insert the following:

“(1) COMMODITY CREDIT CORPORATION.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available \$230,000,000 to carry out subsections (b), (c), and (d) for fiscal year 2008, to remain available until expended, of which—

“(A) not less than 5 percent shall be used to carry out subsection (b); and

“(B) not less than 15 percent shall be used to carry out subsection (d).”

At the end of subtitle F of title VII, add the following:

**SEC. 7. SENSE OF SENATE REGARDING ORGANIC RESEARCH.**

It is the sense of the Senate that—

(1) the Secretary should recognize that sales of certified organic products have been expanding by 17 to 20 percent per year for more than a decade, but research and outreach activities relating specifically to certified organic production growth and processing of agricultural products (as defined in section 2103 of the Organic Foods Production Act of 1990 (7 U.S.C. 6502)) has not kept pace with this expansion;

(2) research conducted specifically on organic methods and production systems benefits organic and conventional producers and contributes to the strategic goals of the Department of Agriculture, resulting in benefits for trade, human health, the environment, and overall agricultural productivity;

(3) in order to meet the needs of the growing organic sector, the Secretary should use a portion of the total annual funds of the Agricultural Research Service for research specific to organic food and agricultural systems that is at least commensurate with the market share of the organic sector of the domestic food retail market; and

(4) the increase in funding described in paragraph (3) should include funding for efforts—

(A) to establish long-term core capacities for organic research;

(B) to assist organic farmers and farmers intending to transition to organic production systems; and

(C) to disseminate research results through the Alternative Farming Systems Information Center of the National Agriculture Library.

Strike subtitle A of title XI and insert the following:

**Subtitle A—Agricultural Security**

**SEC. 11011. DEFINITIONS.**

In this subtitle:

(1) AGENT.—The term “agent” means a chemical, biological, radiological, or nuclear substance that causes an agricultural disease or adulteration of food products under the jurisdiction of the Department.

(2) AGRICULTURAL BIOSECURITY.—The term “agricultural biosecurity” means protection from an agent that poses a threat to—

(A) plant or animal health;

(B) public health, with respect to direct exposure to an agricultural disease; or

(C) the environment, with respect to agriculture facilities, farmland, air, and water in the immediate vicinity of an area associated with an agricultural disease or outbreak.

(3) AGRICULTURAL COUNTERMEASURE.—

(A) IN GENERAL.—The term “agricultural countermeasure” means a product, practice, or technology that is intended to enhance or maintain the agricultural biosecurity of the United States.

(B) EXCLUSIONS.—The term “agricultural countermeasure” does not include any product, practice, or technology used solely for human medical incidents or public health emergencies not related to agriculture.

(4) AGRICULTURAL DISEASE.—The term “agricultural disease” has the meaning given the term by the Secretary.

(5) AGRICULTURE.—The term “agriculture” means—

(A) the science and practice of activities relating to food, feed, fiber, and energy production, processing, marketing, distribution, use, and trade;

(B) nutrition, food science and engineering, and agricultural economics;

(C) forestry, wildlife science, fishery science, aquaculture, floriculture, veterinary medicine, and other related natural resource sciences; and

(D) research and development activities relating to plant- and animal-based products carried out by the Department.

(6) AGROTERRORIST ACT.—The term “agroterrorist act” means an act that—

(A) causes or attempts to cause—

(i) damage to agriculture; or

(ii) injury to a person associated with agriculture; and

(B) is committed—

(i) to intimidate or coerce; or

(ii) to disrupt the agricultural industry.

(7) ANIMAL.—The term “animal” means any member of the animal kingdom (except a human).

(8) DEPARTMENT.—The term “Department” means the Department of Agriculture.

(9) DEVELOPMENT.—The term “development” means—

(A) research leading to the identification of products or technologies intended for use as agricultural countermeasures;

(B) the formulation, production, and subsequent modification of those products or technologies;

(C) the conduct of preclinical and clinical in vivo and in vitro studies;

(D) the conduct of field, efficacy, and safety studies;

(E) the preparation of an application for marketing approval for submission to applicable agencies; and

(F) other actions taken by an applicable agency in a case in which an agricultural countermeasure is procured or used prior to issuance of a license or other form of approval.

(10) PLANT.—

(A) IN GENERAL.—The term “plant” means any plant (including any plant part) for or capable of propagation.

(B) INCLUSIONS.—The term “plant” includes—

(i) a tree;

(ii) a tissue culture;

(iii) a plantlet culture;

(iv) pollen;

(v) a shrub;

(vi) a vine;

(vii) a cutting;

(viii) a graft;

(ix) a scion;

(x) a bud;

(xi) a bulb;

(xii) a root; and

(xiii) a seed.

(11) QUALIFIED AGRICULTURAL COUNTERMEASURE.—The term “qualified agricultural

countermeasure” means an agricultural countermeasure that the Secretary, in consultation with the Secretary of Homeland Security, determines to be a priority in order to address an agricultural biosecurity threat from—

(A) an agent placed on the Select Agents and Toxins list of the Department;

(B) an agent placed on the Plant Protection and Quarantine Select Agents and Toxins list of the Department; or

(C) an applicable agent placed on the Overlap Select Agents and Toxins list of the Department and the Department of Health and Human Services, in accordance with—

(i) part 331 of title 7, Code of Federal Regulations; and

(ii) part 121 of title 9, Code of Federal Regulations.

**SEC. 11012. NATIONAL PLANT DISEASE RECOVERY SYSTEM AND NATIONAL VETERINARY STOCKPILE.**

(a) NATIONAL PLANT DISEASE RECOVERY SYSTEM.—

(1) ESTABLISHMENT.—The Secretary, in coordination with the Secretary of Homeland Security, and in consultation with the Administrator of the Environmental Protection Agency, shall work with State and local governments and the private sector to establish a national plant disease recovery system to be used to respond to an outbreak of plant disease that poses a significant threat to agricultural biosecurity.

(2) REQUIREMENTS.—The national plant disease recovery system shall include agricultural countermeasures to be made available within a single growing season for crops of particular economic significance, as determined by the Secretary, in coordination with the Secretary of Homeland Security.

(b) NATIONAL VETERINARY STOCKPILE.—The Secretary, in coordination with the Secretary of Homeland Security, and in consultation with the Secretary of Health and Human Services and the Administrator of the Environmental Protection Agency, shall work with State and local governments and the private sector to establish a national veterinary stockpile, which shall be used by the Secretary, in coordination with the Secretary of Homeland Security to make agricultural countermeasures available to any State veterinarian not later than 24 hours after submission of an official request for assistance by the State veterinarian, unless the Secretary and the Secretary of Homeland Security cannot accommodate such a request due to an emergency, lack of available resources, or other reason for disapproval of the request as determined the Secretary.

**SEC. 11013. RESEARCH AND DEVELOPMENT OF AGRICULTURAL COUNTERMEASURES.**

(a) GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish a grant program to stimulate basic and applied research and development activity for qualified agricultural countermeasures.

(2) COMPETITIVE GRANTS.—In carrying out this section, the Secretary shall develop a process through which to award grants on a competitive basis.

(3) WAIVER IN EMERGENCIES.—The Secretary may waive the requirement in paragraph (2), if—

(A) the Secretary has declared a plant or animal disease emergency under the Plant Protection Act (7 U.S.C. 7701 et seq.) or the Animal Health Protection Act (7 U.S.C. 8301 et seq.); and

(B) the waiver would lead to the rapid development of a qualified agricultural countermeasure, as determined by the Secretary.

(b) USE OF FOREIGN DISEASE PERMISSIBLE.—The Secretary may permit the use of foreign animal and plant disease agents, and accompanying data, in research and development

activities funded under this section if the Secretary determines that the diseases or data are necessary to demonstrate the safety and efficacy of an agricultural countermeasure in development.

(c) **COORDINATION ON ADVANCED DEVELOPMENT.**—The Secretary shall ensure that the Secretary of Homeland Security is provided information, on a quarterly basis, describing each grant provided by the Secretary for the purpose of facilitating the acceleration and expansion of the advanced development of agricultural countermeasures.

(d) **SCOPE.**—Nothing in this section impedes the ability of the Secretary of Homeland Security to administer grants for basic and applied research and advanced development activities for qualified agricultural countermeasures.

(e) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this section \$50,000,000 for each of fiscal years 2008 through 2012.

**SEC. 11014. VETERINARY WORKFORCE GRANT PROGRAM.**

(a) **IN GENERAL.**—The Secretary shall establish a grant program to increase the number of veterinarians trained in agricultural biosecurity.

(b) **CONSIDERATIONS FOR FUNDING AWARDED.**—The Secretary shall establish procedures to ensure that grants are competitively awarded under the program based on—

(1) the ability of an applicant to increase the number of veterinarians who are trained in agricultural biosecurity practice areas determined by the Secretary;

(2) the ability of an applicant to increase research capacity in areas of agricultural biosecurity determined by the Secretary to be a priority; or

(3) any other consideration the Secretary determines to be appropriate.

(c) **USE OF FUNDS.**—Amounts received under this section may be used by a grantee to pay—

(1) costs associated with construction and the acquisition of equipment, and other capital costs relating to the expansion of schools of veterinary medicine, departments of comparative medicine, departments of veterinary science, or entities offering residency training programs; or

(2) capital costs associated with the expansion of academic programs that offer postgraduate training for veterinarians or concurrent training for veterinary students in specific areas of specialization.

(d) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.

**SEC. 11015. ASSISTANCE TO BUILD LOCAL CAPACITY IN AGRICULTURAL BIOSECURITY PLANNING, PREPAREDNESS, AND RESPONSE.**

(a) **ADVANCED TRAINING PROGRAMS.**—

(1) **GRANT ASSISTANCE.**—The Secretary shall provide grant assistance to support the development and expansion of advanced training programs in agricultural biosecurity planning and response for food science professionals and veterinarians.

(2) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to the Secretary such sums as are necessary to carry out this subsection for each of fiscal years 2008 through 2012.

(b) **ASSESSMENT OF RESPONSE CAPABILITY.**—

(1) **GRANT AND LOAN ASSISTANCE.**—The Secretary shall provide grant and low-interest loan assistance to States for use in assessing agricultural disease response and food emergency response capabilities.

(2) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this subsection \$25,000,000 for each of fiscal years 2008 through 2012.

**SEC. 11016. LIVE VIRUS OF FOOT AND MOUTH DISEASE RESEARCH.**

(a) **IN GENERAL.**—The Secretary shall issue a permit required under section 12 of the Act of May 29, 1884 (21 U.S.C. 113a) to the Secretary of Homeland Security for work on the live virus of foot and mouth disease at the National Bio and Agro-Defense Laboratory (referred to in this section as the “NBAF”).

(b) **LIMITATION.**—The permit shall be valid unless the Secretary finds that the study of live foot and mouth disease virus at the NBAF is not being carried out in accordance with the regulations issued by the Secretary pursuant to the Agricultural Bioterrorism Protection Act of 2002 (7 U.S.C. 8401 et seq.).

(c) **AUTHORITY.**—The suspension, revocation, or other impairment of the permit issued under this section—

(1) shall be made by the Secretary; and

(2) is a nondelegable function.

On page 113, line 12, strike “are” and insert “include”.

On page 1014, line 9, insert “(after taking into consideration recommendations made by the National Academy of Sciences)” after “President”.

On page 895, lines 12 and 13, strike “subsection (e)” and insert “subsection (g)”.

On page 895, strike lines 16 through 19 and insert the following:

“(d) **INITIAL IMPLEMENTATION.**—To address the urgent security concerns of the United States with respect to public health, bioterrorism preparedness, and food supply security, in implementing the first phase of the veterinary medicine loan repayment program, the Secretary shall give priority to large and mixed animal practitioner shortages in rural communities.

“(e) **USE OF FUNDS.**—None of the funds appropriated to the Secretary under subsection (g) may be used to carry out section 5379 of title 5, United States Code.

“(f) **REGULATIONS.**—Notwithstanding subchapter II of chapter 5 of title 5, United States Code, not later than 270 days after the date of enactment of this subsection, the Secretary shall promulgate regulations to carry out this section.”

On page 921, line 3, insert “and tribal” after “State”.

On page 1138, strike lines 1 through 5 and insert the following:

“(xi) an individual with expertise in plant biology and biomass feedstock development;

“(xii) an individual with expertise in agronomy, crop science, or soil science; and

“(xiii) at the option of the points of contact, other members.

On page 1154, line 1, insert “the State of Hawaii,” after “Alaska.”.

Strike section 6018.

Beginning on page 738, strike line 6 and all that follows through page 741, line 21, and insert the following:

**“SEC. 7.7. EQUALIZATION OF LOAN-MAKING POWERS OF CERTAIN DISTRICT ASSOCIATIONS.**

**“(a) EQUALIZATION OF LOAN-MAKING POWERS.**—

**“(1) IN GENERAL.**—

**“(A) FEDERAL LAND BANK ASSOCIATIONS.**—Subject to paragraph (2), any association that owns a Federal land bank association authorized as of January 1, 2007, to make long-term loans under title I in its chartered territory within the geographic area described in subsection (b) may make short- and intermediate-term loans and otherwise operate as a production credit association under title II within that same chartered territory.

**“(B) PRODUCTION CREDIT ASSOCIATIONS.**—Subject to paragraph (2), any association that under its charter has title I lending authority and that owns a production credit association authorized as of January 1, 2007, to

make short- and intermediate-term loans under title II in the geographic area described in subsection (b) may make long-term loans and otherwise operate, directly or through a subsidiary association, as a Federal land bank association or Federal land credit association under title I in the geographic area.

**“(C) FARM CREDIT BANK.**—Notwithstanding section 5.17(a), the Farm Credit Bank with which any association had a written financing agreement as of January 1, 2007, may make loans and extend other similar financial assistance with respect to, and may purchase, any loans made under the new authority provided under subparagraph (A) or (B) by an association exercising such authority.

**“(2) REQUIRED APPROVALS.**—An association may exercise the additional authority provided for in paragraph (1) only after the exercise of the authority is approved by—

**“(A) the board of directors of the association; and**

**“(B) a majority of the voting stockholders of the association (or, if the association is a subsidiary of another association, the voting stockholders of the parent association) voting, in person or by proxy, at a duly authorized meeting of stockholders in accordance with the process described in section 7.11.**

**“(b) APPLICABILITY.**—This section applies only to associations the chartered territory of which was within the geographic area served by the Federal intermediate credit bank immediately prior to its merger with a Farm Credit Bank under section 410(e)(1) of the Agricultural Credit Act of 1987 (12 U.S.C. 2011 note; Public Law 100-233).”

(c) **CHARTER AMENDMENTS.**—Section 5.17(a) of the Farm Credit Act of 1971 (12 U.S.C. 2252(a)) is amended by adding at the end the following:

**“(15)(A) Approve amendments to the charters of institutions of the Farm Credit System to implement the equalization of loan-making powers of a Farm Credit System association under section 7.7.**

**“(B) Amendments described in subparagraph (A) to the charters of an association and the related Farm Credit Bank shall be approved by the Farm Credit Administration, subject to any conditions of approval imposed, by not later than 30 days after the date on which the Farm Credit Administration receives all approvals required by section 7.7 (a)(2).”**

(d) **CONFORMING AMENDMENTS.**—

(1) Section 5.17(a)(2) of the Farm Credit Act of 1971 (12 U.S.C. 2252(a)(2)) is amended—

(A) by striking “(2)(A)” and inserting “(2)”; and

(B) by striking subparagraphs (B) and (C).

(2) **SECTION 410 OF THE 1987 ACT.**—Section 410(e)(1)(A)(iii) of the Agricultural Credit Act of 1987 (12 U.S.C. 2011 note; Public Law 100-233) is amended by inserting “(except section 7.7 of that Act)” after “(12 U.S.C. 2001 et seq.)”.

(3) **SECTION 401 OF THE 1992 ACT.**—Section 401(b) of the Farm Credit Banks and Associations Safety and Soundness Act of 1992 (12 U.S.C. 2011 note; Public Law 102-552) is amended—

(A) by inserting “(except section 7.7 of the Farm Credit Act of 1971)” after “provision of law”; and

(B) by striking “, subject to such limitations” and all that follows through the end of the paragraph and inserting a period.

(e) **EFFECTIVE DATE.**—The amendments made by this section take effect on January 1, 2010.

Section 9001(3)(B) of the Farm Security and Rural Investment Act of 2002 (as amended by section 9001) is amended by striking clause (iii) and inserting the following:

“(iii) biofuel derived from waste material, including crop residue, other vegetative

waste material, animal waste and byproducts (including fats, oils, greases, and manure), food waste, and yard waste;

Beginning on page 1176, strike line 24 and all that follows through page 1177, line 2, and insert the following:

“(5) water resource needs, including water requirements for biorefineries;

“(6) education and outreach for agricultural producers transitioning to cellulosic feedstocks; and

“(7) such other infrastructure issues as the Secretary may determine.”.

On page 1177, strike lines 18 through 21 and insert the following:

“(5) the resource use and conservation characteristics of alternative approaches to infrastructure development;

“(6) the impact on the development of renewable energy when public and private utilities do not pay competitive rates for wind, solar, and biogas energy from agricultural sources; and

“(7) the environmental benefits of planting perennial grasses for the production of cellulosic ethanol.”.

On page 1176, strike lines 18 and 19 and insert the following:

ture issues, including shipment by rail, truck, pipeline, or barge;

On page 1055, strike lines 6 through 8 and insert the following:

“(A) incorporates any forest management plan of the State in existence on the date of enactment of this section (including community wildfire protection plans);

At the end of title VIII, insert the following:

**SEC. 8. GREEN MOUNTAIN NATIONAL FOREST BOUNDARY ADJUSTMENT.**

(a) **IN GENERAL.**—The boundary of the Green Mountain National Forest is modified to include the 12 designated expansion units as generally depicted on the forest maps entitled “Green Mountain Expansion Area Map I” and “Green Mountain Expansion Area Map II” and dated February 20, 2002 (copies of which shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Washington, District of Columbia), and more particularly described according to the site specific maps and legal descriptions on file in the office of the Forest Supervisor, Green Mountain National Forest.

(b) **MANAGEMENT.**—Federally owned land delineated on the maps acquired for National Forest purposes shall continue to be managed in accordance with the laws (including regulations) applicable to the National Forest System.

(c) **LAND AND WATER CONSERVATION FUND.**—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460 l-9), the boundaries of the Green Mountain National Forest, as adjusted by this section, shall be considered to be the boundaries of the national forest as of January 1, 1965.

Beginning on page 175, strike line 14 and all that follows through page 176, line 21, and insert the following:

(1) ensuring that the competitiveness of dairy products with other competing products in the marketplace is preserved and enhanced;

(2) ensuring that dairy producers receive fair and reasonable minimum prices;

(3) enhancing the competitiveness of United States dairy producers in world markets;

(4) preventing anticompetitive behavior and ensuring that dairy markets are not prone to manipulation;

(5) increasing the responsiveness of the Federal milk marketing order system to market forces;

(6) streamlining and expediting the process by which amendments to Federal milk marketing orders are adopted;

(7) simplifying the Federal milk marketing order system;

(8) evaluating whether the Federal milk marketing order system, established during the Great Depression, continues to serve the interests of the public, dairy processors, and dairy producers;

(9) evaluating whether Federal milk marketing orders are operating in a manner to minimize costs to taxpayers and consumers, while still maintaining a fair price for producers;

(10) evaluating the nutritional composition of milk, including the potential benefits and costs of adjusting the milk content standards;

(11) evaluating the economic benefits to milk producers of establishing a 2-class system of classifying milk consisting of a fluid milk class and a manufacturing grade milk class, with the price of both classes determined using the component prices of butterfat, protein, and other solids; and

(12) evaluating a change in advance pricing that is used to calculate the advance price of Class II skim milk under Federal milk marketing orders using the 4-week component prices that are used to calculate prices for Class III and Class IV milk.

In section 1608(d), strike paragraph (2) and insert the following:

(2) **MEMBERS.**—As soon as practicable after the date on which funds are first made available to carry out this section—

(A) 2 members of the Commission shall be appointed by the Chairman of the Committee on Agriculture of the House of Representatives, in consultation with the ranking member of that committee;

(B) 2 members of the Commission shall be appointed by the Chairman of the Committee on Agriculture, Nutrition, and Forestry of the Senate, in consultation with the ranking member of that committee;

(C) 10 members of the Commission shall be appointed by the Secretary;

(D) 2 members of the Commission shall be appointed by the Chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the House of Representatives, in consultation with the ranking member of that subcommittee; and

(E) 2 members of the Commission shall be appointed by the Chairman of the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies of the Senate, in consultation with the ranking member of that subcommittee.

On page 750, line 21, insert before the period at the end the following: “, of which not less than \$25,000,000 shall be for use at hospitals in rural areas with not more than 50 acute beds”.

On page 579, between lines 5 and 6, insert the following:

(9) in subsection (i), by adding at the end the following:

“(12) **INTERCHANGE FEES.**—No interchange fees shall apply to electronic benefit transfer transactions under this subsection.”;

On page 692, between lines 17 and 18, insert the following:

**SEC. 4909. GRAIN PILOT PROGRAM.**

(a) **IN GENERAL.**—Section 17A of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766a) is amended by adding at the end the following:

“(e) **GRAIN PILOT PROGRAM.**—

“(1) **DEFINITION OF ELIGIBLE GRAIN AND GRAIN PRODUCT.**—In this subsection, the terms ‘eligible grain’ and ‘grain product’ mean a grain or bread product, including but

not limited to, baked products and ready-to-eat cereals, having whole grain as the primary ingredient by weight as specified on the label or according to the recipe; except that the Secretary may review and update as necessary the definition established under this section.”

“(2) **PROGRAM.**—

“(A) **IN GENERAL.**—For the school year beginning July 2008, the Secretary shall carry out a pilot program to provide eligible grain and grain products to—

“(i) up to 125 elementary or secondary schools operating a program under this section in each of 6 States; and

“(ii) elementary or secondary schools operating a program under this section on 1 Indian reservation.

“(B) **REQUIREMENT.**—A school participating in the program shall provide eligible grain and grain products as one of the meal supplement components as described in subsection (d) to students participating in a program authorized under this section.

“(C) **FUNDING TO STATES.**—The Secretary shall allocate funds to each participating State based on the prior year claiming pattern for the afterschool snack program in selected schools.

“(3) **SELECTION OF SCHOOLS.**—In selecting schools to participate in the program under paragraph (2), the Secretary shall—

“(A) ensure each school selected is located in a needy area as defined in subsection (c)(1); and

“(B) solicit applications from interested schools that meet the criteria established in subparagraph (A) and include—

“(i) a certification of support for participation in the program signed by the school food manager, the school principal, and the district superintendent (or equivalent positions, as determined by the school); and

“(ii) such other information as may be requested by the Secretary.

“(4) **REPORT.**—Not later than December 31, 2010, the Secretary, acting through the Administrator of the Food and Nutrition Service, shall submit to the Committee on Education and Labor of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the pilot program.

“(5) **FUNDING.**—The Secretary shall use not more than \$4,000,000 to carry out this subsection (other than paragraph (4)), of which—

“(A) \$2,000,000 shall be from funds made available to carry out the senior farmers’ market nutrition program under section 4402 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 3007); and

“(B) \$2,000,000 shall be from funds made available to carry out assistance for community food projects under section 25 of the Food and Nutrition Act of 2007 (7 U.S.C. 2034).

“(6) **EVALUATION AND ADMINISTRATION.**—Of the funding made available the Secretary shall use not more than \$3,000,000 to carry out the evaluation required in paragraph (4) and for the administration of the program.”.

(b) **EFFECTIVE DATE.**—The amendment made by this section shall take effect on the date of enactment of this Act.

On page 576, strike lines 13 through 17 and insert the following:

(2) in subsection (b)—

(A) by striking “(b) Coupons” and inserting the following:

“(b) **USE.**—

“(1) **IN GENERAL.**—Benefits”;

(B) in paragraph (1) (as designated by subparagraph (A)), by striking the second proviso; and

(C) by adding at the end the following:

“(2) **STUDY.**—As soon as practicable after the date of enactment of this paragraph, the

Comptroller General of the United States shall conduct a study of the effects of the Secretary issuing a rule requiring that benefits shall only be used to purchase food that is included in the most recent applicable thrifty food plan market basket.”;

On page 245, between lines 22 and 23, insert the following:

(b) **ELIGIBILITY.**—Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108-465) is amended by striking subsection (e) and inserting the following:

“(e) **PLAN REQUIREMENTS.**—  
“(1) **IN GENERAL.**—The State plan shall identify the lead agency charged with the responsibility for carrying out the plan and indicate how the grant funds will be used to enhance the competitiveness of specialty crops.

“(2) **REPRESENTATION OF CERTAIN INDIVIDUALS.**—To the maximum extent practicable and appropriate, the State plan shall be developed taking into consideration the opinions and expertise of beginning farmers or ranchers (as defined in section 343(a) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)) and socially disadvantaged farmers or ranchers (as defined in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e))) who produce specialty crops.”.

(c) **AUDIT AND PLAN REQUIREMENTS.**—Section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108-465) is amended by striking subsection (h) and inserting the following:

“(h) **AUDIT AND PLAN REQUIREMENTS.**—  
“(1) **IN GENERAL.**—For each year that a State receives a grant under this section, the State shall conduct an audit of the expenditures of grant funds by the State.

“(2) **SUBMISSION OF AUDIT AND DESCRIPTION.**—Not later than 30 days after the date of completion of an audit under paragraph (1), the State shall submit to the Secretary of Agriculture—

“(A) a copy of the audit;  
“(B) a description of the ways in which the State is complying with the requirement under subsection (e); and

“(C) such additional information as the Secretary may request to ensure, to the maximum extent practicable, that the State is complying with that requirement.”.

On page 245, line 23, strike “(b)” and insert “(d)”.

On page 246, line 11, strike “(c)” and insert “(e)”.

On page 247, line 11, strike “(d)” and insert “(f)”.

On page 247, line 19, strike “(e)” and insert “(g)”.

Beginning on page 248, strike line 24 and all that follows through page 249, line 2, and insert the following:

“(4) a nonprofit trucking association and their research entities;

“(5) a combination of the entities described in paragraphs (1) through (4); or

“(6) other entities, as determined by the Secretary

At the end of title IX, add the following:

**SEC. 9. SENSE OF CONGRESS REGARDING COOPERATIVE REGIONAL RESEARCH, EXTENSION, AND EDUCATION PROGRAMS ON BIOFUELS AND BIOPRODUCTS.**

It is the sense of Congress that the Secretary shall continue to allow and support efforts of regional consortiums of public institutions, including land grant universities and State departments of agriculture, to jointly support the bioeconomy through research, extension, and education activities, including—

- (1) expanding the use of biomass;
- (2) improving the efficiency and sustainability of bioenergy;

(3) supporting local ownership in the bioeconomy;

(4) communicating about the bioeconomy;

(5) facilitating information sharing; and

(6) assisting to coordinate regional approaches.

On page 1171, strike line 13 and insert the following:

“(2) in consultation with the Secretary of Energy and the Secretary of Transportation, as appropriate, establish criteria for program participation

On page 1172, line 2, strike “Secretary of Energy” and insert “Secretary of Energy and the Secretary of Transportation”.

Beginning on page 1172, strike line 20 and all that follows through page 1173, line 2, and insert the following:

“(g) **REPORT.**—Not later than December 31, 2011, and biennially thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry, the Committee on Commerce, Science, and Transportation, and the Committee on Energy and Natural Resources of the Senate a report that documents the best practices and approaches used by communities in rural areas that receive funds under this section.

On page 1176, strike lines 12 through 14 and insert the following:

“(3) submit a report describing the assessment and recommendations to—

“(A) the Committee on Agriculture, Nutrition, and Forestry of the Senate;

“(B) the Committee on Commerce, Science, and Transportation of the Senate;

“(C) the Committee on Energy and Natural Resources of the Senate; and

“(D) the Committee on Environment and Public Works of the Senate.

On page 1179, strike line 5 and insert the following:

“estry and the Committee on Commerce, Science, and Transportation of the Senate a report that summarizes the re-

On page 1180, strike line 14 and insert the following:

“structure, safety, and security;

On page 1192, strike line 13 and insert the following:

**“SEC. 9023. REPORT ON THE GROWTH POTENTIAL FOR CELLULOSIC MATERIAL.**

“Not later than 18 months after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a comprehensive report that, on a State-by-State basis—

“(1) identifies the range of cellulosic feedstock materials that can be grown and are viable candidates for renewable fuel production;

“(2) estimates the acreage available for growing the cellulosic feedstock materials identified under paragraph (1);

“(3) estimates the quantity of available energy per acre for each cellulosic feedstock material identified under paragraph (1);

“(4) calculates the development potential for growing cellulosic feedstock materials, based on—

“(A) the range of cellulosic materials available for growth;

“(B) soil quality;

“(C) climate variables;

“(D) the quality and availability of water;

“(E) agriculture systems that are in place as of the date of enactment of this Act;

“(F) available acreage; and

“(G) other relevant factors identified by the Secretary; and

“(5) rates the development potential for growing cellulosic feedstock material, with the ratings displayed on maps of the United States that indicate the development poten-

tial of each State, as calculated by the Secretary under paragraph (4).

**“SEC. 9024. FUTURE FARMSTEDS PROGRAM.**

Strike section 3101.

On page 272, between lines 2 and 3, insert the following:

**SEC. 19. ENTERPRISE AND WHOLE FARM UNITS.**

Section 508(e) of Federal Crop Insurance Act (7 U.S.C. 1508(e)) is amended by adding at the end the following:

“(6) **ENTERPRISE AND WHOLE FARM UNITS.**—

“(A) **IN GENERAL.**—The Corporation may carry out a pilot program under which the Corporation pays a portion of the premiums for plans or policies of insurance for which the insurable unit is defined on a whole farm or enterprise unit basis that is higher than would otherwise be paid in accordance with paragraph (2) for policyholders that convert from a plan or policy of insurance for which the insurable unit is defined on optional or basic unit basis.

“(B) **ELIGIBILITY.**—To be eligible to participate in a pilot program established under this paragraph, a policyholder shall—

“(i) have purchased additional coverage for the 2005 crop on an optional or basic unit basis for at least 90 percent of the acreage to be covered by enterprise or whole farm unit policy for the current crop; and

“(ii) purchase the enterprise or whole farm unit policy at not less than the highest coverage level that was purchased for the acreage for the 2005 crop.

“(C) **AMOUNT.**—

“(i) **IN GENERAL.**—The amount of the premium per acre paid by the Corporation to a policyholder for a policy with an enterprise and whole farm unit under this paragraph shall be, the maximum extent practicable, equal to the average dollar amount of subsidy per acre paid by the Corporation under paragraph (2) for a basic or optional unit.

“(ii) **LIMITATION.**—The amount of the premium paid by the Corporation under this paragraph may not exceed the total premium for the enterprise or whole farm unit policy.

“(D) **CONVERSION OF PILOT TO A PERMANENT PROGRAM.**—Not earlier than 180 days after the date of enactment of this paragraph, the Corporation may convert the pilot program described in this paragraph to a permanent program if the Corporation has—

“(i) carried out the pilot program;

“(ii) analyzed the results of the pilot program; and

“(iii) submitted to Congress a report describing the results of the analysis.”.

On page 299, between lines 15 and 16, insert the following:

**SEC. 19. DEFINITION OF BASIC UNIT.**

The Secretary shall not modify the definition of “basic unit” in accordance with the proposed regulations entitled “Common Crop Insurance Regulations” (72 Fed. Reg. 28895; relating to common crop insurance regulations) or any successor regulation.

On page 980, strike lines 12 and 13 and insert the following:

including fresh-cut produce;

“(7) methods of improving the supply and effectiveness of pollination for specialty crop production; and

“(8) efforts relating to optimizing the produc-

On page 1007, strike line 16 and insert the following:

(T) The research, extension, and education programs authorized by section 407 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7627) relating to the viability and competitiveness of small- and medium-sized dairy, livestock, crop, and other commodity operations.

(U) Other programs, including any pro-

On page 994, strike lines 7 through 17 and insert the following:

**SEC. 7312. NATIONAL ARBORETUM.**

The Act of March 4, 1927 (20 U.S.C. 191 et seq.), is amended by adding at the end the following:

**“SEC. 7. CONSTRUCTION OF A CHINESE GARDEN AT NATIONAL ARBORETUM.**

“(a) IN GENERAL.—A Chinese Garden may be constructed at the National Arboretum established under this Act with—

“(1) funds accepted under section 5; and  
“(2) authorities provided to the Secretary of Agriculture under section 6.

“(b) REPORT.—Each year the Secretary of Agriculture shall submit to Congress, and post on the public website of the National Arboretum, an itemized budget that shall describe, for the preceding year—

“(1) the total costs of the National Arboretum;

“(2) the costs of—

“(A) operation and maintenance;

“(B) horticulture and grounds;

“(C) visitor services; and

“(D) supplies and materials;

“(3) indirect costs of the Agricultural Research Service relating to the National Arboretum; and

“(4) the total number of visitors to the National Arboretum.

“(c) LIMITATION.—No Federal funds shall be used for the construction of the Chinese Garden authorized under subsection (a).”

On page 972, strike lines 1 through 3 and insert the following:

“(E) to assess the effect of forage quality on reproductive fitness and related measures.

“(56) SUSTAINABLE AGRICULTURAL PRODUCTION FOR THE ENVIRONMENT.—Research and extension grants may be made to—

“(A) field and laboratory studies that examine the ecosystem from gross to minute scales; and

“(B) conduct projects that explore the future environmental ramifications of sustainable agricultural practices.”; and

On page 972, strike lines 1 through 3 and insert the following:

“(E) to assess the effect of forage quality on reproductive fitness and related measures.

“(56) BIOMASS-DERIVED ENERGY RESOURCES.—Research and extension grants may be made to—

“(A) study plant cell wall structure and function and the use of plant biotechnology to produce industrial enzymes; and

“(B) conduct projects that develop renewable, plant biomass-derived energy resources using the technology described in subparagraph (A).”;

On page 563, between lines 15 and 16, insert the following:

**SEC. 320 . REPORT ON THE IMPORTATION OF HIGH PROTEIN FOOD INGREDIENTS.**

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary and the Secretary of Health and Human Services (acting through the Commissioner of Food and Drugs), in consultation with the heads of other appropriate Federal agencies, shall jointly submit to Congress a report on imports of high protein food ingredients (including gluten, casein, and milk protein concentrate) into the United States during the 5-year period preceding the date of enactment of this Act.

(b) COMPONENTS.—The report required under subsection (a) shall include—

(1) a description of—

(A) the quantity of each high protein food ingredient imported into the United States; and

(B) the source of the high protein food ingredients being imported;

(2) an accounting of the percentage of imports in each category and subcategory of

high protein food ingredients that were inspected, including whether the inspections were—

(A) basic or visual inspections; or

(B) more intensive inspections or laboratory analyses;

(3) an evaluation of—

(A) whether the laboratory tests conducted on high protein food ingredients were able to detect adulteration with other high nitrogen compounds, such as melamine; and

(B) if some of the laboratory tests were sensitive and others were not sensitive, the number and results for each sensitivity; and

(4) a survey of whether high protein food ingredients were imported for food uses or non-food uses, including an analysis of—

(A) whether the food uses were animal or human food uses; and

(B) whether any non-food or animal feed products could have entered the human food supply, including an analysis of any safeguards to prevent such products from entering the human food supply.

(c) AVAILABILITY.—As soon as practicable after the completion of the report under subsection (a), the Secretary and the Secretary of Health and Human Services shall make the report available to the public.

At the end of subtitle B of title XI, add the following:

**SEC. 11 . GAO REPORT ON ACCESS TO HEALTH CARE FOR FARMERS.**

(a) REPORT.—Not later than November 30, 2008, the Comptroller General of the United States shall submit to Congress a report on access to health care for rural Americans and farmers.

(b) CONSULTATION.—The report shall be done in consultation with the Rural Health Research Centers in the Department of Health and Human Services Office of Rural Health Policy.

(c) ELEMENTS.—The report required by subsection (a) shall include the following:

(1) ASSESSMENT.—An assessment of access to health care for rural Americans, including the following:

(A) An overview of the rates of the uninsured among people living in rural areas in the United States and possible factors that cause the uninsurance, specifically—

(i) a synthesis of existing research on the uninsured living in rural America; and

(ii) a detailed analysis of the uninsured and the factors that contribute to uninsurance in 3 to 4 rural areas.

(2) SECOND ASSESSMENT.—An assessment of access to health care for farmers, including the following:

(A) An overview of the rates of the uninsured among farmers in the United States and the factors that cause the uninsurance, specifically—

(i) factors, such as land assets, that keep low-income farmers from qualifying for public insurance programs;

(ii) the effects of the high price of health insurance for individuals purchasing in the individual, non-group market; and

(iii) any other significant factor that contributes to the rates of uninsurance among farmers.

(B) The extent to which farmers depend on a spouse's off-farm job for health care coverage.

(C) The effects of uninsurance on farmers and their families.

(3) ROLE OF CONGRESS.—Recommendations regarding the potential role of Congress in supporting increased access to health insurance for farmers and their families, and rural Americans.

On page 1201, strike lines 4 through 8 and insert the following:

(c) EXISTING ACTIVITIES.—The Secretary shall ensure that nothing in an amendment made by this section duplicates, impedes, or

undermines any of the food safety or product grading activities conducted by the Department of Commerce or the Food and Drug Administration, and shall consult with the Secretary of Commerce before implementing any new food safety or grading activity authorized under this section.

On page 1208, between lines 10 and 11, insert the following:

**SEC. 10004. DISCLOSURE OF COUNTRY OF HARVEST FOR GINSENG.**

(a) IN GENERAL.—The Agricultural Marketing Act of 1946 (7 U.S.C. 1621 et seq.) is amended by adding at the end the following:

**“Subtitle E—Ginseng****“SEC. 291. DISCLOSURE OF COUNTRY OF HARVEST.**

“(a) DEFINITIONS.—In this section:

“(1) GINSENG.—The term ‘ginseng’ means a plant classified within the genus *Panax*.

“(2) RAW AGRICULTURAL COMMODITY.—The term ‘raw agricultural commodity’ has the meaning given the term in section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

“(3) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.

“(b) DISCLOSURE.—

“(1) IN GENERAL.—A person that offers ginseng for sale as a raw agricultural commodity or dehydrated whole root shall disclose to a potential purchaser the country of harvest of the ginseng.

“(2) IMPORTATION.—A person that imports ginseng as a raw agricultural commodity or dehydrated whole root into the United States shall disclose at the point of entry into the United States, in accordance with section 304 of the Tariff Act of 1930 (19 U.S.C. 1304), the country in which the ginseng was harvested.

“(c) MANNER OF DISCLOSURE.—

“(1) IN GENERAL.—The disclosure required by subsection (b) shall be provided to a potential purchaser by means of a label, stamp, mark, placard, or other easily legible and visible sign on the ginseng or on the package, display, holding unit, or bin containing the ginseng.

“(2) RETAILERS.—A retailer of ginseng as a raw agricultural commodity shall—

“(A) retain the means of disclosure provided under subsection (b); and

“(B) provide the received means of disclosure to a consumer of ginseng.

“(3) REGULATIONS.—The Secretary shall by regulation prescribe with specificity the manner in which disclosure shall be made in a transaction at the wholesale or retail level (including a transaction by mail, telephone, internet, or in retail stores).

“(d) FINES.—The Secretary may, after providing notice and an opportunity for a hearing before the Secretary, fine a person subject to subsection (b), or a person supplying ginseng to such a person, in an amount of not more than \$1,000 for each violation if the Secretary determines that the person—

“(1) has not made a good faith effort to comply with subsection (b); and

“(2) continues to willfully violate subsection (b).

“(e) INFORMATION.—The Secretary shall make information available to wholesalers, importers, retailers, trade associations, and other interested persons concerning the requirements of this section (including regulations promulgated to carry out this section).”

(b) EFFECTIVE DATE.—This section and the amendments made by this section take effect on the date that is 180 days after the date of enactment of this Act.

On page 1362, between lines 19 and 20, insert the following:

**SEC. 1107 . CONVEYANCE OF LAND TO CHIHUAHUA DESERT NATURE PARK.**

(a) DEFINITIONS.—In this section:

(1) BOARD.—The term “Board” means the Chihuahuan Desert Nature Park Board.

(2) NATURE PARK.—The term “Nature Park” means the Chihuahuan Desert Nature Park, Inc., a nonprofit corporation in the State of New Mexico.

(b) CONVEYANCE OF LAND.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, subject to valid existing rights and subsection (c), the Secretary shall convey to the Nature Park, by quitclaim deed, for no consideration, all right, title, and interest of the United States in and to the land described in paragraph (2)

(2) DESCRIPTION OF LAND.—

(A) IN GENERAL.—The parcel of land referred to in paragraph (1) consists of the approximately 935.62 acres of land in Dona Ana County, New Mexico, which is more particularly described—

(i) as sections 17, 20, and 21 of T. 21 S., R. 2 E., N.M.P.M.; and

(ii) in an easement deed dated May 14, 1998, from the Department of Agriculture to the Nature Park.

(B) MODIFICATIONS.—The Secretary may modify the description of the land under subparagraph (A) to—

(i) correct errors in the description; or

(ii) facilitate management of the land.

(c) CONDITIONS.—The conveyance of land under subsection (b) shall be subject to—

(1) the reservation by the United States of all mineral and subsurface rights to the land, including any geothermal resources;

(2) the condition that the Board pay any costs relating to the conveyance;

(3) any rights-of-way reserved by the Secretary;

(4) a covenant or restriction in the deed to the land requiring that—

(A) the land may be used only for educational or scientific purposes; and

(B) if the land is no longer used for the purposes described in subparagraph (A), the land may, at the discretion of the Secretary, revert to the United States in accordance with subsection (d); and

(5) any other terms and conditions that the Secretary determines to be appropriate.

(d) REVERSION.—If the land conveyed under subsection (b) is no longer used for the purposes described in subsection (c)(4)(A)—

(1) the land may, at the discretion of the Secretary, revert to the United States; and

(2) if the Secretary chooses to have the land revert to the United States, the Secretary shall—

(A) determine whether the land is environmentally contaminated, including contamination from hazardous wastes, hazardous substances, pollutants, contaminants, petroleum, or petroleum by-products; and

(B) if the Secretary determines that the land is environmentally contaminated, the Nature Park, or any other person responsible for the contamination shall be required to remediate the contamination.

(e) WITHDRAWAL.—All federally owned mineral and subsurface rights to the land described in subsection (b)(2) are withdrawn from—

(1) location, entry, and patent under the mining laws; and

(2) the operation of the mineral leasing laws, including the geothermal leasing laws.

(f) WATER RIGHTS.—Nothing in this section authorizes the conveyance of water rights to the Nature Park.

Beginning on page 756, strike line 6 and all that follows through page 757, line 5, and insert the following:

**SEC. 6012. WATER SYSTEMS FOR RURAL AND NATIVE VILLAGES IN ALASKA.**

Section 306D of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926d) is amended—

(1) in subsection (a)—

(A) by striking “make grants to the State” and inserting “make grants to—

“(1) the State”;

(B) by striking the period at the end and inserting “; and”;

(C) by adding at the end the following:

“(2) the Denali Commission to improve solid waste disposal sites that are contaminating, or threaten to contaminate, rural drinking water supplies in the State of Alaska.”;

(2) in subsection (c)—

(A) in the subsection heading by striking “WITH THE STATE OF ALASKA”; and

(B) by striking “the State of Alaska” and inserting “the appropriate grantee under subsection (a)”;

(3) in subsection (d)—

(A) in paragraph (1), by striking “2007” and inserting “2013”;

(B) by redesignating paragraph (3) as paragraph (4); and

(C) by inserting after paragraph (2) the following:

“(3) DENALI COMMISSION.—Not more than 5 percent of the amount made available under paragraph (1) for a fiscal year may be transferred to the Denali Commission to improve solid waste disposal sites that are contaminating, or threaten to contaminate, rural drinking supplies in the State of Alaska.”.

On page 763, strike lines 3 through 10 and insert the following:

“(B) MULTIYEAR GRANTS.—If the Secretary determines it to be in the best interest of the program, the Secretary shall award grants for a period of more than 1 year, but not more than 3 years, to a center that has successfully met the parameters described in paragraph (5).”.

Beginning on page 891, strike line 9 and all that follows through page 892, line 20.

**SECTION 1914. ACCESS TO DATA MINING INFORMATION.**

Page 277, line 7, after “subparagraph (A),” insert “including for quality assurance purposes under the Standard Reinsurance Agreement”.

At the end of subtitle B of title XI, add the following:

**SEC. 11072. PROHIBITIONS ON DOG FIGHTING VENTURES.**

(a) IN GENERAL.—Section 26 of the Animal Welfare Act (7 U.S.C. 2156) is amended—

(1) in subsection (a)(1)—

(A) by striking “any person to knowingly sponsor” and inserting “any person—

“(A) to knowingly sponsor”;

(B) by striking the period at the end and inserting “; or”;

(C) by adding at the end the following:

“(B) to knowingly sponsor or exhibit an animal in a dog fighting venture.”;

(2) in subsection (b)—

(A) by striking “any person to knowingly sell” and inserting “any person—

“(1) to knowingly sell”;

(B) by striking the period at the end and inserting “; or”;

(C) by adding at the end the following:

“(2) to knowingly sell, buy, possess, train, transport, deliver, or receive for purposes of transportation, any dog or other animal, for the purposes of having the dog or other animal, or offspring of the dog or other animal, participate in a dog fighting venture.”;

(3) in the last sentence of subsection (f), by striking “by the United States”; and

(4) in subsection (g)—

(A) in paragraph (5), by striking “and” at the end;

(B) by redesignating paragraph (6) as paragraph (7); and

(C) by inserting after paragraph (5) the following:

“(6) the term ‘dog fighting venture’—

“(A) means any event that—

“(i) involves a fight between at least 2 animals;

“(ii) includes at least 1 dog; and

“(iii) is conducted for purposes of sport, wagering, or entertainment; and

“(B) does not include any activity the primary purpose of which involves the use of 1 or more animals to hunt another animal; and”.

(b) ENFORCEMENT OF ANIMAL FIGHTING PROHIBITIONS.—Section 49 of title 18, United States Code, is amended to read as follows:

**“§ 49. Enforcement of animal fighting prohibitions**

“(a) ANIMAL FIGHTING VENTURES.—Whoever violates subsection (a)(1)(A), (b)(1), (c), or (e) of section 26 of the Animal Welfare Act (7 U.S.C. 2156) shall be fined under this title, imprisoned for not more than 3 years, or both, for each violation.

“(b) DOG FIGHTING VENTURES.—Whoever violates subsection (a)(1)(B) or (b)(2) of section 26 of the Animal Welfare Act shall be fined under this title, imprisoned for not more than 5 years, or both, for each violation.”.

On page 1201, strikes lines 17 through 18 and insert the following:

“(vii) meat produced from goats;

“(viii) chicken, in whole and in part; and

“(ix) macadamia nuts.”;

On page 1201, line 23, insert “CHICKEN,” after “PORK.”

On page 1202, line 1, insert “chicken,” after “pork.”

On page 1202, line 20, insert “chicken,” after “pork.”

On page 1203, line 16, insert “chicken,” after “pork.”

On page 1204, line 1, insert “chicken,” after “pork.”

On page 1204, line 6, insert “CHICKEN,” after “LAMB.”

On page 1204, line 8, insert “ground chicken,” after “ground lamb.”

On page 1204, line 12, insert “ground chicken,” after “lamb.”

On page 1204, line 15, insert “ground chicken,” after “ground lamb.”

Beginning on page 775, strike line 22 and all that follows through page 776, line 19 and insert the following:

“(B) WATER AND WASTE DISPOSAL GRANTS AND DIRECT AND GUARANTEED LOANS.—For the purpose of water and waste disposal grants and direct and guaranteed loans provided under paragraphs (1), (2), and (24) of section 306(a), the terms ‘rural’ and ‘rural area’ mean a city, town, or unincorporated area that has a population of no more than 10,000 inhabitants.

“(C) COMMUNITY FACILITY LOANS AND GRANTS.—For the purpose of community facility direct and guaranteed loans and grants under paragraphs (1), (19), (20), (21), and (24) of section 306(a), the terms ‘rural’ and ‘rural area’ mean any area other than—

“(i) an area described in clause (i), (ii), or (iii) of subparagraph (A); and

“(ii) a city, town, or unincorporated area that has a population of greater than 20,000 inhabitants.

“(D) AREAS RURAL IN CHARACTER.—

“(i) IN GENERAL.—Notwithstanding any other provision of this paragraph, the Under Secretary for Rural Development may determine (pursuant to a petition by a local community or on the initiative of the Under Secretary) that an area described in clause (ii) or (iii) of subparagraph (A) is a rural area for the purposes of this paragraph, if the Under Secretary finds that the area is rural in character, as determined by the Under Secretary.

“(ii) ADMINISTRATION.—In carrying out clause (i), the Under Secretary for Rural Development—

“(I) shall not delegate the authority described in clause (i); but

“(II) shall consult with the applicable rural development State or regional director of the Department of Agriculture.

“(E) EXCLUSIONS.—Notwithstanding any other provision of this paragraph, in determining which census blocks are not in a rural area (as defined in this paragraph), the Secretary shall exclude any cluster of census blocks that would otherwise be considered not in a rural area only because the cluster is adjacent to not more than 2 census blocks that are otherwise considered not in a rural area under this paragraph.”.

(b) ANNUAL REPORTS.—Not later than 2 years after the date of enactment of this Act and every 2 years thereafter, the Secretary shall prepare and submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

(1) assesses the various definitions of the term “rural” and “rural area” that are used with respect to programs administered by the Secretary;

(2) describes the effects that the variations in those definitions have on those programs;

(3) make recommendations for ways to better target funds provided through rural development programs;

(4) describes the effects the changes to the definitions of the terms “rural” and “rural area” in the Farm Security and Rural Investment Act of 2002 and this Act had on those programs and eligible areas; and

(5) determines what effects the changes had on the level of rural development funding and participation in those programs in each State.

At the end of the amendment, add the following:

**SEC. 60. INTEREST RATES FOR WATER AND WASTE DISPOSAL FACILITIES LOANS.**

Section 307(a)(3) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1927(a)(3)) is amended by adding at the end the following:

“(E) INTEREST RATES FOR WATER AND WASTE DISPOSAL FACILITIES LOANS.—Notwithstanding subparagraph (A), for loans (other than guaranteed loans) for water and waste disposal facilities—

“(i) in the case of a loan that would be subject to the 5 percent interest rate limitation under subparagraph (A), the Secretary shall set the interest rate equal to 60 percent of the current market yield for outstanding municipal obligations with remaining periods to maturity comparable to the average maturity of such loans, adjusted to the nearest one-eighth of 1 per centum; and

“(ii) in the case of a loan that would be subject to the 7 percent limitation in subparagraph (A), the Secretary shall set the interest rate equal to 80 percent of the current market yield for outstanding municipal obligations with remaining periods to maturity comparable to the average maturity of such loans, adjusted to the nearest one-eighth of 1 per centum.”.

On page 563, between lines 15 and 16, insert the following:

**SEC. 3205. QUALITY REQUIREMENTS FOR CLEMENTINES.**

Section 8e(a) of the Agricultural Adjustment Act (7 U.S.C. 608e-1(a)), reenacted by amendments by the Agricultural Marketing Agreement Act of 1937, is amended in the matter preceding the first proviso in the first sentence by inserting “clementines,” after “nectarines.”.

At the end of subtitle F of title IV, add the following:

**SEC. 49. REPORT ON FEDERAL HUNGER PROGRAMS.**

Not later than 2 years after the date of enactment of this Act, the Comptroller General of the United States shall submit to Congress a report that contains—

(1) a complete list of all Federal programs that seek to alleviate hunger or food insecurity or improve nutritional intake, including programs that support collaboration, coordination, research, or infrastructure related to these issues;

(2) for each program listed under paragraph (1)—

(A) the total amount of Federal funds used to carry out the program in the most recent fiscal year for which comparable data is available;

(B) a comparison of the amount described in subparagraph (A) with the amount used to carry out a similar program 10 and 20 years previously;

(C) to the maximum extent practicable, the amount of Federal funds used under the program to provide direct food aid to individuals (including the amount used for the costs of administering the program); and

(D) a review to determine whether the program has been independently reviewed for effectiveness with respect to achieving the goals of the program, including—

(i) the findings of the independent review; and

(ii) for the 10 highest-cost programs, a determination of whether the review was conducted in accordance with accepted research principles;

(3) for the 10- and 20-year periods before the date of enactment of this Act, and for the most recent year for which data is available, the estimated number of people in the United States who are hungry (or food insecure) or obese; and

(4) as of the date of submission of the report—

(A) the number of employees of the Department of Agriculture, including contractors and other individuals whose salary is paid in full or part by the Department; and

(B) the number of farmers and other agricultural producers in the United States that receive some form of assistance from the Department.

On page 634, lines 5 and 6, strike “to enter into a contract with” and insert “to provide a grant to”.

On page 634, line 8, strike “CONTRACT” and insert “GRANT”.

On page 634, line 9, strike “contract entered into” and insert “grant provided”.

On page 634, line 10, strike “contract” and insert “grant”.

On page 634, line 12, strike “contract” and insert “grant”.

At the end of subtitle F of title VII, add the following:

**SEC. 75. MODIFICATIONS TO INFORMATION TECHNOLOGY SERVICE.**

(a) IN GENERAL.—The Secretary shall not implement any modification that reduces the availability or provision of information technology service, or administrative management control of that service, including data or center service agency, functions, and personnel at the National Finance Center and the National Information Technology Center service locations, until the date that is 60 days after the date on which the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate receive a written determination and report from the Chief Financial Officer or Chief Information Officer of the Department of Agriculture and the Secretary that states that the implementation of the modification is in the best interests of the Department of Agriculture.

(b) REPORT ON PROPOSED MODIFICATIONS.—

Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to the Committee on Agriculture of the House of Representatives, the Committee on Agriculture, Nutrition, and Forestry of the Senate, and the Comptroller General a report on any proposed modification to reduce the availability or provision of any information technology service, or administrative management control of such a service, including data or center service agency, functions, and personnel at the National Finance Center and National Information Technology Center service locations, that includes—

(1) a business case analysis (including of the near- and long-term costs and benefits to the Department of Agriculture and all other Federal agencies and departments that benefit from services provided by the National Finance Center and the National Information Technology Center service locations) of the proposed modifications, as compared with maintaining administrative management control or information technology service functions and personnel in the existing structure and at present locations; and

(2) an analysis of the impact of any changes in that administrative management control or information technology service (including data or center service agency, functions, and personnel) on the ability of the National Finance Center and National Information Technology Center service locations to provide, in the near- and long-term, to all Federal agencies and departments, cost-effective, secure, efficient, and interoperable—

(A) information technology services;

(B) cross-servicing;

(C) e-payroll services; and

(D) human resource line-of-business services.

(c) ASSESSMENT.—Not later than 90 days after the date on which the Comptroller General receives the report submitted under subsection (b), the Comptroller General shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a detailed written assessment of the report that includes an analysis (including of near- and long-term cost benefits and impacts) of the alternatives available to all Federal agencies and departments to acquire cost-effective, secure, efficient, and interoperable information technology, cross-servicing, e-payroll, and human resource line-of-business services.

(d) OPERATING RESERVE.—

(1) IN GENERAL.—Of annual income amounts in the working capital fund of the Department of Agriculture allocated for the National Finance Center, the Secretary may reserve not more than 4 percent—

(A) for the replacement or acquisition of capital equipment, including equipment for—

(i) the improvement and implementation of a financial management plan;

(ii) information technology; and

(iii) other systems of the National Finance Center; or

(B) to pay any unforeseen, extraordinary costs of the National Finance Center.

(2) AVAILABILITY FOR OBLIGATION.—

(A) IN GENERAL.—Except as provided in subparagraph (B), none of the amounts reserved under paragraph (1) shall be available for obligation unless the Secretary submits notification of the obligation to—

(i) the Committees on Appropriations and Agriculture of the House of Representatives; and

(ii) the Committees on Appropriations and Agriculture, Nutrition, and Forestry of the Senate.

(B) EXCEPTION.—The limitation described in subparagraph (A) shall not apply to any obligation that, as determined by the Secretary, is necessary—

(i) to respond to a declared state of emergency that significantly impacts the operations of the National Finance Center; or

(ii) to evacuate employees of the National Finance Center to a safe haven to continue operations of the National Finance Center.

At the appropriate place, insert the following:

On page 1159, strike lines 17 through 19 and insert the following:

(A) the capabilities and experience of the applicant, including—

(i) in conducting side-by-side crop experiments;

(ii) engineering and research knowledge and experience relating to biofuels or the production of inputs for biofuel production; and

(iii) demonstrated willingness to contribute significant in-kind resources;

At the appropriate place, insert the following:

**TITLE —DOMESTIC PET TURTLE MARKET ACCESS**

**SEC. . SHORT TITLE.**

This title may be cited as the “Domestic Pet Turtle Equality Act”.

**SEC. . FINDINGS.**

Congress makes the following findings:

(1) Pet turtles less than 10.2 centimeters in diameter have been banned for sale in the United States by the Food and Drug Administration since 1975 due to health concerns.

(2) The Food and Drug Administration does not ban the sale of iguanas or other lizards, snakes, frogs, or other amphibians or reptiles that are sold as pets in the United States that carry salmonella bacteria. The Food and Drug Administration also does not require that these animals be treated for salmonella bacteria before being sold as pets.

(3) The technology to treat turtles for salmonella, and make them safe for sale, has greatly advanced since 1975. Treatments exist that can eradicate salmonella from turtles up until the point of sale, and individuals are more aware of the causes of salmonella, how to treat salmonella poisoning, and the seriousness associated with salmonella poisoning.

(4) University research has shown that these turtles can be treated in such a way that they can be raised, shipped, and distributed without having a recolonization of salmonella.

(5) University research has also shown that pet owners can be equipped with a treatment regimen that allows the turtle to be maintained safe from salmonella.

(6) The Food and Drug Administration and the Department of Agriculture should allow the sale of turtles less than 10.2 centimeters in diameter as pets as long as the sellers are required to use proven methods to treat these turtles for salmonella.

**SEC. . REVIEW, REPORT, AND ACTION ON THE SALE OF BABY TURTLES.**

(a) PET TURTLE.—In this section, the term “pet turtle” means a turtle that is less than 10.2 centimeters in diameter.

(b) PREVALENCE OF SALMONELLA.—Not later than 60 days after the date of enactment of this title, the Secretary of Health and Human Services, acting through the Commissioner of Food and Drugs, shall determine the prevalence of salmonella in each species of reptile and amphibian sold legally as a pet in the United States in order to determine whether the prevalence of salmonella in reptiles and amphibians sold legally as pets in the United States on average is not more than 10 percent less than the percentage of salmonella in pet turtles.

(c) ACTION IF PREVALENCE IS SIMILAR.—If the prevalence of salmonella in reptiles and amphibians sold legally as pets in the United States on average is not more than 10 percent less than the percentage of salmonella in pet turtles—

(1) the Secretary of Agriculture shall—

(A) conduct a study to determine how pet turtles can be sold safely as pets in the United States and provide recommendations to Congress not later than 150 days after the date of such determination;

(B) in conducting such study, consult with all relevant stakeholders, such as the Centers for Disease Control and Prevention, the turtle farming industry, academia, and the American Academy of Pediatrics; and

(C) examine the safety measures taken to protect individuals from salmonella-related dangers involved with reptiles and amphibians sold legally in the United States that contain a similar or greater presence of salmonella than that of pet turtles; and

(2) the Secretary of Agriculture—

(A) may not prohibit the sale of pet turtles in the United States; or

(B) shall prohibit the sale in the United States of any reptile or amphibian that contains a similar or greater prevalence of salmonella than that of pet turtles.

On page 1362, between lines 19 and 20, insert the following:

**Subtitle C—Disaster Loan Program**

**SEC. 11101. SHORT TITLE.**

This subtitle may be cited as the “Small Business Disaster Response and Loan Improvements Act of 2007”.

**SEC. 11102. DEFINITIONS.**

In this subtitle—

(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively;

(2) the term “Small Business Act catastrophic national disaster” means a Small Business Act catastrophic national disaster declared under section 7(b)(11) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act;

(3) the term “declared disaster” means a major disaster or a Small Business Act catastrophic national disaster;

(4) the term “disaster area” means an area affected by a natural or other disaster, as determined for purposes of paragraph (1) or (2) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), during the period of such declaration;

(5) the term “disaster loan program of the Administration” means assistance under section 7(b) of the Small Business Act (15 U.S.C. 636(b));

(6) the term “disaster update period” means the period beginning on the date on which the President declares a major disaster or a Small Business Act catastrophic national disaster and ending on the date on which such declaration terminates;

(7) the term “major disaster” has the meaning given that term in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122);

(8) the term “small business concern” has the same meaning as in section 3 of the Small Business Act (15 U.S.C. 632); and

(9) the term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Northern Mariana Islands, the Virgin Islands, Guam, American Samoa, and any territory or possession of the United States.

**PART I—DISASTER PLANNING AND RESPONSE**

**SEC. 11121. DISASTER LOANS TO NONPROFITS.**

Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (3) the following:

“(4) LOANS TO NONPROFITS.—In addition to any other loan authorized by this subsection, the Administrator may make such loans (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administrator determines appropriate to a nonprofit organization located or operating in an area affected by a natural or other disaster, as determined under paragraph (1) or (2), or providing services to persons who have evacuated from any such area.”

**SEC. 11122. DISASTER LOAN AMOUNTS.**

(a) INCREASED LOAN CAPS.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (4), as added by this Act, the following:

“(5) INCREASED LOAN CAPS.—

“(A) AGGREGATE LOAN AMOUNTS.—Except as provided in subparagraph (B), and notwithstanding any other provision of law, the aggregate loan amount outstanding and committed to a borrower under this subsection may not exceed \$2,000,000.

“(B) WAIVER AUTHORITY.—The Administrator may, at the discretion of the Administrator, increase the aggregate loan amount under subparagraph (A) for loans relating to a disaster to a level established by the Administrator, based on appropriate economic indicators for the region in which that disaster occurred.”

(b) DISASTER MITIGATION.—

(1) IN GENERAL.—Section 7(b)(1)(A) of the Small Business Act (15 U.S.C. 636(b)(1)(A)) is amended by inserting “of the aggregate costs of such damage or destruction (whether or not compensated for by insurance or otherwise)” after “20 per centum”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall apply with respect to a loan or guarantee made after the date of enactment of this Act.

(c) TECHNICAL AMENDMENTS.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended—

(1) in the matter preceding paragraph (1), by striking “the Administration” and inserting “the Administration”;

(2) in paragraph (2)(A), by striking “Disaster Relief and Emergency Assistance Act” and inserting “Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) (in this subsection referred to as a ‘major disaster’)”; and

(3) in the undesignated matter at the end—

(A) by striking “, (2), and (4)” and inserting “and (2)”; and

(B) by striking “, (2), or (4)” and inserting “(2)”.

**SEC. 11123. SMALL BUSINESS DEVELOPMENT CENTER PORTABILITY GRANTS.**

Section 21(a)(4)(C)(viii) of the Small Business Act (15 U.S.C. 648(a)(4)(C)(viii)) is amended—

(1) in the first sentence, by striking “as a result of a business or government facility down sizing or closing, which has resulted in the loss of jobs or small business instability” and inserting “due to events that have resulted or will result in, business or government facility downsizing or closing”; and

(2) by adding at the end “At the discretion of the Administrator, the Administrator may make an award greater than \$100,000 to a recipient to accommodate extraordinary occurrences having a catastrophic impact on the small business concerns in a community.”

**SEC. 11124. ASSISTANCE TO OUT-OF-STATE BUSINESSES.**

Section 21(b)(3) of the Small Business Act (15 U.S.C. 648(b)(3)) is amended—

(1) by striking “At the discretion” and inserting the following: “SMALL BUSINESS DEVELOPMENT CENTERS.—

“(A) IN GENERAL.—At the discretion”; and (2) by adding at the end the following:

“(B) DURING DISASTERS.—

“(i) IN GENERAL.—At the discretion of the Administrator, the Administrator may authorize a small business development center to provide such assistance to small business concerns located outside of the State, without regard to geographic proximity, if the small business concerns are located in a disaster area declared under section 7(b)(2)(A).

“(ii) CONTINUITY OF SERVICES.—A small business development center that provides counselors to an area described in clause (i) shall, to the maximum extent practicable, ensure continuity of services in any State in which such small business development center otherwise provides services.

“(iii) ACCESS TO DISASTER RECOVERY FACILITIES.—For purposes of providing disaster recovery assistance under this subparagraph, the Administrator shall, to the maximum extent practicable, permit small business development center personnel to use any site or facility designated by the Administrator for use to provide disaster recovery assistance.”

**SEC. 11125. OUTREACH PROGRAMS.**

(a) IN GENERAL.—Not later than 30 days after the date of the declaration of a disaster area, the Administrator may establish a contracting outreach and technical assistance program for small business concerns which have had a primary place of business in, or other significant presence in, such disaster area.

(b) ADMINISTRATOR ACTION.—The Administrator may carry out subsection (a) by acting through—

(1) the Administration;

(2) the Federal agency small business officials designated under section 15(k)(1) of the Small Business Act (15 U.S.C. 644(k)(1)); or

(3) any Federal, State, or local government entity, higher education institution, procurement technical assistance center, or private nonprofit organization that the Administrator may determine appropriate, upon conclusion of a memorandum of understanding or assistance agreement, as appropriate, with the Administrator.

**SEC. 11126. SMALL BUSINESS BONDING THRESHOLD.**

(a) IN GENERAL.—Except as provided in subsection (b), and notwithstanding any other provision of law, for any procurement related to a major disaster, the Administrator may, upon such terms and conditions as the Administrator may prescribe, guarantee and enter into commitments to guarantee any surety against loss resulting from a breach of the terms of a bid bond, payment bond, performance bond, or bonds ancillary thereto, by a principal on any total work order or contract amount at the time of bond execution that does not exceed \$5,000,000.

(b) INCREASE OF AMOUNT.—Upon request of the head of any Federal agency other than the Administration involved in reconstruction efforts in response to a major disaster, the Administrator may guarantee and enter into a commitment to guarantee any security against loss under subsection (a) on any total work order or contract amount at the time of bond execution that does not exceed \$10,000,000.

**SEC. 11127. TERMINATION OF PROGRAM.**

Section 711(c) of the Small Business Competitive Demonstration Program Act of 1988 (15 U.S.C. 644 note) is amended by inserting after “January 1, 1989” the following: “, and shall terminate on the date of enactment of the Small Business Disaster Response and Loan Improvements Act of 2007”.

**SEC. 11128. INCREASING COLLATERAL REQUIREMENTS.**

Section 7(c)(6) of the Small Business Act (15 U.S.C. 636(c)(6)) is amended by striking

“\$10,000 or less” and inserting “\$14,000 or less (or such higher amount as the Administrator determines appropriate in the event of a Small Business Act catastrophic national disaster declared under subsection (b)(1))”.

**SEC. 11129. PUBLIC AWARENESS OF DISASTER DECLARATION AND APPLICATION PERIODS.**

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (5), as added by this Act, the following:

“(6) COORDINATION WITH FEMA.—

“(A) IN GENERAL.—Notwithstanding any other provision of law, for any disaster (including a Small Business Act catastrophic national disaster) declared under this subsection or major disaster, the Administrator, in consultation with the Administrator of the Federal Emergency Management Agency, shall ensure, to the maximum extent practicable, that all application periods for disaster relief under this Act correspond with application deadlines established under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.), or as extended by the President.

“(B) DEADLINES.—Notwithstanding any other provision of law, not later than 10 days before the closing date of an application period for a major disaster (including a Small Business Act catastrophic national disaster), the Administrator, in consultation with the Administrator of the Federal Emergency Management Agency, shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that includes—

“(i) the deadline for submitting applications for assistance under this Act relating to that major disaster;

“(ii) information regarding the number of loan applications and disbursements processed by the Administrator relating to that major disaster for each day during the period beginning on the date on which that major disaster was declared and ending on the date of that report; and

“(iii) an estimate of the number of potential applicants that have not submitted an application relating to that major disaster.

“(7) PUBLIC AWARENESS OF DISASTERS.—If a disaster (including a Small Business Act catastrophic national disaster) is declared under this subsection, the Administrator shall make every effort to communicate through radio, television, print, and web-based outlets, all relevant information needed by disaster loan applicants, including—

“(A) the date of such declaration;

“(B) cities and towns within the area of such declaration;

“(C) loan application deadlines related to such disaster;

“(D) all relevant contact information for victim services available through the Administration (including links to small business development center websites);

“(E) links to relevant Federal and State disaster assistance websites, including links to websites providing information regarding assistance available from the Federal Emergency Management Agency;

“(F) information on eligibility criteria for Administration loan programs, including where such applications can be found; and

“(G) application materials that clearly state the function of the Administration as the Federal source of disaster loans for homeowners and renters.”

(b) MARKETING AND OUTREACH.—Not later than 90 days after the date of enactment of this Act, the Administrator shall create a marketing and outreach plan that—

(1) encourages a proactive approach to the disaster relief efforts of the Administration;

(2) makes clear the services provided by the Administration, including contact information, application information, and timelines for submitting applications, the review of applications, and the disbursement of funds;

(3) describes the different disaster loan programs of the Administration, including how they are made available and the eligibility requirements for each loan program;

(4) provides for regional marketing, focusing on disasters occurring in each region before the date of enactment of this Act, and likely scenarios for disasters in each such region; and

(5) ensures that the marketing plan is made available at small business development centers and on the website of the Administration.

**SEC. 11130. CONSISTENCY BETWEEN ADMINISTRATION REGULATIONS AND STANDARD OPERATING PROCEDURES.**

(a) IN GENERAL.—The Administrator shall, promptly following the date of enactment of this Act, conduct a study of whether the standard operating procedures of the Administration for loans offered under section 7(b) of the Small Business Act (15 U.S.C. 636(b)) are consistent with the regulations of the Administration for administering the disaster loan program.

(b) REPORT.—Not later than 180 days after the date of enactment of this Act, the Administration shall submit to Congress a report containing all findings and recommendations of the study conducted under subsection (a).

**SEC. 11131. PROCESSING DISASTER LOANS.**

(a) AUTHORITY FOR QUALIFIED PRIVATE CONTRACTORS TO PROCESS DISASTER LOANS.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (7), as added by this Act, the following:

“(8) AUTHORITY FOR QUALIFIED PRIVATE CONTRACTORS.—

“(A) DISASTER LOAN PROCESSING.—The Administrator may enter into an agreement with a qualified private contractor, as determined by the Administrator, to process loans under this subsection in the event of a major disaster or a Small Business Act catastrophic national disaster declared under paragraph (11), under which the Administrator shall pay the contractor a fee for each loan processed.

“(B) LOAN LOSS VERIFICATION SERVICES.—The Administrator may enter into an agreement with a qualified lender or loss verification professional, as determined by the Administrator, to verify losses for loans under this subsection in the event of a major disaster or a Small Business Act catastrophic national disaster declared under paragraph (11), under which the Administrator shall pay the lender or verification professional a fee for each loan for which such lender or verification professional verifies losses.”

(b) COORDINATION OF EFFORTS BETWEEN THE ADMINISTRATOR AND THE INTERNAL REVENUE SERVICE TO EXPEDITE LOAN PROCESSING.—The Administrator and the Commissioner of Internal Revenue shall, to the maximum extent practicable, ensure that all relevant and allowable tax records for loan approval are shared with loan processors in an expedited manner, upon request by the Administrator.

**SEC. 11132. DEVELOPMENT AND IMPLEMENTATION OF MAJOR DISASTER RESPONSE PLAN.**

(a) IN GENERAL.—Not later than 3 months after the date of enactment of this Act, the Administrator shall—

(1) by rule, amend the 2006 Atlantic hurricane season disaster response plan of the Administration (in this section referred to as

the “disaster response plan”) to apply to major disasters; and

(2) submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives detailing the amendments to the disaster response plan.

(b) CONTENTS.—The report required under subsection (a)(2) shall include—

(1) any updates or modifications made to the disaster response plan since the report regarding the disaster response plan submitted to Congress on July 14, 2006;

(2) a description of how the Administrator plans to utilize and integrate District Office personnel of the Administration in the response to a major disaster, including information on the utilization of personnel for loan processing and loan disbursement;

(3) a description of the disaster scalability model of the Administration and on what basis or function the plan is scaled;

(4) a description of how the agency-wide Disaster Oversight Council is structured, which offices comprise its membership, and whether the Associate Deputy Administrator for Entrepreneurial Development of the Administration is a member;

(5) a description of how the Administrator plans to coordinate the disaster efforts of the Administration with State and local government officials, including recommendations on how to better incorporate State initiatives or programs, such as State-administered bridge loan programs, into the disaster response of the Administration;

(6) recommendations, if any, on how the Administration can better coordinate its disaster response operations with the operations of other Federal, State, and local entities;

(7) any surge plan for the disaster loan program of the Administration in effect on or after August 29, 2005 (including surge plans for loss verification, loan processing, mailroom, customer service or call center operations, and a continuity of operations plan);

(8) the number of full-time equivalent employees and job descriptions for the planning and disaster response staff of the Administration;

(9) the in-service and preservice training procedures for disaster response staff of the Administration;

(10) information on the logistical support plans of the Administration (including equipment and staffing needs, and detailed information on how such plans will be scalable depending on the size and scope of the major disaster;

(11) a description of the findings and recommendations of the Administrator, if any, based on a review of the response of the Administration to Hurricane Katrina of 2005, Hurricane Rita of 2005, and Hurricane Wilma of 2005; and

(12) a plan for how the Administrator, in consultation with the Administrator of the Federal Emergency Management Agency, will coordinate the provision of accommodations and necessary resources for disaster assistance personnel to effectively perform their responsibilities in the aftermath of a major disaster.

(c) EXERCISES.—Not later than 6 months after the date of the submission of the report under subsection (a)(2), the Administrator shall develop and execute simulation exercises to demonstrate the effectiveness of the amended disaster response plan required under this section.

#### SEC. 11133. DISASTER PLANNING RESPONSIBILITIES.

(a) ASSIGNMENT OF SMALL BUSINESS ADMINISTRATION DISASTER PLANNING RESPONSIBILITIES.—The Administrator shall specifically assign the disaster planning responsibilities

described in subsection (b) to an employee of the Administration who—

(1) is not an employee of the Office of Disaster Assistance of the Administration;

(2) shall report directly to the Administrator; and

(3) has a background and expertise demonstrating significant experience in the area of disaster planning.

(b) RESPONSIBILITIES.—The responsibilities described in this subsection are—

(1) creating and maintaining the comprehensive disaster response plan of the Administration;

(2) ensuring in-service and pre-service training procedures for the disaster response staff of the Administration;

(3) coordinating and directing Administration training exercises, including mock disaster responses, with other Federal agencies; and

(4) other responsibilities, as determined by the Administrator.

(c) REPORT.—Not later than 30 days after the date of enactment of this Act, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report containing—

(1) a description of the actions of the Administrator to assign an employee under subsection (a);

(2) information detailing the background and expertise of the employee assigned under subsection (a); and

(3) information on the status of the implementation of the responsibilities described in subsection (b).

#### SEC. 11134. ADDITIONAL AUTHORITY FOR DISTRICT OFFICES OF THE ADMINISTRATION.

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (8), as added by this Act, the following:

“(9) USE OF DISTRICT OFFICES.—In the event of a major disaster, the Administrator may authorize a district office of the Administration to process loans under paragraph (1) or (2).”

(b) DESIGNATION.—

(1) IN GENERAL.—The Administrator may designate an employee in each district office of the Administration to act as a disaster loan liaison between the disaster processing center and applicants under the disaster loan program of the Administration.

(2) RESPONSIBILITIES.—Each employee designated under paragraph (1) shall—

(A) be responsible for coordinating and facilitating communications between applicants under the disaster loan program of the Administration and disaster loan processing staff regarding documentation and information required for completion of an application; and

(B) provide information to applicants under the disaster loan program of the Administration regarding additional services and benefits that may be available to such applicants to assist with recovery.

(3) OUTREACH.—In providing outreach to disaster victims following a declared disaster, the Administrator shall make disaster victims aware of—

(A) any relevant employee designated under paragraph (1); and

(B) how to contact that employee.

#### SEC. 11135. ASSIGNMENT OF EMPLOYEES OF THE OFFICE OF DISASTER ASSISTANCE AND DISASTER CADRE.

(a) IN GENERAL.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (9), as added by this Act, the following:

“(10) DISASTER ASSISTANCE EMPLOYEES.—

“(A) IN GENERAL.—In carrying out this section, the Administrator may, where prac-

ticable, ensure that the number of full-time equivalent employees—

“(i) in the Office of the Disaster Assistance is not fewer than 800; and

“(ii) in the Disaster Cadre of the Administration is not fewer than 750.

“(B) REPORT.—In carrying out this subsection, if the number of full-time employees for either the Office of Disaster Assistance or the Disaster Cadre of the Administration is below the level described in subparagraph (A) for that office, not later than 21 days after the date on which that staffing level decreased below the level described in subparagraph (A), the Administrator shall submit to the Committee on Appropriations and the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Appropriations and Committee on Small Business of the House of Representatives, a report—

“(i) detailing staffing levels on that date;

“(ii) requesting, if practicable and determined appropriate by the Administrator, additional funds for additional employees; and

“(iii) containing such additional information, as determined appropriate by the Administrator.”

#### PART II—DISASTER LENDING

##### SEC. 11141. SMALL BUSINESS ACT CATASTROPHIC NATIONAL DISASTER DECLARATION.

Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting immediately after paragraph (10), as added by this Act, the following:

“(11) SMALL BUSINESS ACT CATASTROPHIC NATIONAL DISASTERS.—

“(A) IN GENERAL.—The President may make a Small Business Act catastrophic national disaster declaration in accordance with this paragraph.

“(B) PROMULGATION OF RULES.—

“(i) IN GENERAL.—Not later than 6 months after the date of enactment of this paragraph, the Administrator, with the concurrence of the Secretary of Homeland Security and the Administrator of the Federal Emergency Management Agency, shall promulgate regulations establishing a threshold for a Small Business Act catastrophic national disaster declaration.

“(ii) CONSIDERATIONS.—In promulgating the regulations required under clause (i), the Administrator shall establish a threshold that—

“(I) requires that the incident for which the President declares a Small Business Act catastrophic national disaster declaration under this paragraph has resulted in extraordinary levels of casualties or damage or disruption severely affecting the population (including mass evacuations), infrastructure, environment, economy, national morale, or government functions in an area and the disaster should be similar in size and scope to the events relating to the terrorist attack of September 11, 2001, and the Hurricane Katrina of 2005;

“(II) requires that the President declares a major disaster before making a Small Business Act catastrophic national disaster declaration under this paragraph;

“(III) requires consideration of—

“(aa) the dollar amount per capita of damage to the State, its political subdivisions, or a region;

“(bb) the number of small business concerns damaged, physically or economically, as a direct result of the event;

“(cc) the number of individuals and households displaced from their predisaster residences by the event;

“(dd) the severity of the impact on employment rates in the State, its political subdivisions, or a region;

“(ee) the anticipated length and difficulty of the recovery process;

“(ff) whether the events leading to the relevant major disaster declaration are of an unusually large and calamitous nature that is orders of magnitude larger than for an average major disaster; and

“(gg) any other factor determined relevant by the Administrator.

“(C) AUTHORIZATION.—If the President makes a Small Business Act catastrophic national disaster declaration under this paragraph, the Administrator may make such loans under this paragraph (either directly or in cooperation with banks or other lending institutions through agreements to participate on an immediate or deferred basis) as the Administrator determines appropriate to small business concerns located anywhere in the United States that are economically adversely impacted as a result of that Small Business Act catastrophic national disaster.

“(D) LOAN TERMS.—A loan under this paragraph shall be made on the same terms as a loan under paragraph (2).”

#### SEC. 11142. PRIVATE DISASTER LOANS.

(a) IN GENERAL.—Section 7 of the Small Business Act (15 U.S.C. 636) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

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

“(c) PRIVATE DISASTER LOANS.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘disaster area’ means any area for which the President declared a major disaster (as that term is defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) that subsequently results in the President making a Small Business Act catastrophic national disaster declaration under subsection (b)(11);

“(B) the term ‘eligible small business concern’ means a business concern that is—

“(i) a small business concern, as defined in this Act; or

“(ii) a small business concern, as defined in section 103 of the Small Business Investment Act of 1958; and

“(C) the term ‘qualified private lender’ means any privately-owned bank or other lending institution that the Administrator determines meets the criteria established under paragraph (9).

“(2) AUTHORIZATION.—The Administrator may guarantee timely payment of principal and interest, as scheduled on any loan issued by a qualified private lender to an eligible small business concern located in a disaster area.

“(3) USE OF LOANS.—A loan guaranteed by the Administrator under this subsection may be used for any purpose authorized under subsection (b).

“(4) ONLINE APPLICATIONS.—

“(A) ESTABLISHMENT.—The Administrator may establish, directly or through an agreement with another entity, an online application process for loans guaranteed under this subsection.

“(B) OTHER FEDERAL ASSISTANCE.—The Administrator may coordinate with the head of any other appropriate Federal agency so that any application submitted through an online application process established under this paragraph may be considered for any other Federal assistance program for disaster relief.

“(C) CONSULTATION.—In establishing an online application process under this paragraph, the Administrator shall consult with appropriate persons from the public and private sectors, including private lenders.

“(5) MAXIMUM AMOUNTS.—

“(A) GUARANTEE PERCENTAGE.—The Administrator may guarantee not more than 85 percent of a loan under this subsection.

“(B) LOAN AMOUNTS.—The maximum amount of a loan guaranteed under this subsection shall be \$2,000,000.

“(6) LOAN TERM.—The longest term of a loan for a loan guaranteed under this subsection shall be—

“(A) 15 years for any loan that is issued without collateral; and

“(B) 25 years for any loan that is issued with collateral.

“(7) FEES.—

“(A) IN GENERAL.—The Administrator may not collect a guarantee fee under this subsection.

“(B) ORIGINATION FEE.—The Administrator may pay a qualified private lender an origination fee for a loan guaranteed under this subsection in an amount agreed upon in advance between the qualified private lender and the Administrator.

“(8) DOCUMENTATION.—A qualified private lender may use its own loan documentation for a loan guaranteed by the Administrator, to the extent authorized by the Administrator. The ability of a lender to use its own loan documentation for a loan guaranteed under this subsection shall not be considered part of the criteria for becoming a qualified private lender under the regulations promulgated under paragraph (9).

“(9) IMPLEMENTATION REGULATIONS.—

“(A) IN GENERAL.—Not later than 1 year after the date of enactment of the Small Business Disaster Response and Loan Improvements Act of 2007, the Administrator shall issue final regulations establishing permanent criteria for qualified private lenders.

“(B) REPORT TO CONGRESS.—Not later than 6 months after the date of enactment of the Small Business Disaster Response and Loan Improvements Act of 2007, the Administrator shall submit a report on the progress of the regulations required by subparagraph (A) to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives.

“(10) AUTHORIZATION OF APPROPRIATIONS.—

“(A) IN GENERAL.—Amounts necessary to carry out this subsection shall be made available from amounts appropriated to the Administration to carry out subsection (b).

“(B) AUTHORITY TO REDUCE INTEREST RATES.—Funds appropriated to the Administration to carry out this subsection, may be used by the Administrator, to the extent available, to reduce the rate of interest for any loan guaranteed under this subsection by not more than 3 percentage points.

“(11) PURCHASE OF LOANS.—The Administrator may enter into an agreement with a qualified private lender to purchase any loan issued under this subsection.”

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to disasters declared under section 7(b)(2) of the Small Business Act (631 U.S.C. 636(b)(2)) before, on, or after the date of enactment of this Act.

#### SEC. 11143. TECHNICAL AND CONFORMING AMENDMENTS.

The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) in section 4(c)—

(A) in paragraph (1), by striking “7(c)(2)” and inserting “7(d)(2)”; and

(B) in paragraph (2)—

(i) by striking “7(c)(2)” and inserting “7(d)(2)”; and

(ii) by striking “7(e),” and

(2) in section 7(b), in the undesignated matter following paragraph (3)—

(A) by striking “That the provisions of paragraph (1) of subsection (c)” and inserting “That the provisions of paragraph (1) of subsection (d)”; and

(B) by striking “Notwithstanding the provisions of any other law the interest rate on the Administration’s share of any loan made

under subsection (b) except as provided in subsection (c),” and inserting “Notwithstanding any other provision of law, and except as provided in subsection (d), the interest rate on the Administration’s share of any loan made under subsection (b)”.

#### SEC. 11144. EXPEDITED DISASTER ASSISTANCE LOAN PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the term “immediate disaster assistance” means assistance provided during the period beginning on the date on which the President makes a Small Business Act catastrophic disaster declaration under paragraph (1) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act, and ending on the date that an impacted small business concern is able to secure funding through insurance claims, Federal assistance programs, or other sources; and

(2) the term “program” means the expedited disaster assistance business loan program established under subsection (b).

(b) CREATION OF PROGRAM.—The Administrator shall take such administrative action as is necessary to establish and implement an expedited disaster assistance business loan program to provide small business concerns with immediate disaster assistance under paragraph (1) of section 7(b) of the Small Business Act (15 U.S.C. 636(b)), as added by this Act.

(c) CONSULTATION REQUIRED.—In establishing the program, the Administrator shall consult with—

(1) appropriate personnel of the Administration (including District Office personnel of the Administration);

(2) appropriate technical assistance providers (including small business development centers);

(3) appropriate lenders and credit unions;

(4) the Committee on Small Business and Entrepreneurship of the Senate; and

(5) the Committee on Small Business of the House of Representatives.

(d) RULES.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Administrator shall issue rules in final form establishing and implementing the program in accordance with this section. Such rules shall apply as provided for in this section, beginning 90 days after their issuance in final form.

(2) CONTENTS.—The rules promulgated under paragraph (1) shall—

(A) identify whether appropriate uses of funds under the program may include—

(i) paying employees;

(ii) paying bills and other financial obligations;

(iii) making repairs;

(iv) purchasing inventory;

(v) restarting or operating a small business concern in the community in which it was conducting operations prior to the declared disaster, or to a neighboring area, county, or parish in the disaster area; or

(vi) covering additional costs until the small business concern is able to obtain funding through insurance claims, Federal assistance programs, or other sources; and

(B) set the terms and conditions of any loan made under the program, subject to paragraph (3).

(3) TERMS AND CONDITIONS.—A loan made by the Administration under this section—

(A) shall be for not more than \$150,000;

(B) shall be a short-term loan, not to exceed 180 days, except that the Administrator may extend such term as the Administrator determines necessary or appropriate on a case-by-case basis;

(C) shall have an interest rate not to exceed 1 percentage point above the prime rate of interest that a private lender may charge;

(D) shall have no prepayment penalty;

(E) may only be made to a borrower that meets the requirements for a loan under section 7(b) of the Small Business Act (15 U.S.C. 636(b));

(F) may be refinanced as part of any subsequent disaster assistance provided under section 7(b) of the Small Business Act;

(G) may receive expedited loss verification and loan processing, if the applicant is—

(i) a major source of employment in the disaster area (which shall be determined in the same manner as under section 7(b)(3)(B) of the Small Business Act (15 U.S.C. 636(b)(3)(B))); or

(ii) vital to recovery efforts in the region (including providing debris removal services, manufactured housing, or building materials); and

(H) shall be subject to such additional terms as the Administrator determines necessary or appropriate.

(e) REPORT TO CONGRESS.—Not later than 5 months after the date of enactment of this Act, the Administrator shall report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives on the progress of the Administrator in establishing the program.

(f) AUTHORIZATION.—There are authorized to be appropriated to the Administrator such sums as are necessary to carry out this section.

#### SEC. 11145. HUBZONES.

(a) IN GENERAL.—Section 3(p) of the Small Business Act (15 U.S.C. 632(p)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (D), by striking “or”;

(B) in subparagraph (E), by striking the period at the end and inserting a semicolon; and

(C) by adding at the end the following:

“(F) areas in which the President has declared a major disaster (as that term is defined in section 102 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5122)) as a result of Hurricane Katrina of August 2005 or Hurricane Rita of September 2005, during the time period described in paragraph (8); or

“(G) Small Business Act catastrophic national disaster areas.”;

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

“(E) SMALL BUSINESS ACT CATASTROPHIC NATIONAL DISASTER AREA.—

“(i) IN GENERAL.—The term ‘Small Business Act catastrophic national disaster area’ means an area—

“(I) affected by a Small Business Act catastrophic national disaster declared under section 7(b)(11), during the time period described in clause (ii); and

“(II) for which the Administrator determines that designation as a HUBZone would substantially contribute to the reconstruction and recovery effort in that area.

“(ii) TIME PERIOD.—The time period for the purposes of clause (i)—

“(I) shall be the 2-year period beginning on the date that the applicable Small Business Act catastrophic national disaster was declared under section 7(b)(11); and

“(II) may, at the discretion of the Administrator, be extended to be the 3-year period beginning on the date described in subclause (I).”;

(3) by adding at the end the following:

“(8) TIME PERIOD.—The time period for the purposes of paragraph (1)(F)—

“(A) shall be the 2-year period beginning on the later of the date of enactment of this paragraph and August 29, 2007; and

“(B) may, at the discretion of the Administrator, be extended to be the 3-year period beginning on the later of the date of enactment of this paragraph and August 29, 2007.”.

(b) TOLLING OF GRADUATION.—Section 7(j)(10)(C) of the Small Business Act (15 U.S.C. 636(j)(10)(C)) is amended by adding at the end the following:

“(iii)(I) For purposes of this subparagraph, if the Administrator designates an area as a HUBZone under section 3(p)(4)(E)(i)(II), the Administrator shall not count the time period described in subclause (II) of this clause for any small business concern—

“(aa) that is participating in any program, activity, or contract under section 8(a); and

“(bb) the principal place of business of which is located in that area.

“(II) The time period for purposes of subclause (I)—

“(aa) shall be the 2-year period beginning on the date that the applicable Small Business Act catastrophic national disaster was declared under section 7(b)(11); and

“(bb) may, at the discretion of the Administrator, be extended to be the 3-year period beginning on the date described in item (aa).”.

(c) STUDY OF HUBZONE DISASTER AREAS.—

Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives evaluating the designation by the Administrator of Small Business Act catastrophic national disaster areas, as that term is defined in section 3(p)(4)(E) of the Small Business Act (as added by this Act), as HUBZones.

### PART III—DISASTER ASSISTANCE OVERSIGHT

#### SEC. 11161. CONGRESSIONAL OVERSIGHT.

(a) MONTHLY ACCOUNTING REPORT TO CONGRESS.—

(1) REPORTING REQUIREMENTS.—Not later than the fifth business day of each month during the applicable period for a major disaster, the Administrator shall provide to the Committee on Small Business and Entrepreneurship and the Committee on Appropriations of the Senate and to the Committee on Small Business and the Committee on Appropriations of the House of Representatives a report on the operation of the disaster loan program authorized under section 7 of the Small Business Act (15 U.S.C. 636) for that major disaster during the preceding month.

(2) CONTENTS.—Each report under paragraph (1) shall include—

(A) the daily average lending volume, in number of loans and dollars, and the percent by which each category has increased or decreased since the previous report under paragraph (1);

(B) the weekly average lending volume, in number of loans and dollars, and the percent by which each category has increased or decreased since the previous report under paragraph (1);

(C) the amount of funding spent over the month for loans, both in appropriations and program level, and the percent by which each category has increased or decreased since the previous report under paragraph (1);

(D) the amount of funding available for loans, both in appropriations and program level, and the percent by which each category has increased or decreased since the previous report under paragraph (1), noting the source of any additional funding;

(E) an estimate of how long the available funding for such loans will last, based on the spending rate;

(F) the amount of funding spent over the month for staff, along with the number of staff, and the percent by which each category has increased or decreased since the previous report under paragraph (1);

(G) the amount of funding spent over the month for administrative costs, and the percent by which such spending has increased or decreased since the previous report under paragraph (1);

(H) the amount of funding available for salaries and expenses combined, and the percent by which such funding has increased or decreased since the previous report under paragraph (1), noting the source of any additional funding; and

(I) an estimate of how long the available funding for salaries and expenses will last, based on the spending rate.

(b) DAILY DISASTER UPDATES TO CONGRESS FOR PRESIDENTIALLY DECLARED DISASTERS.—

(1) IN GENERAL.—Each day during a disaster update period, excluding Federal holidays and weekends, the Administration shall provide to the Committee on Small Business and Entrepreneurship of the Senate and to the Committee on Small Business of the House of Representatives a report on the operation of the disaster loan program of the Administration for the area in which the President declared a major disaster.

(2) CONTENTS.—Each report under paragraph (1) shall include—

(A) the number of Administration staff performing loan processing, field inspection, and other duties for the declared disaster, and the allocations of such staff in the disaster field offices, disaster recovery centers, workshops, and other Administration offices nationwide;

(B) the daily number of applications received from applicants in the relevant area, as well as a breakdown of such figures by State;

(C) the daily number of applications pending application entry from applicants in the relevant area, as well as a breakdown of such figures by State;

(D) the daily number of applications withdrawn by applicants in the relevant area, as well as a breakdown of such figures by State;

(E) the daily number of applications summarily declined by the Administration from applicants in the relevant area, as well as a breakdown of such figures by State;

(F) the daily number of applications declined by the Administration from applicants in the relevant area, as well as a breakdown of such figures by State;

(G) the daily number of applications in process from applicants in the relevant area, as well as a breakdown of such figures by State;

(H) the daily number of applications approved by the Administration from applicants in the relevant area, as well as a breakdown of such figures by State;

(I) the daily dollar amount of applications approved by the Administration from applicants in the relevant area, as well as a breakdown of such figures by State;

(J) the daily amount of loans dispersed, both partially and fully, by the Administration to applicants in the relevant area, as well as a breakdown of such figures by State;

(K) the daily dollar amount of loans disbursed, both partially and fully, from the relevant area, as well as a breakdown of such figures by State;

(L) the number of applications approved, including dollar amount approved, as well as applications partially and fully disbursed, including dollar amounts, since the last report under paragraph (1); and

(M) the declaration date, physical damage closing date, economic injury closing date, and number of counties included in the declaration of a major disaster.

(c) NOTICE OF THE NEED FOR SUPPLEMENTAL FUNDS.—On the same date that the Administrator notifies any committee of the Senate or the House of Representatives that supplemental funding is necessary for the disaster

loan program of the Administration in any fiscal year, the Administrator shall notify in writing the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the need for supplemental funds for that loan program.

**(d) REPORT ON CONTRACTING.—**

(1) **IN GENERAL.**—Not later than 6 months after the date on which the President declares a major disaster, and every 6 months thereafter until the date that is 18 months after the date on which the major disaster was declared, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and to the Committee on Small Business of the House of Representatives regarding Federal contracts awarded as a result of that major disaster.

(2) **CONTENTS.**—Each report submitted under paragraph (1) shall include—

(A) the total number of contracts awarded as a result of that major disaster;

(B) the total number of contracts awarded to small business concerns as a result of that major disaster;

(C) the total number of contracts awarded to women and minority-owned businesses as a result of that major disaster; and

(D) the total number of contracts awarded to local businesses as a result of that major disaster.

**(e) REPORT ON LOAN APPROVAL RATE.—**

(1) **IN GENERAL.**—Not later than 6 months after the date of enactment of this Act, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives detailing how the Administration can improve the processing of applications under the disaster loan program of the Administration.

(2) **CONTENTS.**—The report submitted under paragraph (1) shall include—

(A) recommendations, if any, regarding—

(i) staffing levels during a major disaster;

(ii) how to improve the process for processing, approving, and disbursing loans under the disaster loan program of the Administration, to ensure that the maximum assistance is provided to victims in a timely manner;

(iii) the viability of using alternative methods for assessing the ability of an applicant to repay a loan, including the credit score of the applicant on the day before the date on which the disaster for which the applicant is seeking assistance was declared;

(iv) methods, if any, for the Administration to expedite loss verification and loan processing of disaster loans during a major disaster for businesses affected by, and located in the area for which the President declared, the major disaster that are a major source of employment in the area or are vital to recovery efforts in the region (including providing debris removal services, manufactured housing, or building materials);

(v) legislative changes, if any, needed to implement findings from the Accelerated Disaster Response Initiative of the Administration; and

(vi) a description of how the Administration plans to integrate and coordinate the response to a major disaster with the technical assistance programs of the Administration; and

(B) the plans of the Administrator for implementing any recommendation made under subparagraph (A).

At the end of subtitle D of title VII, add the following:

**SEC. 73 . ENHANCED USE LEASE AUTHORITY PILOT PROGRAM.**

Title III of the Department of Agriculture Reorganization Act of 1994 is amended by

adding after section 309 (as added by section 7402) the following:

**“SEC. 310. ENHANCED USE LEASE AUTHORITY PILOT PROGRAM.**

“(a) **ESTABLISHMENT.**—To enhance the use of real property administered by agencies of the Department, the Secretary may establish a pilot program, in accordance with this section, at the Henry A. Wallace Beltsville Agricultural Research Center of the Agricultural Research Service and the National Agricultural Library to lease property of the Center or the Library to any individual or entity, including agencies or instrumentalities of State or local governments.

**“(b) REQUIREMENTS.—**

“(1) **IN GENERAL.**—Notwithstanding chapter 5 of subtitle I of title 40, United States Code, the Secretary may lease real property at the Beltsville Agricultural Research Center or the National Agricultural Library in accordance with such terms and conditions as the Secretary may prescribe, if the Secretary determines that the lease—

“(A) is consistent with, and will not adversely affect, the mission of the Department agency administering the property;

“(B) will enhance the use of the property;

“(C) will not permit any portion of Department agency property or any facility of the Department to be used for retail, wholesale, commercial, or residential development;

“(D) will not provide authority for the development or improvement of any new property or facility by any Department agency; and

“(E) will not include any property or facility required for any Department agency purpose without prior written authority.

“(2) **TERM.**—The term of the lease under this section shall not exceed 50 years.

**“(3) CONSIDERATION.—**

“(A) **IN GENERAL.**—Consideration provided for a lease under this section shall be—

“(i) in an amount equal to fair market value, as determined by the Secretary; and

“(ii) in the form of cash.

**“(B) USE OF FUNDS.—**

“(i) **IN GENERAL.**—Consideration provided for a lease under this section shall be—

“(I) deposited in a capital asset account to be established by the Secretary; and

“(II) available until expended, without further appropriation, for maintenance, capital revitalization, and improvements of the Department properties and facilities covered by the lease.

“(ii) **BUDGETARY TREATMENT.**—For purposes of the budget, the amounts described in clause (i) shall not be treated as a receipt of any Department agency or any other agency leasing property under this section.

“(4) **COSTS.**—The lessee shall cover all costs associated with a lease under this section, including the cost of—

“(A) the project to be carried out on property or at a facility covered by the lease;

“(B) provision and administration of the lease;

“(C) construction of any applicable real property;

“(D) provision of applicable utilities; and

“(E) any other facility cost normally associated with the operation of a leased facility.

“(5) **PROHIBITION OF USE OF APPROPRIATIONS.**—The Secretary shall not use any funds made available to the Secretary in an appropriations Act for the construction or operating costs of any property or facility covered by a lease under this section.

**“(c) EFFECT OF OTHER LAWS.—**

“(1) **UTILIZATION.**—Property that is leased pursuant to this section shall not be considered to be unutilized or underutilized for purposes of section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411).

“(2) **DISPOSAL.**—Property at the Beltsville Agricultural Research Center or the National Agricultural Library that is leased pursuant to this section shall not be considered to be disposed of by sale, lease, rental, excessing, or surplus for purposes of section 523 of Public Law 100-202 (101 Stat. 1329-417).

**“(d) REPORTS.—**

“(1) **FISCAL YEARS 2008 THROUGH 2013.**—For each of fiscal years 2008 through 2013, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate an annual report describing the implementation of the pilot program under this section during the preceding fiscal year, including—

“(A) a copy of each lease entered into pursuant to this section;

“(B) an assessment by the Secretary of the success of the pilot program in promoting the mission of the Beltsville Agricultural Research Center and the National Agricultural Library; and

“(C) recommendations regarding whether the pilot program should be expanded or improved with respect to other Department activities.

“(2) **FISCAL YEAR 2014 AND THEREAFTER.**—For fiscal year 2014 and every 5 fiscal years thereafter, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report described in paragraph (1) relating to the preceding 5-fiscal-year period.”

On page 1362, between lines 19 and 20, insert the following:

**SEC. 11072. REGULATIONS TO IMPROVE MANAGEMENT AND OVERSIGHT OF CERTAIN REGULATED ARTICLES.**

(a) **IN GENERAL.**—Not later than 18 months after the date of enactment of this Act, the Secretary shall promulgate regulations—

(1) to implement, as appropriate, each issue identified in the document entitled “Lessons Learned and Revisions under Consideration for APHIS’ Biotechnology Framework”, dated October 4, 2007; and

(2) to improve the management and oversight of articles regulated under the Plant Protection Act (7 U.S.C. 7701 et seq.).

(b) **INCLUSIONS.**—In promulgating regulations under subsection (a), the Secretary shall include provisions that are designed to enhance—

(1) the quality and completeness of records;

(2) the availability of representative samples;

(3) the maintenance of identity and control in the event of an unauthorized release;

(4) corrective actions in the event of an unauthorized release;

(5) protocols for conducting molecular forensics;

(6) clarity in contractual agreements;

(7) the use of the latest scientific techniques for isolation and confinement;

(8) standards for quality management systems and effective research (including laboratory, greenhouse, and field research); and

(9) the design of electronic permits to store documents and other information relating to the permit and notification processes.

(c) **CONSIDERATION.**—In promulgating regulations under subsection (a), the Secretary shall consider—

(1) establishing—

(A) a system of risk-based categories to classify each regulated article;

(B) a means to identify regulated articles (including the retention of seed samples); and

(C) standards for isolation and containment distances; and

(2) requiring permit holders—

(A) to maintain a positive chain of custody;

(B) to provide for the maintenance of records;

(C) to provide for the accounting of material;

(D) to conduct periodic audits;

(E) to establish an appropriate training program;

(F) to provide contingency and corrective action plans; and

(G) to submit reports as the Secretary considers to be appropriate.

On page 1362, between lines 19 and 20, insert the following:

**SEC. 11072. INVASIVE PEST AND DISEASE EMERGENCY RESPONSE FUNDING CLARIFICATION.**

The Secretary may provide funds on an emergency basis to States to assist the States in combating invasive pest and disease outbreaks for any appropriate period of years after the date of initial detection by a State of an invasive pest or disease outbreak, as determined by the Secretary.

On page 972, strike line 2 and insert the following:

on reproductive fitness and related measures.

“(56) BRUCELLOSIS CONTROL AND ERADICATION; BIGHORN AND DOMESTIC SHEEP DISEASE MECHANISMS.—Research and extension grants may be made available—

“(A) for the conduct of research relating to the development of vaccines and vaccine delivery systems to effectively control and eliminate brucellosis in wildlife;

“(B) to assist with the controlling of the spread of brucellosis from wildlife to domestic animals in the greater Yellowstone area; and

“(C) to conduct research relating to the health status (including the presence of infectious diseases) of bighorn and domestic sheep under range conditions.”;

On page 927, strike lines 9 through 16 and insert the following:

“(c) ASSOCIATION DESIGNATION.—

“(1) IN GENERAL.—The Secretary shall designate collaborating farm management associations to collaborate with the National Farm Management Center established under this section.

“(2) SELECTION.—

“(A) IN GENERAL.—The Secretary shall request proposals from farm management associations and make selections in consultation with the National Farm Management Center.

“(B) NATIONAL SCOPE.—The National Farm Management Center and the Secretary shall encourage the establishment, nomination, and designation of qualified farm management associations to provide farmers, ranchers, and other agricultural operators in each State with access to the training and benchmarking tools described in this section.

“(3) SELECTION AND DESIGNATION CRITERIA.—The designation of each collaborating farm management association shall be based upon—

“(A) in the case of an established farm management association in a State or geographic region—

“(i) working with farmers, ranchers, and other agricultural operators to improve their financial management and business profitability; and

“(ii) contributing farm, ranch, and other agricultural operation financial analysis data to a publicly available online benchmarking database; and

“(B) in the case in which there is no established farm management association in a particular State or geographic region, a farm management association may be designated as a collaborating farm management asso-

ciation if the National Farm Management Center and the Secretary determine that there is a strong likelihood that the association will meet the ongoing requirements described in subsection (d).

“(d) ASSOCIATION REQUIREMENTS.—Each collaborating farm management association designated under subsection (c) and receiving funds under this section shall—

“(1) maintain a farm management education and training program that is open to all agricultural producers;

“(2) provide individualized education to farmers, ranchers, and other agricultural operators on accounting, financial planning, and business management;

“(3) provide an annual farm financial analysis to each participating farmer, rancher, or other agricultural operator;

“(4) use standardized farm business analysis procedures as specified by the National Farm Management Center;

“(5) contribute farm and ranch financial analysis data to the public online benchmarking database in a form and manner determined by the National Farm Management Center; and

“(6) facilitate and encourage producers' sign-up for ongoing multi-year participation in the training and benchmarking programs.

“(e) LIMITATION ON INDIRECT COSTS.—Indirect costs charged against funds provided under this section shall not be charged at a rate in excess of the rate at which the applicable institution charged, or could have charged, indirect costs during fiscal year 2007 against funds received as described in section 1462 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310).

“(f) ADMINISTRATIVE EXPENSES.—Not more than 8 percent of the funds made available to carry out this section may be used for the payment of administrative expenses of the Department of Agriculture in carrying out this section.

“(g) FUNDING.—The Secretary shall make available each fiscal year not less than 25 percent of funds appropriated under subsection (h) to the National Farm Management Center designated under subsection (b).

“(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.”

Strike section 11070 and insert the following:

**SEC. 11070. REPORT ON STORED QUANTITIES OF PROPANE.**

(a) REPORT.—

(1) IN GENERAL.—Not later than 240 days after the date of enactment of this Act, the Secretary of Homeland Security (referred to in this section as the “Secretary”) shall submit to the Committee on Agriculture, Nutrition, and Forestry and the Committee on Homeland Security and Government Affairs of the Senate and the Committee on Agriculture and the Committee on Homeland Security of the House of Representatives a report describing the effect of interim or final regulations issued by the Secretary pursuant to section 550(a) of the Department of Homeland Security Appropriations Act, 2007 (6 U.S.C. 121 note; Public Law 109-295), with respect to possession of quantities of propane that meet or exceed the screening threshold quantity for propane established in the final rule under that section.

(2) INCLUSIONS.—The report under paragraph (1)—

(A) shall include, at a minimum, a description of—

(i) the number of facilities that completed a top screen consequence assessment due to possession of quantities of propane that meet or exceed the listed screening threshold quantity for propane;

(ii) the number of agricultural facilities that completed the top screen consequence assessment due to possession of quantities of propane that meet or exceed the listed screening threshold quantity for propane;

(iii) the number of propane facilities initially determined to be high risk by the Secretary;

(iv) the number of propane facilities—

(I) required to complete a security vulnerability assessment or a site security plan; or

(II) that submit to the Secretary an alternative security program;

(v) the number of propane facilities that file an appeal of a finding under the final rule described in paragraph (1); and

(vi) to the extent available, the average cost of—

(I) completing a top screen consequence assessment requirement;

(II) completing a security vulnerability assessment; and

(III) completing and implementing a site security plan; and

(B) may include a classified annex, as the Secretary determines to be appropriate.

(b) EDUCATIONAL OUTREACH.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this Act, the Secretary shall conduct educational outreach activities for rural facilities that may be required to complete a top screen consequence assessment due to possession of propane in a quantity that meets or exceeds the listed screening threshold quantity for propane.

(2) USE OF COUNCIL.—In conducting outreach activities under paragraph (1), the Secretary may use the Food and Agricultural Sector Coordinating Council established under the national infrastructure protection plan to facilitate the provision of education to rural areas regarding the top screen consequence assessment requirement.

On page 1362, between lines 19 and 20, insert the following:

**SEC. 11072. PROTECTION OF PETS.**

(a) SHORT TITLE.—This section may be cited as the “Pet Safety and Protection Act of 2007”.

(b) RESEARCH FACILITIES.—Section 7 of the Animal Welfare Act (7 U.S.C. 2137) is amended to read as follows:

**“SEC. 7. SOURCES OF DOGS AND CATS FOR RESEARCH FACILITIES.**

“(a) DEFINITION OF PERSON.—In this section, the term ‘person’ means any individual, partnership, firm, joint stock company, corporation, association, trust, estate, pound, shelter, or other legal entity.

“(b) USE OF DOGS AND CATS.—No research facility or Federal research facility may use a dog or cat for research or educational purposes if the dog or cat was obtained from a person other than a person described in subsection (d).

“(c) SELLING, DONATING, OR OFFERING DOGS AND CATS.—No person, other than a person described in subsection (d), may sell, donate, or offer a dog or cat to any research facility or Federal research facility.

“(d) PERMISSIBLE SOURCES.—A person from whom a research facility or a Federal research facility may obtain a dog or cat for research or educational purposes under subsection (b), and a person who may sell, donate, or offer a dog or cat to a research facility or a Federal research facility under subsection (c), shall be—

“(1) a dealer licensed under section 3 that has bred and raised the dog or cat;

“(2) a publicly owned and operated pound or shelter that—

“(A) is registered with the Secretary;

“(B) is in compliance with section 28(a)(1) and with the requirements for dealers in subsections (b) and (c) of section 28; and

“(C) obtained the dog or cat from its legal owner, other than a pound or shelter;

“(3) a person that is donating the dog or cat and that—

“(A) bred and raised the dog or cat; or

“(B) owned the dog or cat for not less than 1 year immediately preceding the donation;

“(4) a research facility licensed by the Secretary; and

“(5) a Federal research facility licensed by the Secretary.

“(e) PENALTIES.—

“(1) IN GENERAL.—A person that violates this section shall be fined \$1,000 for each violation.

“(2) ADDITIONAL PENALTY.—A penalty under this subsection shall be in addition to any other applicable penalty.

“(f) NO REQUIRED SALE OR DONATION.—Nothing in this section requires a pound or shelter to sell, donate, or offer a dog or cat to a research facility or Federal research facility.

“(g) LIMITATION.—The Secretary shall phase out, by the date that is 5 years after the date of enactment of this subsection, the use of random source dogs and cats from class B dealers in accordance with a schedule established by the Secretary.”.

(c) FEDERAL RESEARCH FACILITIES.—Section 8 of the Animal Welfare Act (7 U.S.C. 2138) is amended—

(1) by striking “SEC. 8. No department” and inserting the following:

**“SEC. 8. FEDERAL RESEARCH FACILITIES.**

“Except as provided in section 7, no department”;

(2) by striking “research or experimentation or”; and

(3) by striking “such purposes” and inserting “that purpose”.

(d) CERTIFICATION.—Section 28(b)(1) of the Animal Welfare Act (7 U.S.C. 2158(b)(1)) is amended by striking “individual or entity” and inserting “research facility or Federal research facility”.

On page 1362, between lines 19 and 20, insert the following:

**SEC. 110. EXEMPTION FROM AQI USER FEES.**

(a) IN GENERAL.—Notwithstanding any other provision of law (including regulations), the owner or operator of any commercial truck described in subsection (b) shall be exempt from the payment of any agricultural quarantine and inspection user fee.

(b) COMMERCIAL TRUCKS.—A commercial truck referred to in subsection (a) is a commercial truck that—

(1) originates in the State of Alaska and reenters the customs territory of the United States directly from Canada; or

(2) originates in the customs territory of the United States (other than the State of Alaska) and transits through the customs territory of Canada directly before entering the State of Alaska.

(c) SEALED CARGO AREAS.—A cargo area of any commercial truck carrying an agricultural product shall remain sealed during transit through Canada.

On page 182, between lines 16 and 17, insert the following:

**SEC. 1610. ADDITIONAL MANDATORY DAIRY REPORTING.**

Subsection (b)(3) of section 273 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1637b) (as redesignated by section 1609(2)) is amended—

(1) by striking “shall take such actions” and inserting “shall—

“(A) take such actions”;

(2) in subparagraph (A) (as designated by paragraph (1)), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(B) include regular audits and comparisons with other related dairy market statistics on at least a quarterly basis.”.

On page 1243, between lines 13 and 14, insert the following:

**SEC. 10309. COORDINATION OF DAIRY OVERSIGHT.**

(a) IN GENERAL.—The Secretary shall select an official within the Department of Agriculture to coordinate the sharing of information on oversight of the dairy industry to ensure fair competition.

(b) DUTIES.—The official selected under subsection (a) shall—

(1) serve as a liaison among the Agricultural Marketing Service, Farm Service Agency, and National Agricultural Statistics Service;

(2) coordinate and maintain informal communications as appropriate with other Federal agencies with an involvement or interest in the dairy industry or fair competition;

(3) hold at least 1 formal annual meeting during each calendar year; and

(4) submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and make available to the public, an annual report that describes issues of concern in the dairy industry that threaten fair competition, including an evaluation of dairy markets with respect to the impact of those markets on—

(A) reported dairy prices;

(B) Federal milk marketing order prices; and

(C) other Federal dairy programs.

On page 402, strike lines 17 through 21 and insert the following:

(iv) allow for monitoring and evaluation;

(v) assist producers in meeting Federal, State, and local regulatory requirements; and

(vi) assist producers in enhancing fish and wildlife habitat.

On page 336, strikes lines 1 through 21 and insert the following:

“(3) PAYMENTS.—Compensation may be provided in not less than 1 and not more than 30 annual payments of equal or unequal size, as agreed to by the owner and the Secretary.”; and

(4) by adding at the end the following:

“(4) COMPENSATION.—Effective on the date of enactment of this paragraph, the Secretary shall pay the lowest amount of compensation for a conservation easement, as determined by a comparison of subparagraphs (A), (B), and (C):

“(A) The amount necessary to encourage the enrollment of parcels of land that are of importance in achieving the purposes of the program, as determined by the State Conservationist, with advice from the State technical committee, based on 1 of the following:

“(i) The net present value of 30 years of annual rental payments based on the county simple average soil rental rates developed under subchapter B.

“(ii) An area-wide market analysis or survey.

“(iii) An amount not less than the value of the agricultural or otherwise undeveloped raw land based on the Uniform Standards of Professional Appraisal Practice.

“(B) The amount corresponding to a geographical area value limitation, as determined by the State Conservationist, with advice from the State technical committee.

“(C) The amount contained in the offer made by the landowner.”.

Beginning on page 313, strike line 21 and all that follows through page 320, line 22, and insert the following:

(e) PILOT PROGRAM FOR ENROLLMENT OF WETLAND AND BUFFER ACREAGE IN CONSERVATION RESERVE.—Section 1231 of the Food Security Act of 1985 (16 U.S.C. 3831) is amended by striking subsection (h) and inserting the following:

“(h) PILOT PROGRAM FOR ENROLLMENT OF WETLAND, SHALLOW WATER AREAS, AND BUFFER ACREAGE IN CONSERVATION RESERVE.—

“(1) PROGRAM.—

“(A) IN GENERAL.—During the 2008 through 2012 calendar years, the Secretary shall carry out a program in each State under which the Secretary shall enroll eligible acreage described in paragraph (2).

“(B) PARTICIPATION AMONG STATES.—The Secretary shall ensure, to the maximum extent practicable, that owners and operators in each State have an equitable opportunity to participate in the pilot program established under this subsection.

“(2) ELIGIBLE ACREAGE.—

“(A) IN GENERAL.—Subject to subparagraphs (B) through (E), an owner or operator may enroll in the conservation reserve under this subsection—

“(i)(I) a wetland (including a converted wetland described in section 1222(b)(1)(A)) that had a cropping history during at least 3 of the immediately preceding 10 crop years;

“(II) a shallow water area that was devoted to a commercial pond-raised aquaculture operation any year during the period of calendar years 2002 through 2007; or

“(III) an agriculture drainage water treatment that receives flow from a row crop agriculture drainage system and is designed to provide nitrogen removal in addition to other wetland functions; and

“(ii) buffer acreage that—

“(I) is contiguous to a wetland or shallow water area described in clause (i);

“(II) is used to protect the wetland or shallow water area described in clause (i); and

“(III) is of such width as the Secretary determines is necessary to protect the wetland or shallow water area described in clause (i) or to enhance the wildlife benefits, including through restriction of bottomland hardwood habitat, taking into consideration and accommodating the farming practices (including the straightening of boundaries to accommodate machinery) used with respect to the cropland that surrounds the wetland or shallow water area.

“(B) EXCLUSIONS.—Except for a shallow water area described in paragraph (2)(A)(i), an owner or operator may not enroll in the conservation reserve under this subsection—

“(i) any wetland, or land on a floodplain, that is, or is adjacent to, a perennial riverine system wetland identified on the final national wetland inventory map of the Secretary of the Interior; or

“(ii) in the case of an area that is not covered by the final national inventory map, any wetland, or land on a floodplain, that is adjacent to a perennial stream identified on a 1-24,000 scale map of the United States Geological Survey.

“(C) PROGRAM LIMITATIONS.—

“(i) IN GENERAL.—The Secretary may enroll in the conservation reserve under this subsection not more than—

“(I) 100,000 acres in any 1 State referred to in paragraph (1); and

“(II) not more than a total of 1,000,000 acres.

“(ii) RELATIONSHIP TO PROGRAM MAXIMUM.—Subject to clause (iii), for the purposes of subsection (d), any acreage enrolled in the conservation reserve under this subsection shall be considered acres maintained in the conservation reserve.

“(iii) RELATIONSHIP TO OTHER ENROLLED ACREAGE.—Acreage enrolled under this subsection shall not affect for any fiscal year the quantity of—

“(I) acreage enrolled to establish conservation buffers as part of the program announced on March 24, 1998 (63 Fed. Reg. 14109); or

“(II) acreage enrolled into the conservation reserve enhancement program announced on May 27, 1998 (63 Fed. Reg. 28965).

“(iv) REVIEW; POTENTIAL INCREASE IN ENROLLMENT ACREAGE.—Not later than 3 years after the date of enactment of the Food and Energy Security Act of 2007, the Secretary shall—

“(I) conduct a review of the program under this subsection with respect to each State that has enrolled land in the program; and

“(II) notwithstanding clause (i)(I), increase the number of acres that may be enrolled by a State under clause (i)(I) to not more than 150,000 acres, as determined by the Secretary.

“(D) OWNER OR OPERATOR LIMITATIONS.—

“(i) WETLAND.—

“(I) IN GENERAL.—Except for a shallow water area described in paragraph (2)(A)(i), the maximum size of any wetland described in subparagraph (A)(i) of an owner or operator enrolled in the conservation reserve under this subsection shall be 40 contiguous acres.

“(II) COVERAGE.—All acres described in subclause (I) (including acres that are ineligible for payment) shall be covered by the conservation contract.

“(ii) BUFFER ACREAGE.—The maximum size of any buffer acreage described in subparagraph (A)(ii) of an owner or operator enrolled in the conservation reserve under this subsection shall be determined by the Secretary in consultation with the State Technical Committee.

“(iii) TRACTS.—Except for a shallow water area described in paragraph (2)(A)(i) and buffer acreage, the maximum size of any eligible acreage described in subparagraph (A) in a tract (as determined by the Secretary) of an owner or operator enrolled in the conservation reserve under this subsection shall be 40 acres.

“(3) DUTIES OF OWNERS AND OPERATORS.—Under a contract entered into under this subsection, during the term of the contract, an owner or operator of a farm or ranch shall agree—

“(A) to restore the hydrology of the wetland within the eligible acreage to the maximum extent practicable, as determined by the Secretary;

“(B) to establish vegetative cover (which may include emerging vegetation in water and bottomland hardwoods, cypress, and other appropriate tree species in shallow water areas) on the eligible acreage, as determined by the Secretary;

“(C) to a general prohibition of commercial use of the enrolled land; and

“(D) to carry out other duties described in section 1232.

“(4) DUTIES OF THE SECRETARY.—

“(A) IN GENERAL.—Except as provided in subparagraphs (B) and (C), in return for a contract entered into by an owner or operator under this subsection, the Secretary shall make payments based on rental rates for cropland and provide assistance to the owner or operator in accordance with sections 1233 and 1234.

“(B) CONTINUOUS SIGNUP.—The Secretary shall use continuous signup under section 1234(c)(2)(B) to determine the acceptability of contract offers and the amount of rental payments under this subsection.

“(C) INCENTIVES.—The amounts payable to owners and operators in the form of rental payments under contracts entered into under this subsection shall reflect incentives that are provided to owners and operators to enroll filterstrips in the conservation reserve under section 1234.”

On page 334, strike lines 23 through 25 and insert the following:

described in clauses (i) and (ii).”;

(2) in subsection (c), by striking “2007 calendar” and inserting “2012 fiscal”; and

(3) in subsection (d)—

(A) in paragraph (2), by striking “or” at the end; and

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

“(3) a riparian area; or

“(4) a riparian area and an adjacent area that links the riparian area to other parcels of wetland that are protected by wetlands reserve agreements or some other device or circumstance that achieves the same purpose as a wetlands reserve agreement.”

Beginning on page 461, strike line 24 and all that follows through page 474, line 25, and insert the following:

“(f) PARTNERSHIPS AND COOPERATION.—

“(1) IN GENERAL.—In carrying out each program under subtitle D (excluding the wetlands reserve program and the conservation reserve program), the Secretary, acting through the State Conservationist, shall designate special projects to enhance conservation outcomes by working with multiple producers to address conservation issues, if recommended by the State Conservationist, in consultation with the State technical committee.

“(2) GUIDELINES.—The Secretary shall establish guidelines to be used by States in the designation of special projects under paragraph (1).

“(3) PURPOSES.—The purposes of special projects carried out under this subsection shall be to achieve local, statewide, or regional conservation objectives by—

“(A) encouraging producers to cooperate in the installation and maintenance of conservation practices that affect multiple agricultural operations;

“(B) encouraging producers to cooperate in meeting applicable Federal, State, and local regulatory requirements regarding natural resources and the environment;

“(C) encouraging producers to share information and technical and financial resources;

“(D) facilitating cumulative conservation benefits in geographic areas; and

“(E) promoting the development and demonstration of innovative conservation methods.

“(4) ELIGIBLE PARTNERS.—State and local government entities (including irrigation and water districts and canal companies), Indian tribes, farmer cooperatives, institutions of higher education, nongovernmental organizations, and producer associations shall be eligible to apply under this subsection.

“(5) SPECIAL PROJECT APPLICATION.—To apply for designation as a special project, partners shall submit an application to the Secretary that includes—

“(A) a description of the geographic area, the current conditions, the conservation objectives to be achieved through the special project, and the expected level of participation by agricultural and nonindustrial private forest landowners;

“(B) a description of the partners collaborating to achieve the project objectives and the roles, responsibilities, and capabilities of the partners;

“(C) a description of the program resources from 1 or more programs under subtitle D that are requested from the Secretary, in relevant units, and the non-Federal resources that will be leveraged by the Federal contribution;

“(D) a description of the plan for monitoring, evaluating, and reporting on any progress made towards achieving the purposes of the special project; and

“(E) such other information as described in guidelines established by the Secretary under paragraph (2).

“(6) DUTIES OF THE SECRETARY.—

“(A) IN GENERAL.—The Secretary shall enter into multiyear agreements with partners to facilitate the delivery of conservation program resources in a manner to achieve the purposes described in paragraph (3).

“(B) PROJECT SELECTION.—

“(i) IN GENERAL.—The Secretary shall conduct a competitive process to select projects funded under this subsection.

“(ii) FACTORS CONSIDERED.—In conducting the process described in clause (i), the Secretary shall make public the factors to be considered in evaluating applications.

“(iii) PRIORITY.—The Secretary may give priority to applications based on—

“(I) the highest percentage of producers involved, and the inclusion of the highest percentage of working agricultural land in the area;

“(II) the highest percentage of on-the-ground conservation to be implemented;

“(III) non-Federal resources to be leveraged;

“(IV) innovation in conservation methods and delivery, including outcome-based performance measures and methods; and

“(V) other factors, as determined by the Secretary.

“(C) TECHNICAL AND FINANCIAL ASSISTANCE.—The Secretary and partners shall provide appropriate technical and financial assistance to producers participating in a special project in an amount determined by the Secretary to be necessary to achieve the purposes described in paragraph (3).

“(D) ADMINISTRATION.—

“(i) IN GENERAL.—The Secretary shall ensure that resources made available under this subsection are delivered in accordance with applicable program rules relating to basic program functions, including rules governing appeals, payment limitations, and conservation compliance.

“(ii) FLEXIBILITY.—The Secretary may adjust elements of the programs under this title, as requested by the State Conservationist, to better reflect unique local circumstances and purposes, if the Secretary determines that such adjustments are necessary to achieve the purposes of this subsection.

“(iii) ADDITIONAL REQUIREMENTS.—The Secretary may establish additional requirements beyond applicable program rules in order to effectively implement this subsection.

“(7) SPECIAL RULES APPLICABLE TO REGIONAL WATER ENHANCEMENT PROJECTS.—

“(A) DEFINITIONS.—In this paragraph:

“(i) ELIGIBLE PARTNER.—The term ‘eligible partner’ means—

“(I) an eligible partner identified in paragraph (4); and

“(II) a water or wastewater agency of a State.

“(ii) ELIGIBLE PROJECT.—

“(I) IN GENERAL.—The term ‘eligible project’ means a project that is specifically targeted to improve water quality or quantity in an area.

“(II) INCLUSIONS.—The term ‘eligible project’ includes a project that involves—

“(aa) resource condition assessment and modeling;

“(bb) water quality, water quantity, or water conservation plan development;

“(cc) management system and environmental monitoring and evaluation;

“(dd) cost-share restoration or enhancement;

“(ee) incentive payments for land management practices;

“(ff) easement purchases;

“(gg) conservation contracts with landowners;

“(hh) improved irrigation systems;

“(ii) water banking and other forms of water transactions;

“(jj) groundwater recharge;

“(kk) stormwater capture; and

“(ll) other water-related activities that the Secretary determines will help to achieve the water quality or water quantity benefits identified in the agreement in subparagraph (E).

“(B) REGIONAL WATER ENHANCEMENT PROCEDURES.—With respect to proposals for eligible projects by eligible partners, the Secretary shall establish specific procedures (to be known collectively as ‘regional water enhancement procedures’) in accordance with this paragraph.

“(C) MEANS.—Regional water enhancement activities in a particular region shall be carried out through a combination of—

“(i) multiyear agreements between the Secretary and eligible partners;

“(ii) other regional water enhancement activities carried out by the Secretary; and

“(iii) regional water enhancement activities carried out by eligible partners through other means.

“(D) MULTIYEAR AGREEMENTS WITH ELIGIBLE PARTNERS.—

“(i) SOLICITATION OF PROPOSALS.—Not later than 90 days after the date of enactment of this subsection, the Secretary shall invite prospective eligible partners to submit proposals for regional water enhancement projects.

“(ii) ELEMENTS OF PROPOSALS.—To be eligible for consideration for participation in the program, a proposal submitted by an eligible partner shall include—

“(I) identification of the exact geographic area for which the partnership is proposed, which may be based on—

“(aa) a watershed (or portion of a watershed);

“(bb) an irrigation, water, or drainage district;

“(cc) the service area of an irrigation water delivery entity; or

“(dd) some other geographic area with characteristics that make the area suitable for landscape-wide program implementation;

“(II) identification of the water quality or water quantity issues that are of concern in the area;

“(III) a method for determining a baseline assessment of water quality, water quantity, and other related resource conditions in the region;

“(IV) a detailed description of the proposed water quality or water quantity improvement activities to be undertaken in the area, including an estimated timeline and program resources for every activity; and

“(V) a description of the performance measures to be used to gauge the effectiveness of the water quality or water quantity improvement activities.

“(iii) SELECTION OF PROPOSALS.—The Secretary shall award multiyear agreements competitively, with priority given, as determined by the Secretary, to selecting proposals that—

“(I) have the highest likelihood of improving the water quality or quantity issues of concern for the area;

“(II) involve multiple stakeholders and will ensure the highest level of participation by producers and landowners in the area through performance incentives to encourage adoption of specific practices in specific locations;

“(III) will result in the inclusion of the highest percentage of working agricultural land in the area;

“(IV) will result in the highest percentage of on-the-ground activities as compared to administrative costs;

“(V) will provide the greatest contribution to sustaining or enhancing agricultural or silvicultural production in the area; and

“(VI) include performance measures that will allow post-activity conditions to be satisfactorily measured to gauge overall effectiveness.

“(iv) IDENTIFICATION OF WATER QUALITY AND WATER QUANTITY PRIORITY AREAS.—

“(I) IN GENERAL.—Subject to subclause (II), the Secretary shall identify areas in which protecting or improving water quality or water quantity is a priority.

“(II) MANDATORY INCLUSIONS.—The Secretary shall include in any identification of areas under subclause (I)—

“(aa) the Chesapeake Bay;

“(bb) the Upper Mississippi River basin;

“(cc) the greater Everglades ecosystem;

“(dd) the Klamath River basin;

“(ee) the Sacramento/San Joaquin River watershed;

“(ff) the Mobile River basin;

“(gg) the Puget Sound;

“(hh) the Ogallala Aquifer;

“(ii) the Illinois River watershed (located in the States of Arkansas and Oklahoma);

“(jj) the Champlain Basin watershed;

“(kk) the Platte River watershed;

“(ll) the Republican River watershed;

“(mm) the Chattahoochee River watershed; and

“(nn) the Rio Grande watershed.

“(E) AGREEMENTS.—Not later than 30 days after the date on which the Secretary awards an agreement under subparagraph (D), the Secretary shall enter into an agreement with the eligible partner that, at a minimum, contains—

“(i) a description of the respective duties and responsibilities of the Secretary and the eligible partner in carrying out the activities in the area; and

“(ii) the criteria that the Secretary will use to evaluate the overall effectiveness of the regional water enhancement activities funded by the multiyear agreement in improving the water quality or quantity conditions of the region relative to the performance measures in the proposal.

“(F) CONTRACTS WITH OTHER PARTIES.—An agreement awarded under subparagraph (D) may provide for the use of third-party providers (including other eligible partners) to undertake specific regional water enhancement activities in a region on a contractual basis with the Secretary or the eligible partner.

“(G) CONSULTATION WITH OTHER AGENCIES.—With respect to areas in which a Federal or State agency is, or will be, undertaking other water quality or quantity-related activities, the Secretary and the eligible partner may consult with the Federal or State agency in order to—

“(i) coordinate activities;

“(ii) avoid duplication; and

“(iii) ensure that water quality or quantity improvements attributable to the other activities are taken into account in the evaluation of the Secretary under subparagraph (E)(ii).

“(H) RELATIONSHIP TO OTHER PROGRAMS.—The Secretary shall ensure that, to the extent that producers and landowners are individually participating in other programs under subtitle D in a region in which a regional water enhancement project is in effect, any improvements to water quality or water quantity attributable to the individual participation are included in the evaluation criteria developed under subparagraph (E)(ii).

“(I) CONSISTENCY WITH STATE LAW.—Any water quality or water quantity improvement activity undertaken under this paragraph shall be consistent with State water laws.

“(8) DURATION.—

“(A) IN GENERAL.—Multiyear agreements under this subsection shall be for a period not to exceed 5 years.

“(B) EARLY TERMINATION.—The Secretary may terminate a multiyear agreement before the end of the agreement if the Secretary determines that performance measures are not being met.

“(9) FUNDING.—

“(A) SET ASIDE.—

“(i) IN GENERAL.—Of the funds provided for each of fiscal years 2008 through 2012 to carry out the conservation programs in subtitle D (excluding the conservation reserve program, the conservation security program, the conservation stewardship program, and the wetlands reserve program), the Secretary shall reserve 10 percent of the funds allocated to each State for use for activities under this subsection.

“(ii) CONSERVATION STEWARDSHIP PROGRAM.—Of the acres allocated for the conservation stewardship program for each of fiscal years 2008 through 2012, the Secretary shall reserve 10 percent of acres allocated to each State for use for activities under this subsection.

“(B) USE OF RESOURCES.—Of the funds reserved and acres allocated to each State under this subsection in each fiscal year, the Secretary shall—

“(i) allocate not less than 75 percent to be used by the State Conservationist to carry out special projects under this subsection (including regional water enhancement projects); and

“(ii) use not more than 25 percent for multistate projects authorized under this subsection.

“(C) PARTNERS.—Overhead or administrative costs of partners may not be covered by funds provided through this subsection.

“(D) UNUSED FUNDING.—Any funds made available, and any acres reserved, for a fiscal year under subparagraph (A) that are not obligated or enrolled by April 1 of the fiscal year may be used to carry out other activities under conservation programs under subtitle D during the fiscal year in which the funding becomes available.”

On page 499, strike lines 1 through 12 and insert the following:

**SEC. 2607. DESERT TERMINAL LAKES.**

Section 2507 of the Farm Security and Rural Investment Act of 2002 (43 U.S.C. 2211 note; Public Law 107-171) is amended—

(1) in subsection (a), by striking “, as soon as practicable after the date of enactment of this Act,” and inserting the following: “and paragraph (1) of section 207(a) of Public Law 108-7 (117 Stat. 146), notwithstanding paragraph (3) of that section, on the date of enactment of the Food and Energy Security Act of 2007,”; and

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

“(b) PERMITTED USES.—In any case in which there are willing sellers, the funds described in subsection (a) may be used—

“(1) to lease water; or

“(2) to purchase land, water appurtenant to the land, and related interests in the Walker River Basin in accordance with section 208(a)(1)(A) of the Energy and Water Development Appropriations Act, 2006 (Public Law 109-103, 119 Stat. 2268).”

On page 448, lines 12 through 14, strike “more than 50 percent of the annual income of the farmer or rancher” and insert “at least \$15,000 in gross sales”.

On page 407, line 3, strike “A contract” and insert “Notwithstanding section 1240B(b)(2)(A), a contract”.

On page 456, line 15, strike “agricultural producers” and insert “eligible participants”.

On page 457, lines 12 through 14, strike “specialty crop, organic, and precision agriculture producers” and insert “producers involved with organic or specialty crop production or precision agriculture”.

On page 457, lines 20 through 22, strike “specialty crop, organic, and precision agriculture producers” and insert “producers involved with organic or specialty crop production or precision agriculture”.

On page 458, lines 5 and 6, strike “specialty crop, organic, and precision agriculture producers” and insert “producers involved with organic or specialty crop production or precision agriculture”.

On page 414, line 1, strike “other” and insert “any other”.

On page 395, strike lines 10 through 12 and insert the following:

“(2) improve conservation practices or systems in place on the operation at the time the contract offer is accepted or to complete a conservation system; and”.

On page 454, between lines 24 and 25, insert the following:

“(5) PAYMENT AMOUNTS.—The Secretary shall establish fair and reasonable amounts of payments for technical services provided by third-party providers.

Beginning on page 506, strike line 10 and all that follows through page 507, line 14.

On page 432, strike lines 18 through 22 and insert the following:

**SEC. 2395. GREAT LAKES BASIN PROGRAM FOR SOIL EROSION AND SEDIMENT CONTROL.**

Section 1240P of the Food Security Act of 1985 (16 U.S.C. 3839bb-3) is amended to read as follows:

**“SEC. 1240P. GREAT LAKES BASIN PROGRAM FOR SOIL EROSION AND SEDIMENT CONTROL.**

“(a) IN GENERAL.—The Secretary, in consultation with the Great Lakes Commission created by Article IV of the Great Lakes Basin Compact (82 Stat. 415) and in cooperation with the Administrator of the Environmental Protection Agency and the Secretary of the Army, may carry out the Great Lakes basin program for soil erosion and sediment control (referred to in this section as the ‘program’) to assist in implementing the recommendations of the Great Lakes Regional Collaboration Strategy to Restore and Protect the Great Lakes.

“(b) ASSISTANCE.—In carrying out the program, the Secretary may—

“(1) provide project demonstration grants, provide technical assistance, and carry out information and educational programs to improve water quality in the Great Lakes basin by reducing soil erosion and improving sediment control; and

“(2) establish a priority for projects and activities that—

“(A) directly reduce soil erosion or improve sediment control;

“(B) reduce soil loss in degraded rural watersheds; or

“(C) improve hydrological conditions in urban watersheds.

“(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2008 through 2012.”.

On page 1130, strike lines 15 through 17 and insert the following:

“(2) DEMONSTRATION.—The term ‘demonstration’ means demonstration of technology in a pilot plant or semi-works scale facility, including a plant or facility located on a farm.

On page 1143, strike lines 14 and insert the following:

“(iv) power production technologies, including distributed generation;

On page 674, between lines 10 and 11, insert the following:

**SEC. 49 . AGRICULTURAL POLICY AND PUBLIC HEALTH.**

(a) IN GENERAL.—The Comptroller General of the United States shall conduct a study to assess whether the agricultural policies of the United States have an impact on health, nutrition, overweight and obesity, and diet-related chronic disease.

(b) REQUIREMENTS.—In conducting the study under subsection (a), the Comptroller General of the United States shall—

(1) review, and evaluate the methodological rigor of, existing literature and studies relating to the subjects of the study required under subsection (a);

(2) summarize the existing literature and explain the extent, if any, to which the literature shows a clear association or causal relationship between United States agricultural policy and health, nutrition, overweight and obesity, and diet-related chronic diseases; and

(3) if the existing literature shows that there is a relationship between United States agricultural policy and health, nutrition, overweight and obesity, and diet-related chronic diseases, make recommendations to guide or revise Federal agricultural policies to improve health and reduce obesity and diet-related chronic disease.

(c) REPORT.—Not later than 18 months after the date of enactment of this section, the Comptroller General of the United States shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that describes the results of the study conducted under this section.

At the appropriate place in title XI, insert the following:

**SEC. 11 . DEPARTMENT OF AGRICULTURE CONFERENCE TRANSPARENCY.**

(a) REPORTS ON CONFERENCE EXPENDITURES.—For fiscal year 2008 and each fiscal year thereafter, the Secretary shall submit to the Inspector General of the Department of Agriculture quarterly reports that describe the costs and contracting procedures relating to each conference or meeting held by the Department of Agriculture during the quarter covered by the report for which the cost to the Federal Government was more than \$10,000.

(b) REQUIREMENTS.—Each report submitted under subsection (a) shall include, for each conference and meeting covered by the report—

(1) a description of the number participants attending, and the purpose of those participants for attending, the conference or meeting;

(2) a detailed statement of the costs incurred by the Federal Government relating to that conference or meeting, including—

(A) the cost of any food or beverages;

(B) the cost of any audio-visual services;

(C) the cost of all related travel; and

(D) a discussion of the methodology used to determine which costs relate to that conference or meeting; and

(3) a description of the contracting procedures relating to that conference or meeting, including—

(A) whether contracts were awarded on a competitive basis; and

(B) a discussion of any cost comparison conducted by the Department of Agriculture in evaluating potential contractors for any conference or meeting.

(c) TRAVEL EXPENSES.—

(1) DEFINITION OF CONFERENCE.—In this subsection, the term “conference” means a meeting that—

(A) is held for consultation, education, awareness, or discussion;

(B) includes participants who are not all employees of the same agency;

(C) is not held entirely at an agency facility;

(D) involves costs associated with travel and lodging for some participants; and

(E) is sponsored by 1 or more agencies, 1 or more organizations that are not agencies, or a combination of those agencies or organizations.

(2) REPORT.—Not later than September 30 of each fiscal year, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, and post on the public website of the Department of Agriculture in a searchable, electronic format, a report on each conference for which the Department of Agriculture paid travel expenses during the fiscal year covered by the report, including—

(A) a description of—

(i) the itemized expenses paid by the Department of Agriculture, including travel expenses and any other expenditures to support the conference;

(ii) the primary sponsor of the conference; and

(iii) the location of the conference; and

(B) in the case of a conference for which the Department of Agriculture was the primary sponsor, a statement that—

(i) justifies the location selected;

(ii) demonstrates the cost efficiency of the location;

(iii) specifies the date or dates of the conference;

(iv) includes a brief explanation of the ways in which the conference advanced the mission of the Department of Agriculture; and

(v) specifies the total number of individuals whose travel or attendance at the conference was paid for, in whole or in part, by the Department of Agriculture.

Strike section 11068 (relating to prevention and investigation of payment fraud and error) and insert the following:

**SEC. 11068. AMENDMENT TO THE RIGHT TO FINANCIAL PRIVACY ACT OF 1978.**

Section 1113(k) of the Right to Financial Privacy Act of 1978 (12 U.S.C. 3413(k)) is amended—

(1) by striking the subsection heading and inserting the following:

“(k) DISCLOSURE NECESSARY FOR PROPER ADMINISTRATION OF PROGRAMS OF CERTAIN GOVERNMENT AUTHORITIES.—”; and

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

“(2) Nothing in this title shall apply to the disclosure by the financial institution of information contained in the financial records of any customer to any Government authority that certifies, disburses, or collects payments, where the disclosure of such information is necessary to, and such information is used solely for the purpose of—

“(A) verification of the identity of any person or proper routing and delivery of funds in connection with the issuance of a Federal payment or collection of funds by a Government authority; or

“(B) the investigation or recovery of an improper Federal payment or collection of funds or an improperly negotiated Treasury check.

“(3) Notwithstanding any other provision of law, a request authorized by paragraph (1) or (2) (and the information contained therein) may be used by the financial institution or its agents solely for the purpose of providing information contained in the financial records of the customer to the Government authority requesting the information, and the financial institution and its agents shall be barred from redisclosure of such information. Any Government authority receiving information pursuant to paragraph

(1) or (2) may not disclose or use the information, except for the purposes set forth in such paragraph.”.

On page 1264, between lines 4 and 5, insert the following:

**SEC. 1102 . PLANT PROTECTION.**

(a) CIVIL PENALTIES FOR VIOLATIONS.—Section 424(b)(1) of the Plant Protection Act (7 U.S.C. 7734(b)(2)) is amended by striking subparagraphs (A) and (B) and inserting the following:

“(A) \$50,000 in the case of any individual (except that the civil penalty may not exceed \$1,000 in the case of an initial violation of this title by an individual moving regulated articles not for monetary gain);

“(B) \$250,000 in the case of any other person for each violation;

“(C) \$500,000 for each violation adjudicated in a single proceeding;

“(D) \$1,000,000 for each violation adjudicated in a single proceeding involving a genetically modified organism (as determined by the Secretary); or

“(E) twice the gross gain or gross loss for any violation, forgery, counterfeiting, unauthorized use, defacing, or destruction of a certificate, permit, or other document provided for in this title that results in the person deriving pecuniary gain or causing pecuniary loss to another.”.

(b) TIME FOR COMMENCING PROCEEDINGS.—Subtitle B of the Plant Protection Act (7 U.S.C. 7731 et seq.) is amended by adding at the end the following:

**“SEC. 427. TIME FOR COMMENCING PROCEEDINGS.**

“An action, suit, or proceeding with respect to an alleged violation of this title shall not be considered unless the action, suit, or proceeding is commenced not later than 5 years after the date the violation is initially discovered by the Secretary.”.

Beginning on page 1097, strike line 1 and all that follows through page 1103, line 15, and insert the following:

**“SEC. 9004. BIOMASS CROP TRANSITION.**

(a) DEFINITIONS.—In this section:

“(1) ELIGIBLE CROP.—

“(A) IN GENERAL.—The term ‘eligible crop’ means a crop of renewable biomass.

“(B) EXCLUSIONS.—The term ‘eligible crop’ does not include any plant that—

“(i) the Secretary determines to be invasive or noxious on a regional basis under the Plant Protection Act (7 U.S.C. 7701 et seq.); or

“(ii) has the potential to become invasive or noxious on a regional basis, as determined by the Secretary, in consultation with other appropriate Federal or State departments and agencies.

“(2) ELIGIBLE LAND.—The term ‘eligible land’ means private agricultural or forest land that the Secretary determines was planted or considered to be planted for at least 4 of the 6 years preceding the date of enactment of the Food and Energy Security Act of 2007.

“(3) ELIGIBLE PARTICIPANT.—The term ‘eligible participant’ means an agricultural producer, forest land owner, or other individual holding the right to collect or harvest renewable biomass—

“(A) that is establishing 1 or more eligible crops on eligible land to be used in the production of advanced biofuels, other biobased products, heat, or power from a biomass conversion facility;

“(B) that is collecting or harvesting renewable biomass to be used in the production of advanced biofuels, other biobased products, heat, or power from a biomass conversion facility;

“(C) that has a letter of intent or proof of financial commitment from a biomass conversion facility, including a proposed bio-

mass conversion facility that is economically viable, as determined by the Secretary, to purchase the eligible crops; and

“(D) the production operation of which is in such proximity to the biomass conversion facility described in subparagraph (C) as to make delivery of the eligible crops to that location economically practicable.

“(b) BIOMASS CROP TRANSITION ASSISTANCE.—

“(1) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to provide transitional assistance, including planning grants, for the establishment and production of eligible crops to be used in the production of advanced biofuels, other biobased products, heat, or power from a biomass conversion facility.

“(2) EXCLUSION.—An agricultural producer shall not be eligible for assistance under paragraph (1) for the establishment and production of—

“(A) any crop that is eligible for benefits under title I of the Food and Energy Security Act of 2007; or

“(B) an annual crop.

“(3) CONTRACTS.—

“(A) IN GENERAL.—The Secretary shall enter into contracts with eligible participants and entities described in subparagraph (B) to provide transitional assistance payments to eligible participants.

“(B) CONTRACTS WITH MEMBER ENTITIES.—The Secretary may enter into 1 or more contracts with farmer-owned cooperatives, agricultural trade associations, or other similar entities on behalf of producer members that meet the requirements of, and elect to be treated as, eligible participants if the contract would offer greater efficiency in administration of the program.

“(C) REQUIREMENTS.—Under a contract described in subparagraph (A), an eligible participant shall be required, as determined by the Secretary—

“(i) to produce 1 or more eligible crops;

“(ii) to develop and actively apply a conservation plan that meets the requirements for highly erodible land conservation and wetlands conservation as established under subtitles B and C of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.); and

“(iii) to agree to implement a conservation plan approved by the local soil conservation district, in consultation with the local committees established under section 8(b)(5) of the Soil Conservation and Domestic Allotment Act (16 U.S.C. 590h(B)(5)) and the Secretary, or by the Secretary to use such conservation practices as are necessary, where appropriate—

“(I) to advance the goals and objectives of State, regional, and national fish and wildlife conservation plans and initiatives; and

“(II) to comply with mandatory environmental requirements for a producer under Federal, State, and local law.

“(4) PAYMENTS.—

“(A) FIRST YEAR.—During the first year of the contract, the Secretary shall make a payment to an eligible participant in an amount that covers the cost of establishing 1 or more eligible crops.

“(B) SUBSEQUENT YEARS.—During any subsequent year of the contract, the Secretary shall make incentive payments to an eligible participant in an amount determined by the Secretary to encourage the eligible participant to produce renewable biomass.

“(5) APPLICATIONS.—An application to the Secretary for assistance shall include—

“(A) identification of the proposed biomass conversion facility for which the crop is intended;

“(B) letters of intent or proof of financial commitment from the biomass conversion facility to purchase the crop; and

“(C) documentation from each eligible participant that describes—

“(i) the variety and acreage of the eligible crop the eligible participants have committed to producing; and

“(ii) the variety and acreage of crops that the eligible participants would have grown if the eligible participants had not committed to producing the eligible crop.

“(6) SELECTION CRITERIA.—In selecting from applications submitted under this subsection, the Secretary shall consider—

“(A) the likelihood that the proposed establishment of the eligible crop will be viable within the proposed locale;

“(B) the impact of the proposed eligible crop and conversion system on wildlife, air, soil, and water quality and availability; and

“(C) local and regional economic impacts and benefits, including participation of beginning farmers or ranchers and socially disadvantaged farmers or ranchers.

“(7) ELIGIBLE CROP TRANSITION PLANNING GRANTS.—

“(A) IN GENERAL.—An eligible participant or member entity (as described in paragraph (3)(B)) may apply for a project planning grant in an amount of not more than \$50,000 to assist in assessing the viability for, or assembling of, a regional supply of 1 or more eligible crops for use by a bioenergy conversion facility.

“(B) MATCHING REQUIREMENT.—To receive a planning grant under subparagraph (A), an eligible participant or member entity shall provide matching funding in an amount equal to 100 percent of the amount of the grant.

“(c) ASSISTANCE FOR PRODUCTION OF ANNUAL CROP OF RENEWABLE BIOMASS.—

“(1) IN GENERAL.—The Secretary may provide assistance to eligible participants to plant an annual crop of renewable biomass for use in a biomass conversion facility in the form of—

“(A) technical assistance; and

“(B) cost-share assistance for the cost of establishing an annual crop of renewable biomass.

“(2) EXCLUSION.—An agricultural producer shall not be eligible for assistance under paragraph (1) for the establishment of any crop that is eligible for benefits under title I of the Food and Energy Security Act of 2007.

“(3) COMPLIANCE.—Eligible participants receiving assistance under paragraph (1)(B) shall develop and actively apply a conservation plan that meets the requirements for highly erodible land conservation and wetlands conservation as established under subtitles B and C of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.).

“(d) ASSISTANCE FOR COLLECTION, HARVEST, STORAGE, AND TRANSPORT OF RENEWABLE BIOMASS.—

“(1) ESTABLISHMENT OF PROGRAM.—The Secretary shall establish a program to provide assistance to eligible participants for collecting, harvesting, storing, and transporting renewable biomass to be used in the production of advanced biofuels, biobased products, heat, or power from a biomass conversion facility.

“(2) PAYMENTS.—

“(A) IN GENERAL.—An eligible participant shall receive payments under this subsection for each ton of renewable biomass delivered to a biomass conversion facility, based on a fixed rate to be established by the Secretary in accordance with subparagraph (B).

“(B) FIXED RATE.—The Secretary shall establish a fixed payment rate for purposes of subparagraph (A) to reflect—

“(i) the estimated cost of collecting, harvesting, storing, and transporting the renewable biomass; and

“(ii) such other factors as the Secretary determines to be appropriate.

“(e) ASSISTANCE FOR FOREST BIOMASS PLANNING.—

“(1) IN GENERAL.—The Secretary shall provide assistance to eligible participants to develop forest stewardship plans that involve management of forest biomass for delivery to a biomass conversion facility through—

“(A) a State forestry agency; or

“(B) a contract or agreement with a third-party provider in accordance with section 1242 of the Food Security Act of 1985 (16 U.S.C. 3842).

“(2) MANAGEMENT PRACTICES.—The Secretary shall ensure that any plan developed using assistance provided under paragraph (1) includes management practices that will protect soil, water, and wildlife habitat resources on the land covered by the plan.

“(f) BEST PRACTICES.—

“(1) RECORDKEEPING.—Each eligible participant, and each biomass conversion facility contracting with the eligible participant, shall maintain and make available to the Secretary, at such times as the Secretary may request, appropriate records of methods used for activities for which payment is received under this section.

“(2) INFORMATION SHARING.—From the records maintained under subparagraph (A), the Secretary shall maintain, and make available to the public, information regarding—

“(A) the production potential (including evaluation of the environmental benefits) of a variety of eligible crops; and

“(B) best practices for producing, collecting, harvesting, storing, and transporting eligible crops to be used in the production of advanced biofuels.

“(g) FUNDING.—

“(1) BIOMASS CROP TRANSITION ASSISTANCE.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out subsections (b) and (c) \$130,000,000 for fiscal year 2008, to remain available until expended, of which not more than \$5,000,000 may be used to carry out subsection (b)(7).

“(2) ASSISTANCE FOR COLLECTION, HARVEST, STORAGE, AND TRANSPORT OF RENEWABLE BIOMASS.—Of the funds of the Commodity Credit Corporation, the Secretary shall make available to carry out subsection (d) \$10,000,000 for each of fiscal years 2009 through 2011, to remain available until expended.

“(3) ASSISTANCE FOR FOREST BIOMASS PLANNING.—Of the funds made available under paragraph (1), the Secretary shall use not more than 5 percent to carry out subsection (e).

Strike section 10101 (relating to definitions) and insert the following:

**SEC. 10101. DEFINITIONS.**

Section 3 of the Agricultural Fair Practices Act of 1967 (7 U.S.C. 2302) is amended—

(1) by striking “When used in this Act—” and inserting “In this Act:”;

(2) in subsection (a)—

(A) by redesignating paragraphs (1) through (4) as clauses (i) through (iv), respectively; and

(B) in clause (iv) (as so redesignated), by striking “clause (1), (2), or (3) of this paragraph” and inserting “clause (i), (ii), or (iii)”;

(3) by striking subsection (d);

(4) by redesignating subsections (a), (b), (c), and (e) as paragraphs (3), (4), (2), (1), respectively, indenting appropriately, and moving those paragraphs so as to appear in numerical order;

(5) in each paragraph (as so redesignated) that does not have a heading, by inserting a heading, in the same style as the heading in the amendment made by paragraph (6), the text of which is comprised of the term defined in the paragraph;

(6) in paragraph (2) (as so redesignated)—

(A) by striking “The term ‘association of producers’ means” and inserting the following:

“(2) ASSOCIATION OF PRODUCERS.—

“(A) IN GENERAL.—The term ‘association of producers’ means”; and

(B) by adding at the end the following:

“(B) INCLUSION.—The term ‘association of producers’ includes an organization of agricultural producers dedicated to promoting the common interest and general welfare of producers of agricultural products.”;

(7) in paragraph (3) (as so redesignated)—

(A) by striking “The term” and inserting the following:

“(3) HANDLER.—

“(A) IN GENERAL.—The term”; and

(B) by inserting after clause (iv) of subparagraph (A) (as redesignated by subparagraph (A) and paragraph (2)) the following:

“(B) EXCLUSION.—The term ‘handler’ does not include—

“(i) a producer; or

“(ii) a person, other than a packer (as defined in section 201 of the Packers and Stockyards Act, 1921 (7 U.S.C. 191)), that provides custom feeding services for a producer.”; and

(8) by adding at the end the following:

“(5) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.”.

On page 868, between lines 15 and 16, insert the following:

**SEC. 6. COMPREHENSIVE RURAL BROADBAND.**

**(a) COMPREHENSIVE RURAL BROADBAND STRATEGY.—**

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Chairman of the Federal Communications Commission, in coordination with the Secretary, shall submit to the Committees on Energy and Commerce and Agriculture of the House of Representatives and the Committees on Commerce, Science, and Transportation and Agriculture, Nutrition, and Forestry of the Senate a report describing a comprehensive rural broadband strategy that includes—

(A) recommendations—

(i) to promote interagency coordination of Federal agencies in regards to policies, procedures, and targeted resources, and to improve and streamline the policies, programs, and services;

(ii) to coordinate among Federal agencies regarding existing rural broadband or rural initiatives that could be of value to rural broadband development;

(iii) to address both short- and long-term solutions and needs assessments for a rapid build-out of rural broadband solutions and applications for Federal, State, regional, and local government policy makers; and

(iv) to identify how specific Federal agency programs and resources can best respond to rural broadband requirements and overcome obstacles that currently impede rural broadband deployment; and

(B) a description of goals and timeframes to achieve the strategic plans and visions identified in the report.

(2) UPDATES.—The Chairman of the Federal Communications Commission, in coordination with the Secretary shall update and evaluate the report described in paragraph (1) on an annual basis.

(b) RURAL BROADBAND.—Section 306(a)(20)(E) of the Consolidated Rural Development Act (7 U.S.C. 1926(a)(20)(E)) is amended by striking “dial-up Internet access or”.

On page 868, line 25, strike “residents” and insert “beneficiaries”.

On page 525, strike lines 1 through 4 and insert the following:

**SEC. 3014. PILOT PROGRAM FOR LOCAL PURCHASE.**

Chapter 1 of part I of the Foreign Assistance Act of 1961 (22 U.S.C. 2151 et seq.) is amended by adding at the end the following: “**SEC. 136. PILOT PROGRAM FOR LOCAL PURCHASE OF ELIGIBLE COMMODITIES.**

On page 525, between lines 5 and 6, insert the following:

“(1) ADMINISTRATOR.—The term ‘Administrator’ means the Administrator of the Agency for International Development.

On page 525–526, number other paragraphs accordingly.

On page 525, lines 6 and 7, strike “Notwithstanding section 402(2), the term” and insert “The term”.

On page 525, line 17, insert “of the Food for Peace Act” after “section 202(d)”.

On page 526, lines 4 through 6, strike “Notwithstanding section 407(c)(1)(A), the Administrator, in consultation with the Secretary” and insert “The Administrator”.

On page 527, lines 5 and 6, strike “Subject to subsections (a), (b), (f), and (h) of section 403, eligible commodities” and insert “Eligible commodities”.

On page 529, strike lines 10 through 12.

On page 534, strike lines 1 through 11 and insert the following:

“(k) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated \$25,000,000 for each of the fiscal years 2009 through 2012 to carry out this section.

“(2) AVAILABILITY.—Any amounts appropriated pursuant to paragraph (1) shall remain available until expended.”.

On page 1391, between lines 16 and 17, insert the following:

“(k) NO DUPLICATIVE PAYMENTS.—In implementing any other program which makes disaster assistance payments (except for indemnities made under the Federal Crop Insurance Act and section 196 of the Federal Agriculture Improvement and Reform Act of 1996), the Secretary shall prevent duplicative payments with respect to the same loss for which a person receives a payment under subsections (b), (c), (d), or (e).

In section 1101, strike subsection (c) and insert the following:

(c) REDUCTION IN BASE ACRES.—

(1) REDUCTION AT OPTION OF OWNER.—

(A) IN GENERAL.—The owner of a farm may reduce, at any time, the base acres for any covered commodity for the farm.

(B) EFFECT OF REDUCTION.—A reduction under subparagraph (A) shall be permanent and made in a manner prescribed by the Secretary.

(2) REQUIRED ACTION BY SECRETARY.—

(A) IN GENERAL.—The Secretary shall suspend all direct, counter-cyclical, and average crop revenue payments on base acres for covered commodities for land that is no longer a farming operation or used in conjunction with a farming operation, as determined by the Secretary.

(B) REDUCTION.—The Secretary shall reduce base acres for covered commodities in a manner prescribed by the Secretary, for land that—

(i) has been developed for commercial or industrial use unless the producer demonstrates that the land remains devoted exclusively to agricultural production; or

(ii) has been subdivided and developed for multiple residential units or other non-farming uses, unless the producer demonstrates that the land remains devoted exclusively to agricultural production.

(3) REVIEW AND REPORT.—Each year, to ensure, to the maximum extent practicable, that payments are received only by producers, the Secretary shall—

(A) track each reconstitution of land that is reported by a producer that is covered by paragraph (2);

(B) include in any end-of-the-year review for purposes of payment limitations or other compliance inspections or other actions taken by the Secretary, a review to ensure compliance with paragraph (2); and

(C) submit to Congress a report that describes the results of the actions taken under subparagraphs (A) and (B).

In section 1302, strike subsection (c) and insert the following:

(C) REDUCTION IN BASE ACRES.—

(1) REDUCTION AT OPTION OF OWNER.—

(A) IN GENERAL.—The owner of a farm may reduce, at any time, the base acres for peanuts for the farm.

(B) EFFECT OF REDUCTION.—A reduction under subparagraph (A) shall be permanent and made in a manner prescribed by the Secretary.

(2) REQUIRED ACTION BY SECRETARY.—

(A) IN GENERAL.—The Secretary shall suspend all direct, counter-cyclical, and average crop revenue payments on base acres for peanuts for land that is no longer a farming operation or used in conjunction with a farming operation, as determined by the Secretary.

(B) REDUCTION.—The Secretary shall reduce base acres for peanuts in a manner prescribed by the Secretary, for land that—

(i) has been developed for commercial or industrial use unless the producer demonstrates that the land remains devoted exclusively to agricultural production; or

(ii) has been subdivided and developed for multiple residential units or other non-farming uses, unless the producer demonstrates that the land remains devoted exclusively to agricultural production.

(3) REVIEW AND REPORT.—Each year, to ensure, to the maximum extent practicable, that payments are received only by producers, the Secretary shall—

(A) track each reconstitution of land that is reported by a producer that is covered by paragraph (2);

(B) include in any end-of-the-year review for purposes of payment limitations or other compliance inspections or other actions taken by the Secretary, a review to ensure compliance with paragraph (2); and

(C) submit to Congress a report that describes the results of the actions taken under subparagraphs (A) and (B).

On page 1362, between lines 19 and 20, insert the following:

**SEC. 11072. REPORT RELATING TO THE ENDING OF CHILDHOOD HUNGER IN THE UNITED STATES.**

(a) FINDINGS.—Congress finds that—

(1) the United States has the highest rate of childhood poverty in the industrialized world, with over 1/3 of all children of the United States living in poverty, and almost half of those children living in extreme poverty;

(2) childhood poverty in the United States is growing rather than diminishing;

(3) households with children experience hunger at more than double the rate as compared to households without children;

(4) hunger is a major problem in the United States, with the Department of Agriculture reporting that 12 percent of the citizens of the United States (approximately 35,000,000 citizens) could not put food on the table of those citizens at some point during 2006;

(5) of the 35,000,000 citizens of the United States that have very low food security—

(A) 98 percent of those citizens worried that money would run out before those citizens acquired more money to buy more food;

(B) 96 percent of those citizens had to cut the size of the meals of those citizens or even go without meals because those citizens did not have enough money to purchase appropriate quantities of food; and

(C) 94 percent of those citizens could not afford to eat balanced meals;

(6) the phrase “people with very low food security”, a new phrase in our national lexicon, in simple terms means “people who are hungry”;

(7) 30 percent of black and Hispanic children, and 40 percent of low income children, live in households that do not have access to nutritionally adequate diets that are necessary for an active and healthy life;

(8) the increasing lack of access of the citizens of the United States to nutritionally adequate diets is a significant factor from which the Director of the Centers for Disease Control and Prevention concluded that “during the past 20 years there has been a dramatic increase in obesity in the United States”;

(9) during the last 3 decades, childhood obesity has—

(A) more than doubled for preschool children and adolescents; and

(B) more than tripled for children between the ages of 6 and 11 years;

(10) as of the date of enactment of this Act, approximately 9,000,000 children who are 6 years old or older are considered obese;

(11) scientists have demonstrated that there is an inverse relation between obesity and doing well in school; and

(12) a study published in Pediatrics found that “6- to 11-year-old food-insufficient children had significantly lower arithmetic scores and were more likely to have repeated a grade, have seen a psychologist, and have had difficulty getting along with other children”.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) it is a national disgrace that many millions of citizens of the United States, a disproportionate number of whom are children, are going hungry in this great nation, which is the wealthiest country in the history of the world;

(2) because the strong commitment of the United States to family values is deeply undermined when families and children go hungry, the United States has a moral obligation to abolish hunger; and

(3) through a variety of initiatives (including large funding increases in nutrition programs of the Federal Government), the United States should abolish child hunger and food insufficiency in the United States by the 2013.

(c) REPORT.—Not later than 1 year after the date of enactment of this Act, the Secretary shall submit to the relevant committees of Congress a report that describes the best and most cost-effective manner by which the Federal Government could allocate an increased amount of funds to new programs and programs in existence as of the date of enactment of this Act to achieve the goal of abolishing child hunger and food insufficiency in the United States by 2013.

On page 394, strike line 25 and insert the following:

“(i) AIR QUALITY IMPROVEMENT PRACTICE.—

“(1) IN GENERAL.—The Secretary shall provide technical and financial assistance to a producer to promote air quality improvements and address air quality concerns associated with agriculture.

“(2) PRIORITY.—In providing assistance for improvements in air quality, the Secretary shall give priority to applications that—

“(A) are located in areas—

“(i) that are nonattainment areas with respect to ambient air quality standards; or

“(ii) in which there is air quality degradation recognized by a State or local agency or by the Secretary (in consultation with the State Technical Committee) to which agricultural emissions significantly contribute;

“(B) are the most cost-effective in addressing air quality concerns; and

“(C)(i) reduce emissions and air pollutant precursors from agricultural operations, including through making improvements in mobile or stationary equipment (including engines);

“(ii) would assist producers in meeting Federal, State, or local regulatory requirements relating to air quality;

“(iii) are part of a group of producers implementing eligible conservation activities in a coordinated manner to promote air quality; or

“(iv) reflect innovative approaches and technologies.”.

On page 1045, after line 2, insert the following:

**SEC. 7505. STUDIES AND REPORTS BY THE DEPARTMENT OF AGRICULTURE, THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, AND THE NATIONAL ACADEMY OF SCIENCES ON FOOD PRODUCTS FROM CLONED ANIMALS.**

(a) STUDY BY THE DEPARTMENT OF AGRICULTURE.—

(1) IN GENERAL.—The Secretary of Agriculture, in coordination with the Economic Research Service, and after consultation with the Secretary of Health and Human Services, shall conduct a study and report to Congress on the state of domestic and international markets for products from cloned animals, including consumer acceptance. Such report shall be submitted to Congress no later than 180 days after the date of enactment of this Act.

(2) CONTENT.—The study and report under paragraph (1) shall include a description of how countries regulate the importation of food and agricultural products (including dairy products), the basis for such regulations, and potential obstacles to trade.

(b) STUDY WITH THE NATIONAL ACADEMY OF SCIENCES.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall contract with the National Academy of Sciences to conduct a study and report to Congress regarding the safety of food products derived from cloned animals and the health effects and costs attributable to milk from cloned animals in the food supply. Such report shall be submitted to Congress no later than 1 year after the date of enactment of this Act.

(2) CONTENT.—The study and report under paragraph (1) shall include—

(A) a review and an assessment of whether the studies (including peer review studies), data, and analysis used in the draft risk assessment issued by the Food and Drug Administration entitled *Animal Cloning: A Draft Risk Assessment* (issued on December 28, 2006) supported the conclusions drawn by such draft risk assessment and—

(i) whether there were a sufficient number of studies to support such conclusions; and

(ii) whether additional pertinent studies and data exist which were not considered in the draft risk assessment and how this additional information affects the conclusions drawn in such draft risk assessment; and

(B) an evaluation and measurement of the potential public health effects and associated health care costs, including any consumer behavior changes and negative impacts on nutrition, health, and chronic diseases that may result from any decrease in dairy consumption, attributable to the commercialization of milk from cloned animals and their progeny.

(c) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to impede ongoing scientific research in artificial reproductive health technologies.

(d) TIMEFRAME OF FINAL RISK ASSESSMENT.—Notwithstanding any other provision

of law, the Secretary of Health and Human Services (acting through the Commissioner of Food and Drugs) shall not issue the final risk assessment on the safety of cloned animals and food products derived from cloned animals until the date that the Secretary of Agriculture and the Secretary of Health and Human Services complete the studies required under this section.

(e) **CONTINUANCE OF MORATORIUM.**—Any voluntary moratorium on introducing food from cloned animals or their progeny into the food supply shall remain in effect at least until the date that the Secretary of Health and Human Services (acting through the Commissioner of Food and Drugs) issues the final risk assessment described in subsection (d).

Strike Section 10305 of Livestock title and replace with this section:

(a) Not later than 180 days after the date of enactment of this Act, the Secretary shall promulgate regulations consistent with the Freedom of Information Act, 5 U.S.C. 552, et seq., regarding the disclosure of information submitted by farmers and ranchers who participate in the National Animal Identification System. The regulations promulgated, which shall be subject to a public comment period before finalizing, should address the protection of trade secrets and other proprietary and/or confidential business information that farmers and ranchers disclose in the course of participation in National Animal Identification System.

On page 778, between lines 2 and 3, insert the following:

(c) **COMMERCIAL FISHING.**—Section 343 of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991) is amended—

(1) in subsection (a), by inserting “and, in the case of subtitle B, commercial fishing” before the period at the end of each of paragraphs (1) and (2); and

(2) by adding at the end the following:

“(c) **DEFINITION OF FARM.**—In subtitle B, the term ‘farm’ includes a commercial fishing enterprise the owner or operator of which is unable to obtain commercial credit from a bank or other lender, as determined by the Secretary.”.

On page 309, strike lines 7 through 22 and insert the following:

“(D) **EXCEPTIONS.**—The Secretary may exceed the limitation in subparagraph (A) if the Secretary determines that—

“(i)(I) the action would not adversely affect the local economy of a county; and

“(II) operators in the county are having difficulties complying with conservation plans implemented under section 1212;

“(ii)(I) the acreage to be enrolled could not be used for an agricultural purpose as a result of a State or local law, order, or regulation prohibiting water use for agricultural production; and

“(II) enrollment in the program would benefit the acreage enrolled or land adjacent to the acreage enrolled; or

“(iii) with respect to cropland in counties in the State of Washington that exceed the limitation described in subparagraph (A) as of the date of enrollment in the program—

“(I) the acreage to be enrolled is considered to be essential by Federal or State plans for a sustainable wildlife habitat; and

“(II) enrollment in the program would assist the producer in meeting environmental goals in the Federal or State plans.”.

In Section 10208 (regulations) (Livestock Title), Subsection (b) is stricken, and replaced with:

“The Secretary shall ensure that regulations promulgated pursuant to subsection (a)(1) prevent discrimination against producers with a smaller volume of business. Nothing in this subsection shall be construed to require any person to enter into a busi-

ness transaction with a producer due solely to that producer’s volume of business.”

On page 309, line 17, insert “or is precluded from planting” before “as a result”.

On page 310, strike lines 4 through 8 and insert the following:

“(F) **ENROLLMENT.**—The Secretary shall enroll acreage described in subparagraph (D)(ii) not later than 180 days after the date of a request by a landowner to enroll the acreage.

“(G) **PAYMENTS.**—Rental payments for acreage described in subparagraph (D)(ii) shall be based on the cash rent market value prior to the application of a State or local law, order, or regulation prohibiting water use for agricultural production.

At the appropriate place, insert the following:

**SEC. \_\_\_\_ . NATIONAL EMERGENCY GRANT TO ADDRESS EFFECTS OF GREENSBURG, KANSAS TORNADO.**

(a) **DEFINITIONS.**—In this section:

(1) **COVERED FUNDS.**—The term “covered funds” means funds provided under section 173 of the Workforce Investment Act of 1998 (29 U.S.C. 2918) to a State that submits an application under that section not earlier than May 4, 2007, for a national emergency grant to address the effects of the May 4, 2007, Greensburg, Kansas tornado.

(2) **PROFESSIONAL MUNICIPAL SERVICES.**—The term “professional municipal services” means services that are necessary to facilitate the recovery of Greensburg, Kansas from that tornado, and necessary to plan for or provide basic management and administrative services, which may include—

(A) the overall coordination of disaster recovery and humanitarian efforts, oversight, and enforcement of building code compliance, and coordination of health and safety response units; or

(B) the delivery of humanitarian assistance to individuals affected by that tornado.

(b) **TEMPORARY PUBLIC SECTOR EMPLOYMENT AND SERVICES.**—Covered funds may be used to provide temporary public sector employment and services authorized under section 173 of such Act to individuals affected by such tornado, including individuals who were unemployed on the date of the tornado, or who are without employment history, in addition to individuals who are eligible for disaster relief employment under section 173(d)(2) of such Act.

(c) **PROFESSIONAL MUNICIPAL SERVICES.**—Covered funds may be used to provide professional municipal services for a period of not more than 24 months, by hiring or contracting with individuals or organizations (including individuals employed by contractors) that the State involved determines are necessary to provide professional municipal services.

(d) **LIMITATION.**—Covered funds expended under this section may be spent on costs incurred not earlier than May 4, 2007.

On page 1362, between lines 19 and 20, insert the following:

**SEC. 110 \_\_\_\_ . REPORT ON PROGRAM RESULTS.**

Not later than 180 days after the date of enactment of this Act, the Secretary shall submit to Congress a report that describes—

(1) each program of the Department of Agriculture that has received a Program Assessment Rating Tool score of “results not demonstrated”; and

(2) for each such program—

(A) the reasons that the program has not been able to demonstrate results;

(B) the steps being taken by the program to address those reasons; and

(C) a description of anything that might be necessary to facilitate the demonstration of results.

On page 973, strike lines 21 through 24 and insert the following:

(a) **FUNDING.**—Section 401(b) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7621(b)) is amended—

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

“(1) **IN GENERAL.**—Not later than 30 days after the date of enactment of the Food and Energy Security Act of 2007, the Secretary of the Treasury shall transfer \$45,000,000 to the Account.”; and

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

On page 394, after line 25, add the following:

(d) **ELIGIBILITY REQUIREMENT.**—Section 1240B of the Food Security Act of 1985 (16 U.S.C. 3839aa-2) (as amended by subsection (c)) is amended by adding at the end the following:

“(i) **ELIGIBILITY REQUIREMENT.**—A producer shall not be eligible to receive any payment under this section unless the producer is a farmer or rancher that, as determined by the Secretary, derives or expects to derive at least \$15,000 in gross sales from farming, ranching, or forestry operations (not including payments under the conservation reserve program established under subchapter B of chapter 1 of subtitle D), as determined by the Secretary.”.

Beginning on page 180, strike line 18 and all that follows through page 182, line 16, and insert the following:

**SEC. 1609. MANDATORY REPORTING OF DAIRY COMMODITIES.**

Section 273 of the Agricultural Marketing Act of 1946 (7 U.S.C. 1637b) is amended by striking subsections (a) and (b) and inserting the following:

“(a) **DAILY REPORTING.**—

“(1) **IN GENERAL.**—Not later than 180 days after the enactment of the Food and Energy Security Act of 2007, the Secretary shall—

“(A) establish a program for mandatory daily dairy product information reporting that—

“(i) provides timely, accurate, and reliable market information;

“(ii) facilitates more informed marketing decisions; and

“(iii) promotes competition in the dairy product manufacturing industry; and

“(B) require officers or officially designated representatives of each dairy processor to report daily pricing information for relevant sales transaction involving a dairy product, as determined by the Secretary.

“(2) **PUBLICATION.**—The Secretary shall make the information reported under paragraph (1) available to the public not less frequently than once each reporting day, categorized by appropriate product characteristics, as determined by the Secretary.

“(b) **REQUIREMENTS.**—

“(1) **PRICE REPORTING.**—

“(A) **IN GENERAL.**—Subject to the conditions described in paragraph (3), on each business day of the Department of Agriculture, each dairy manufacturer shall report to the Secretary on all sales of dairy products that the dairy manufacturer made on the immediately preceding day or since the last report by the dairy manufacturer.

“(B) **REQUIREMENTS.**—A dairy manufacturer shall report such price, quantity, and product characteristics as the Secretary determines appropriate.

“(C) **SUBMISSION.**—Reports under this paragraph shall be submitted by electronic means at such time as designated by the Secretary.

“(D) **AVAILABILITY.**—The Secretary shall compile the information reported under this paragraph and make the compiled information available to the public on the same day as the information is reported.

“(2) **STORAGE REPORTING.**—

“(A) IN GENERAL.—The Secretary shall require each dairy manufacturer or other person storing dairy products to report, at periodic intervals determined by the Secretary, information regarding the quantities of dairy products in storage.

“(B) AVAILABILITY.—The Secretary shall make information described under subparagraph (A) available to the public in a timely manner.

“(3) CONDITIONS.—The conditions referred to in paragraph (1) are that the information required under that paragraph is required only—

“(A) with respect to those package sizes actually used to establish minimum prices for Class III or Class IV milk under a Federal milk marketing order; and

“(B) to the extent that the information is actually used to establish minimum prices for Class III or Class IV milk under a Federal milk marketing order.

“(4) EXEMPTION FOR SMALL PROCESSORS.—The daily reporting requirements of this subsection shall not apply to a processor that processes not more than 1,000,000 pounds of dairy products a year.

“(5) PERIODIC REVIEW.—The Secretary shall—

“(A) periodically review the information reported for products under this subsection; and

“(B) propose changes for the information required to be reported under this subsection, through the public hearing process established under the applicable Federal milk marketing order.

“(6) ELECTRONIC REPORTING.—To the maximum extent practicable, the Secretary shall carry out the program established under this subsection using electronic reporting technology.”

On page 1107, strike lines 18 through 22 and insert the following:

“(VIII) the participation of multiple eligible entities;

“(IX) the potential for developing advance industrial biotechnology approaches; and

“(X) whether the distribution of funds would have minimal impact on existing manufacturing and other facilities that use similar feedstocks.

On page 905, between lines 17 and 18, insert the following:

**SEC. 7013. PURPOSES AND FINDINGS RELATING TO ANIMAL HEALTH AND DISEASE RESEARCH.**

Section 1429 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3191) is amended—

(1) in paragraph (8), by striking “and” at the end;

(2) in paragraph (9), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(10) support work with agricultural colleges and universities to develop methods and practices of animal husbandry that ensure the judicious use of antibiotics.”

On page 987, between lines 12 and 13, insert the following:

(B) in subparagraph (B), by striking “production efficiency and animal well-being” and inserting “production efficiency, animal well-being, and the judicious use of antibiotics”;

(C) in subparagraph (D), by striking “surface water and ground water quality” and inserting “surface water quality and ground water quality, including the reduction of antibiotics or antibiotic-resistant bacteria”;

On page 987, line 13, strike “(B)” and insert “(D)”.

On page 987, line 19, strike “(C)” and insert “(E)”.

On page 987, line 23, strike “(D)” and insert “(F)”.

On page 1002, after line 21, insert the following:

**SEC. 73. RESEARCH AND EDUCATION GRANTS FOR THE STUDY OF ANTIBIOTIC-RESISTANT BACTERIA IN LIVESTOCK.**

(a) IN GENERAL.—The Secretary shall provide research and education grants, on a competitive basis—

(1) to study the development of antibiotic-resistant bacteria in livestock; and

(2) to study and ensure the judicious use of antibiotics in livestock production to protect animal health without negatively impacting human public health.

(b) USE OF FUNDS.—An entity shall use a grant provided under this section to conduct research relating to—

(1) methods and practices of animal husbandry that ensure the judicious use of antibiotics;

(2) movement and prevention of movement of antibiotics and antibiotic resistance traits from animals into ground and surface water;

(3) safe and effective alternatives to antibiotics;

(4) the effect on antibiotic resistance from various drug use regimens;

(5) the development of better veterinary diagnostics to improve decisionmaking on proper antibiotic use;

(6) the identification of conditions or factors that affect antibiotic use on farms; and

(7) the development of procedures to monitor antibiotic use at the farm level to relate findings to on-farm management practices and develop intervention strategies when appropriate.

Beginning on page 499, strike line 15 and all that follows through page 501, line 2, and insert the following:

(a) FEDERAL CROP INSURANCE.—Section 508 of the Federal Crop Insurance Act (7 U.S.C. 1508) is amended by adding at the end the following:

“(c) CROP INSURANCE INELIGIBILITY RELATING TO CROP PRODUCTION ON NATIVE SOD.—

“(1) DEFINITION OF NATIVE SOD.—In this subsection, the term ‘native sod’ means land—

“(A) on which the plant cover is composed principally of native grasses, grasslike plants, forbs, or shrubs suitable for grazing and browsing; and

“(B) that has never been used for production of an agricultural commodity.

“(2) INELIGIBILITY.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), native sod acreage on which an agricultural commodity is planted for which a policy or plan of insurance is available under this title shall be ineligible for benefits under this Act.

“(B) DE MINIMIS ACREAGE EXEMPTION.—The Secretary shall exempt areas of 5 acres or less from subparagraph (A).”

(b) NONINSURED CROP DISASTER ASSISTANCE.—Section 196(a) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7333(a)) is amended by adding at the end the following:

“(4) PROGRAM INELIGIBILITY RELATING TO CROP PRODUCTION ON NATIVE SOD.—

“(A) DEFINITION OF NATIVE SOD.—In this paragraph, the term ‘native sod’ means land—

“(i) on which the plant cover is composed principally of native grasses, grasslike plants, forbs, or shrubs suitable for grazing and browsing; and

“(ii) that has never been used for production of an agricultural commodity.

“(B) INELIGIBILITY.—Except as provided in subparagraph (C), native sod acreage on which an agricultural commodity is planted for which a policy or plan of Federal crop insurance is available shall be ineligible for benefits under this section.

“(C) DE MINIMIS ACREAGE EXEMPTION.—The Secretary shall exempt areas of 5 acres or less from subparagraph (B).”

On page 542, line 12, strike “2013” and insert “2012”.

On page 663, between lines 18 and 19, insert the following:

**SEC. 49. PERIODIC SURVEYS OF FOODS PURCHASED BY SCHOOL FOOD AUTHORITIES.**

Section 6 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1755) is amended by adding at the end the following:

“(f) PERIODIC SURVEYS OF FOODS PURCHASED BY SCHOOL FOOD AUTHORITIES.—

“(1) IN GENERAL.—For fiscal year 2008 and every fifth fiscal year thereafter, the Secretary shall carry out a nationally representative survey of the foods purchased during the most recent school year for which data is available by school authorities participating in the national school lunch program.

“(2) REPORT.—On completion of each survey, the Secretary shall submit to Congress a report that describes the results of the survey.

“(3) FUNDING.—Of the funds made available under section 3, the Secretary shall use to carry out this subsection not more than \$3,000,000 for fiscal year 2008 and every fifth fiscal year thereafter.”

On page 672, between lines 6 and 7, insert the following:

**SEC. 49. TEAM NUTRITION NETWORK.**

Section 19 of the Child Nutrition Act of 1966 (42 U.S.C. 1788) is amended by striking subsection (1) and inserting the following:

“(1) FUNDING.—

“(1) MANDATORY FUNDING.—

“(A) IN GENERAL.—On October 1, 2008, and on each October 1 thereafter through October 1, 2011, out of any funds in the Treasury not otherwise appropriated, the Secretary of the Treasury shall transfer to the Secretary to carry out this section \$3,000,000, to remain available until expended.

“(B) RECEIPT AND ACCEPTANCE.—The Secretary shall be entitled to receive, shall accept, and shall use to carry out this section the funds transferred under subparagraph (A), without further appropriation.

“(C) NUTRITIONAL HEALTH OF SCHOOL CHILDREN.—In allocating funds made available under this paragraph, the Secretary shall give priority to carrying out subsections (a) through (g).

“(2) AUTHORIZATION OF APPROPRIATIONS.—In addition to the amounts made available under paragraph (1), there are authorized to be appropriated such sums as are necessary to carry out this section.”

At the appropriate place insert the following section.

**SEC. . SENSE OF THE SENATE ON THE U.S. DEPARTMENT OF AGRICULTURE'S WILDLIFE SERVICES COMPETING AGAINST PRIVATE INDUSTRY FOR NUISANCE BIRD CONTROL WORK.**

(a) FINDINGS.—The Senate finds that:

(1) the Wildlife Services division of the Animal and Plant Health Inspection Service of the Department of Agriculture (referred to in this section as “Wildlife Services”) helps agricultural producers manage nuisance wildlife problems;

(2) Wildlife Services personnel also manage nuisance wildlife in non-agricultural settings, including urban areas;

(3) Congress granted the Secretary the authority to engage in wildlife animal damage activities in the Act of March 2, 1932, and the Rural Development, Agriculture and Related Agencies Appropriations Act, 1988;

(4) title I of the Rural Development, Agriculture and Related Agencies Appropriations Act, 1988 expressly prohibits the Secretary from performing “urban rodent” control but does not define the term;

(5) There are more than 19,000 professional pest management companies in the United

States, a significant percentage of which manage nuisance birds such as European starlings, house sparrows, and pigeons in urban areas;

(6) The industry employs more than 115,000 service personnel who perform over 60 million services annually for residential and commercial clients in every market of the United States;

(7) in areas where the private sector has the capacity to provide nuisance wildlife services, the limited resources of Wildlife Services would be better used to assist agricultural producers with management of predators and other depredatory species that prey on livestock and sport and farm fish, and damage crops.

(b) SENSE OF THE SENATE.—It is the Sense of the Senate that—

(1) Wildlife Services should neither compete nor condone competition with the private sector for business regarding the management of nuisance wildlife problems in urban areas where private sector services are available;

(2) Wildlife Services, prior to entering into any cooperative agreement for wildlife damage management activities, should inform cooperators of the availability of and their right to acquire services from private service providers;

(3) the Secretary of Agriculture should ensure that Wildlife Services does not aggressively compete with the private pest management industry for European starling, house sparrow, and pigeon control work in urban areas where private sector services are available;

(4) the Secretary of Agriculture should rely on scientific and widely accepted definitions to define the term “urban rodent,” as used in the Rural Development, Agriculture and Related Agencies Appropriations Act of 1988, in order to clarify the express restrictions in that law on Wildlife Services activities;

(5) The Secretary should direct Wildlife Services to work with private industry, through a Memorandum of Understanding, to delineate common areas of cooperation so that issues of competition are addressed, taking into account the interests of the wildlife resources and the need to manage damage caused by that resource.

On page 116, line 11, insert “covered” before “commodity”.

On page 116, line 16, insert “covered” before “commodity”.

On page 209, line 10, strike “(19 U.S.C. 2401(2))” and insert “(19 U.S.C. 2401(2))”.

On page 210, line 20, strike “CROP YEARS” and insert “COMMODITY AND CONSERVATION PROGRAMS”.

On page 210, strike line 21 and insert the following:

“(A) COMMODITY PROGRAMS.—

“(i) 2009 CROP YEAR.—Notwithstanding

On page 211, strike lines 7 and 8 and insert the following:

“(ii) 2010 AND SUBSEQUENT CROP YEARS.—Notwithstanding any other provision

On page 211, line 19, strike “(C)” and insert “(B)”.

On page 211, line 23, strike “crop year” and insert “fiscal year”.

On page 212, lines 6 and 7, strike “Subparagraphs (A) and (B) of paragraph (1)” and insert “Paragraph (1)(A)”.

On page 212, lines 20 and 21, strike “Paragraph (1)(C)” and insert “Paragraph (1)(B)”.

On page 214, line 19, strike “(f)” and insert “(g)”.

On page 221, line 23, strike “locate” and insert “located”.

On page 299, strike lines 21 through 24 and insert the following:

(1) by redesignating paragraphs (2) through (11), (12), (13) through (15), and (16), (17), and (18) as paragraphs (3) through (12), (14), (16)

through (18), and (20), (22), and (23), respectively;

On page 300, by striking lines 19 through 21 and inserting the following:

Act (25 U.S.C. 450b).”.

(4) by inserting after paragraph (14) (as redesignated by paragraph (1)) the following:

“(15) NONINDUSTRIAL PRIVATE FOREST LAND.—The term ‘nonindustrial private forest land’

On page 301, line 6, strike “(4)” and insert “(5)”.

On page 301, line 13, strike “(5)” and insert “(6)”.

On page 322, line 8, strike “; and” and insert a period.

On page 388, line 17, strike “(16 U.S.C. 3838aa–1(2))” and insert “(16 U.S.C. 3839aa–1(2))”.

On page 389, line 11, strike “3838aa–1(3)” and insert “3839aa–1(3)”.

On page 390, line 6, strike “(16 U.S.C. 3838aa–1(5))” and insert “(16 U.S.C. 3839aa–1(5))”.

On page 390, line 10, strike “(16 U.S.C. 3838aa–1)” and insert “(16 U.S.C. 3839aa–1)”.

On page 390, line 21, strike “U.S.C. 3838aa–1)” and insert “(U.S.C. 3839aa–1)”.

On page 126, line 12, strike “the second loan is made” and insert “the first loan was made”.

On page 127, lines 18 and 19, strike “the date of enactment of the Food and Energy Security Act of 2007” and insert “May 13, 2002”.

On page 130, line 7, strike “subsection (d)” and insert “subsection (c)”.

On page 132, line 13, strike “2012” and insert “2011”.

On page 135, line 5, strike “payment under this subsection” and insert “purchase by the Secretary under paragraph (2)”.

On page 138, lines 20 and 21, strike “to Mexico”.

On page 138, line 22, strike “date” and insert “data”.

On page 141, strike lines 21 through 25 and insert the following:

(1) by redesignating paragraphs (1), (2), (3), and (4) as paragraphs (2), (4), (5), and (6), respectively;

(2) by inserting before paragraph (2) (as so redesignated) the following:

“(1) HUMAN CONSUMPTION.—The term ‘human consumption’, when used in the context of a reference to sugar (whether in the form of sugar, in-process sugar, syrup, molasses, or in some other form) for human consumption, includes sugar for use in human food, beverages, or similar products.”; and

(3) by inserting after paragraph (2) (as so redesignated) the following:

“(3) MARKET.—

On page 142, line 10, strike “and” at the end.

On page 142, line 13, strike the period at the end and insert “; and”.

On page 142, between lines 13 and 14, insert the following:

“(iii) the sale of sugar for the production of ethanol or other bioenergy product, if the disposition of the sugar is administered by the Secretary under section 156(f) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(f)).

Beginning on page 142, strike line 22 and all that follows through page 147, line 12, and insert the following:

“SEC. 359b. FLEXIBLE MARKETING ALLOTMENTS FOR SUGAR.

“(a) SUGAR ESTIMATES.—

(1) IN GENERAL.—Not later than August 1 before the beginning of each of the 2008 through 2012 crop years for sugarcane and sugar beets, the Secretary shall estimate—

“(A) the quantity of sugar that will be subject to human consumption in the United States during the crop year;

“(B) the quantity of sugar that would provide for reasonable carryover stocks;

“(C) the quantity of sugar that will be available from carry-in stocks for human consumption in the United States during the crop year;

“(D) the quantity of sugar that will be available from the domestic processing of sugarcane, sugar beets, and in-process beet sugar; and

“(E) the quantity of sugars, syrups, and molasses that will be imported for human consumption or to be used for the extraction of sugar for human consumption in the United States during the crop year, whether the articles are under a tariff-rate quota or are in excess or outside of a tariff-rate quota.

“(2) EXCLUSION.—The estimates under this subsection shall not apply to sugar imported for the production of polyhydric alcohol or to any sugar refined and reexported in refined form or in products containing sugar.

“(3) REESTIMATES.—The Secretary shall make reestimates of sugar consumption, stocks, production, and imports for a crop year as necessary, but not later than the beginning of each of the second through fourth quarters of the crop year.

“(b) SUGAR ALLOTMENTS.—

(1) ESTABLISHMENT.—By the beginning of each crop year, the Secretary shall establish for that crop year appropriate allotments under section 359c for the marketing by processors of sugar processed from sugar cane or sugar beets or in-process beet sugar (whether the sugar beets or in-process beet sugar was produced domestically or imported) at a level that is—

“(A) sufficient to maintain raw and refined sugar prices above forfeiture levels so that there will be no forfeitures of sugar to the Commodity Credit Corporation under the loan program for sugar established under section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272); but

“(B) not less than 85 percent of the estimated quantity of sugar for domestic human consumption for the crop year.

“(2) PRODUCTS.—The Secretary may include sugar products, the majority content of which is sucrose for human consumption, derived from sugar cane, sugar beets, molasses, or sugar in the allotments established under paragraph (1) if the Secretary determines it to be appropriate for purposes of this part.

“(c) COVERAGE OF ALLOTMENTS.—

(1) IN GENERAL.—The marketing allotments under this part shall apply to the marketing by processors of sugar intended for domestic human consumption that has been processed from sugar cane, sugar beets, or in-process beet sugar, whether such sugar beets or in-process beet sugar was produced domestically or imported.

(2) EXCEPTIONS.—Consistent with the administration of marketing allotments during for each of the 2002 through 2007 crop years, the marketing allotments shall not apply to sugar sold—

“(A) to facilitate the exportation of the sugar to a foreign country, except that the exports of sugar shall not be eligible to receive credits under reexport programs for refined sugar or sugar containing products administered by the Secretary;

“(B) to enable another processor to fulfill an allocation established for that processor; or

“(C) for uses other than domestic human consumption, except for the sale of sugar for the production of ethanol or other bioenergy if the disposition of the sugar is administered by the Secretary under section 156(f) of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(f)).

“(3) REQUIREMENT.—The sale of sugar described in paragraph (2)(B) shall be—

- “(A) made prior to May 1; and
- “(B) reported to the Secretary.

“(d) PROHIBITIONS.—

“(1) IN GENERAL.—During all or part of any crop year for which marketing allotments have been established, no processor of sugar beets or sugarcane shall market for domestic human consumption a quantity of sugar in excess of the allocation established for the processor, except—

“(A) to enable another processor to fulfill an allocation established for that other processor; or

“(B) to facilitate the exportation of the sugar.

“(2) CIVIL PENALTY.—Any processor who knowingly violates paragraph (1) shall be liable to the Commodity Credit Corporation for a civil penalty in an amount equal to 3 times the United States market value, at the time of the commission of the violation, of that quantity of sugar involved in the violation.”.

(c) ESTABLISHMENT OF FLEXIBLE MARKETING ALLOTMENTS.—Section 359c of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359cc) is amended—

(1) by striking subsection (b) and inserting the following:

“(b) OVERALL ALLOTMENT QUANTITY.—

“(1) IN GENERAL.—The Secretary shall establish the overall quantity of sugar to be allotted for the crop year (referred to in this part as the ‘overall allotment quantity’) at a level that is—

“(A) sufficient to maintain raw and refined sugar prices above forfeiture levels to avoid forfeiture of sugar to the Commodity Credit Corporation; but

“(B) not less than a quantity equal to 85 percent of the estimated quantity of sugar for domestic human consumption for the crop year.

“(2) ADJUSTMENT.—Subject to paragraph (1), the Secretary shall adjust the overall allotment quantity to maintain—

“(A) raw and refined sugar prices above forfeiture levels to avoid the forfeiture of sugar to the Commodity Credit Corporation; and

“(B) adequate supplies of raw and refined sugar in the domestic market.”;

(2) in subsection (d)(2), by inserting “or in-process beet sugar” before the period at the end;

(3) in subsection (g)(1)—

(A) by striking “(1) IN GENERAL.—The Secretary” and inserting the following:

“(1) ADJUSTMENTS.—

“(A) IN GENERAL.—Subject to subparagraph (B), the Secretary”; and

(B) by adding at the end the following:

“(B) LIMITATION.—In carrying out subparagraph (A), the Secretary may not reduce the overall allotment quantity to a quantity of less than 85 percent of the estimated quantity of sugar for domestic human consumption for the crop year.”; and

(d) by striking subsection (h).

(4) ALLOCATION OF MARKETING ALLOTMENTS.—Section 359d(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1359dd(b)) is amended—

(1) in paragraph (1)(F), by striking “Except as otherwise provided in section 359f(c)(8), if” and inserting “If”; and

On page 152, strike lines 21 and 22 and insert the following:

(8)”;

(5) in the first sentence of paragraph (6)(C) (as so redesignated), by inserting “for sugar” before “in excess of the farm’s proportionate share”; and

(6) in paragraph (8) (as so redesignated), by On page 153, lines 18 and 19, strike “the date of enactment of this paragraph” and insert “May 13, 2002.”.

On page 153, line 21, insert “State” after “share”.

On page 153, line 25, strike “and at” and insert “, or on”.

On page 154, line 5, strike “base acreage” and insert “acreage base”.

On page 154, line 11, strike “shall” and insert “may”.

On page 154, line 17, strike “base acreage” and insert “acreage base”.

On page 155, line 16, strike “base acreage” and insert “acreage base”.

On page 155, line 18, strike “base acreage” and insert “acreage base”.

On page 155, line 19, strike “selection” and insert “drawing”.

On page 155, line 22, strike “base acreage” and insert “acreage base”.

On page 156, line 3, insert “in the State” after “committees”.

On page 156, line 5, strike “selection” and insert “drawing”.

On page 156, line 7, strike “base acreage” and insert “acreage base”.

On page 156, lines 8 and 9, strike “base acreage” and insert “acreage base”.

On page 156, line 12, strike “base acreage” and insert “acreage base”.

On page 156, lines 13 and 14, strike “base acreage” and insert “acreage base”.

On page 157, line 10, strike “base acreage” and insert “acreage base”.

On page 158, strike lines 2 through 8 and insert the following:

“(a) ESTABLISHMENT.—

“(1) IN GENERAL.—Except as provided in paragraph (2) and notwithstanding any other provision of law, at the beginning of the quota year, the Secretary shall establish the tariff-rate quotas for raw cane sugar and refined sugars at the minimum level necessary to comply with obligations under international trade agreements that have been approved by Congress.

“(2) EXCEPTION.—Paragraph (1) shall not apply to specialty sugar.

On page 158, line 17, insert “, including an increase in the tariff-rate quota for raw cane sugar to accommodate the reassignment to imports” after “359e(b)”.

On page 159, line 7, insert “, including an increase in the tariff-rate quota for raw cane sugar to accommodate the reassignment to imports” after “359e(b)”.

On page 568, line 25 strike “2007” and insert “2008”.

Beginning on page 1378, strike line 17 and all that follows through page 1380, line 14, and insert the following:

“(e) TREE ASSISTANCE PROGRAM.—

“(1) DEFINITIONS.—In this subsection:

“(A) ELIGIBLE ORCHARDIST.—The term ‘eligible orchardist’ means a person that produces annual crops from trees for commercial purposes.

“(B) NATURAL DISASTER.—The term ‘natural disaster’ means plant disease, insect infestation, drought, fire, freeze, flood, earthquake, lightning, or other occurrence, as determined by the Secretary.

“(C) NURSERY TREE GROWER.—The term ‘nursery tree grower’ means a person who produces nursery, ornamental, fruit, nut, or Christmas trees for commercial sale, as determined by the Secretary.

“(D) TREE.—The term ‘tree’ includes a tree, bush, and vine.

“(2) ELIGIBILITY.—

“(A) LOSS.—Subject to subparagraph (B), the Secretary shall provide assistance under paragraph (3) to eligible orchardists and nursery tree growers that planted trees for commercial purposes but lost the trees as a result of a natural disaster, as determined by the Secretary.

“(B) LIMITATION.—An eligible orchardist or nursery tree grower shall qualify for assistance under subparagraph (A) only if the tree

mortality of the eligible orchardist or nursery tree grower, as a result of damaging weather or related condition, exceeds 15 percent (adjusted for normal mortality).

“(3) ASSISTANCE.—Subject to paragraph (4), the assistance provided by the Secretary to eligible orchardists and nursery tree growers for losses described in paragraph (2) shall consist of—

“(A)(i) reimbursement of 75 percent of the cost of replanting trees lost due to a natural disaster, as determined by the Secretary, in excess of 15 percent mortality (adjusted for normal mortality); or

“(ii) at the option of the Secretary, sufficient seedlings to reestablish a stand; and

“(B) reimbursement of 50 percent of the cost of pruning, removal, and other costs incurred by an eligible orchardist or nursery tree grower to salvage existing trees or, in the case of tree mortality, to prepare the land to replant trees as a result of damage or tree mortality due to a natural disaster, as determined by the Secretary, in excess of 15 percent damage or mortality (adjusted for normal tree damage and mortality).

“(4) LIMITATIONS ON ASSISTANCE.—

“(A) AMOUNT.—The total amount of payments that a person shall be entitled to receive under this subsection may not exceed \$100,000 per year, or an equivalent value in tree seedlings.

“(B) ACRES.—The total quantity of acres planted to trees or tree seedlings for which a person shall be entitled to receive payments under this subsection may not exceed 500 acres.

“(C) REGULATIONS.—The Secretary shall promulgate—

“(i) regulations defining the term ‘person’ for the purposes of this subsection, which shall conform, to the maximum extent practicable, to the regulations defining the term ‘person’ promulgated under section 1001 of the Food Security Act of 1985 (7 U.S.C. 1308); and

“(ii) such regulations as the Secretary determines necessary to ensure a fair and reasonable application of the limitation established under this paragraph.

On page 1402, lines 6 and 7, strike “made after December 31, 2007.” and insert “made before, on, or after the date of the enactment of this Act.”.

On page 1465, strike line 17 through page 1467, line 5, and insert the following:

(2) LIMITATION.—Section 25D(b)(1) (relating to maximum credit) is amended by striking “and” at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting “, and”, and by adding at the end the following new subparagraph:

“(D) \$500 with respect to each half kilowatt of capacity (not to exceed \$4,000) of wind turbines for which qualified small wind energy property expenditures are made.”.

(3) QUALIFIED SMALL WIND ENERGY PROPERTY EXPENDITURES.—

(A) IN GENERAL.—Section 25D(d) (relating to definitions) is amended by adding at the end the following new paragraph:

“(4) QUALIFIED SMALL WIND ENERGY PROPERTY EXPENDITURE.—The term ‘qualified small wind energy property expenditure’ means an expenditure for qualified small wind energy property (as defined in section 48(c)(3)(A)) installed on or in connection with a dwelling unit located in the United States and used as a residence by the taxpayer.”.

(B) NO DOUBLE BENEFIT.—Section 45(d)(1) (relating to wind facility) is amended by adding at the end the following new sentence: “Such term shall not include any facility with respect to which any qualified small wind energy property expenditure (as defined in subsection (d)(4) of section 25D) is taken

into account in determining the credit under such section.”.

(4) MAXIMUM EXPENDITURES IN CASE OF JOINT OCCUPANCY.—Section 25D(e)(4)(A) (relating to maximum expenditures) is amended by striking “and” at the end of clause (ii), by striking the period at the end of clause (iii) and inserting “, and”, and by adding at the end the following new clause:

“(iv) \$1.667 in the case of each half kilowatt of capacity (not to exceed \$13,333) of wind turbines for which qualified small wind energy property expenditures are made.”.

On page 1471, line 18, strike “9006” and insert “9007”.

Beginning on page 1472, line 1, strike all through page 1480, line 3, and insert the following:

**SEC. 12311. EXPANSION OF SPECIAL ALLOWANCE TO CELLULOSIC BIOFUEL PLANT PROPERTY.**

(a) IN GENERAL.—Paragraph (3) of section 168(l) (relating to special allowance for cellululosic biomass ethanol plant property) is amended to read as follows:

“(3) CELLULOSIC BIOFUEL.—For purposes of this subsection, the term ‘cellulosic biofuel’ means any alcohol, ether, ester, or hydrocarbon produced from any lignocellulosic or hemicellulosic matter that is available on a renewable or recurring basis.”.

(b) CONFORMING AMENDMENTS.—

(1) Subsection (1) of section 168 is amended by striking “cellulosic biomass ethanol” each place it appears and inserting “cellulosic biofuel”.

(2) The heading of section 168(l) is amended by striking “CELLULOSIC BIOMASS ETHANOL” and inserting “CELLULOSIC BIOFUEL”.

(3) The heading of paragraph (2) of section 168(l) is amended by striking “CELLULOSIC BIOMASS ETHANOL” and inserting “CELLULOSIC BIOFUEL”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after the date of the enactment of this Act, in taxable years ending after such date.

**SEC. 12312. CREDIT FOR PRODUCTION OF CELLULOSIC BIOFUEL.**

(a) IN GENERAL.—Subsection (a) of section 40 (relating to alcohol used as fuel) is amended by striking “plus” at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting “, plus”, and by adding at the end the following new paragraph:

“(4) the cellulosic biofuel producer credit.”.

(b) CELLULOSIC BIOFUEL PRODUCER CREDIT.—

(1) IN GENERAL.—Subsection (b) of section 40 is amended by adding at the end the following new paragraph:

“(6) CELLULOSIC BIOFUEL PRODUCER CREDIT.—

“(A) IN GENERAL.—The cellulosic biofuel producer credit of any taxpayer is an amount equal to the applicable amount for each gallon of qualified cellulosic biofuel production.

“(B) APPLICABLE AMOUNT.—For purposes of subparagraph (A), the applicable amount means the excess of—

“(i) \$1.25, over

“(ii) the sum of—

“(I) the amount of the credit in effect for alcohol which is ethanol under subsection (b)(1) (without regard to subsection (b)(3)) at the time of the qualified cellulosic biofuel production, plus

“(II) the amount of the credit in effect under subsection (b)(4) at the time of such production.

“(C) QUALIFIED CELLULOSIC BIOFUEL PRODUCTION.—For purposes of this section, the term ‘qualified cellulosic biofuel production’ means any cellulosic biofuel which during the taxable year—

“(i) is sold by the taxpayer to another person—

“(I) for use by such other person in the production of a qualified cellulosic biofuel mixture in such other person’s trade or business (other than casual off-farm production),

“(II) for use by such other person as a fuel in a trade or business, or

“(III) who sells such cellulosic biofuel at retail to another person and places such cellulosic biofuel in the fuel tank of such other person, or

“(ii) is used or sold by the taxpayer for any purpose described in clause (i).

The qualified cellulosic biofuel production of any taxpayer for any taxable year shall not include any alcohol which is purchased by the taxpayer and with respect to which such producer increases the proof of the alcohol by additional distillation.

“(D) QUALIFIED CELLULOSIC BIOFUEL MIXTURE.—For purposes of this paragraph, the term ‘qualified cellulosic biofuel mixture’ means a mixture of cellulosic biofuel and any petroleum fuel product which—

“(i) is sold by the person producing such mixture to any person for use as a fuel, or

“(ii) is used as a fuel by the person producing such mixture.

“(E) CELLULOSIC BIOFUEL.—

“(i) IN GENERAL.—The term ‘cellulosic biofuel’ has the meaning given such term under section 168(l)(3), but does not include any alcohol with a proof of less than 150.

“(ii) DETERMINATION OF PROOF.—The determination of the proof of any alcohol shall be made without regard to any added denaturants.

“(F) ALLOCATION OF CELLULOSIC BIOFUEL PRODUCER CREDIT TO PATRONS OF COOPERATIVE.—Rules similar to the rules under subsection (g)(6) shall apply for purposes of this paragraph.

“(G) APPLICATION OF PARAGRAPH.—This paragraph shall apply with respect to qualified cellulosic biofuel production after December 31, 2007, and before April 1, 2015.”.

(2) TERMINATION DATE NOT TO APPLY.—Subsection (e) of section 40 (relating to termination) is amended—

(A) by inserting “or subsection (b)(6)(G)” after “by reason of paragraph (1)” in paragraph (2), and

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

“(3) EXCEPTION FOR CELLULOSIC BIOFUEL PRODUCER CREDIT.—Paragraph (1) shall not apply to the portion of the credit allowed under this section by reason of subsection (a)(4).”.

(c) BIOFUEL NOT USED AS A FUEL, ETC.—

(1) IN GENERAL.—Paragraph (3) of section 40(d) is amended by redesignating subparagraph (D) as subparagraph (E) and by inserting after subparagraph (C) the following new subparagraph:

“(D) CELLULOSIC BIOFUEL PRODUCER CREDIT.—If—

“(i) any credit is allowed under subsection (a)(4), and

“(ii) any person does not use such fuel for a purpose described in subsection (b)(6)(C), then there is hereby imposed on such person a tax equal to the applicable amount for each gallon of such cellulosic biomass biofuel.”.

(2) CONFORMING AMENDMENTS.—

(A) Subparagraph (C) of section 40(d)(3) is amended by striking “PRODUCER” in the heading and inserting “SMALL ETHANOL PRODUCER”.

(B) Subparagraph (E) of section 40(d)(3), as redesignated by paragraph (1), is amended by striking “or (C)” and inserting “(C), or (D)”.

(d) BIOFUEL PRODUCED IN THE UNITED STATES.—Section 40(d) is amended by adding at the end the following new paragraph:

“(6) SPECIAL RULE FOR CELLULOSIC BIOFUEL PRODUCER CREDIT.—No cellulosic biofuel pro-

ducer credit shall be determined under subsection (a) with respect to any cellulosic biofuel unless such cellulosic biofuel is produced in the United States.”.

(e) WAIVER OF CREDIT LIMIT FOR CELLULOSIC BIOFUEL PRODUCTION BY SMALL ETHANOL PRODUCERS.—Section 40(b)(4)(C) is amended by inserting “(determined without regard to any qualified cellulosic biofuel production” after “15,000,000 gallons”.

(f) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel produced after December 31, 2007.

On page 1482, line 20, strike “, as amended by this Act.”.

On page 1482, line 22, strike “(j)” and insert “(i)”.

On page 1485, line 16, strike “section 312 of”.

On page 1488, strike lines 1 through 21, and insert following:

**SEC. 12316. CALCULATION OF VOLUME OF ALCOHOL FOR FUEL CREDITS.**

(a) IN GENERAL.—Paragraph (4) of section 40(d) (relating to volume of alcohol) is amended by striking “5 percent” and inserting “2 percent”.

(b) CONFORMING AMENDMENT FOR EXCISE TAX CREDIT.—Section 6426(b) (relating to alcohol fuel mixture credit) is amended by redesignating paragraph (5) as paragraph (6) and by inserting after paragraph (4) the following new paragraph:

“(5) VOLUME OF ALCOHOL.—For purposes of determining under subsection (a) the number of gallons of alcohol with respect to which a credit is allowable under subsection (a), the volume of alcohol shall include the volume of any denaturant (including gasoline) which is added under any formulas approved by the Secretary to the extent that such denaturants do not exceed 2 percent of the volume of such alcohol (including denaturants).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to fuel sold or used after December 31, 2007.

On page 1492, after line 23, add the following:

(d) ELIGIBILITY OF CERTAIN AVIATION FUEL.—Section 40A(f)(3) (defining renewable diesel) is amended by adding at the end the following new flush sentence:

“The term ‘renewable diesel’ also means fuel derived from biomass (as defined in section 45K(c)(3)) using a thermal depolymerization process which meets the requirements of a Department of Defense specification for military jet fuel or an American Society of Testing and Materials specification for aviation turbine fuel.”.

On page 1493, line 1, strike “(d)” and insert “(e)”.

Beginning on page 1563, line 6, strike through page 1564, line 15, and insert following:

**SEC. 12504. MODIFICATION OF SECTION 1031 TREATMENT FOR CERTAIN REAL ESTATE.**

(a) IN GENERAL.—Section 1031 (relating to exchange of property held for productive use or investment), as amended by this Act, is amended by adding at the end the following new subsection:

“(j) SPECIAL RULE FOR SUBSIDIZED AGRICULTURAL REAL PROPERTY.—

“(1) IN GENERAL.—Subsidized agricultural real property and nonagricultural real property are not property of a like kind.

“(2) SUBSIDIZED AGRICULTURAL REAL PROPERTY.—For purposes of this subsection, the term ‘subsidized agricultural real property’ means real property—

“(A) which is used as a farm for farming purposes (within the meaning of section 2032A(e)(5)); and

“(B) with respect to which a taxpayer receives, in the taxable year in which an exchange of such property is made, any payment or benefit under—

“(i) part I of subtitle A,

“(ii) part III (other than sections 1307 and 1308) of subtitle A, or

“(iii) subtitle B,

of title I of the Food and Energy Security Act of 2007.

“(3) NONAGRICULTURAL REAL PROPERTY.—For purposes of this subsection, the term ‘nonagricultural real property’ means real property which is not used as a farm for farming purposes (within the meaning of section 2032A(e)(5)).

“(4) EXCEPTION.—Paragraph (1) shall not apply with respect to any subsidized agricultural real property which, not later than the date of the exchange, is permanently retired from any program under which any payment or benefit described in paragraph (2)(B) is made.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to exchanges completed after the date of the enactment of this Act.

On page 1565, strike lines 13 through 24.

On page 1566, line 1, strike “12508” and insert “12507”.

On page 1572, strike “12509” and insert “2508”.

On page 1575, between lines 10 and 11, insert the following:

**SEC. 12509. MODIFICATION OF PENALTY FOR FAILURE TO FILE PARTNERSHIP RETURNS; LIMITATION ON DISCLOSURE.**

(a) EXTENSION OF TIME LIMITATION.—Section 6698(a) (relating to failure to file partnership returns) is amended by striking “5 months” and inserting “12 months”.

(b) INCREASE IN PENALTY AMOUNT.—Paragraph (1) of section 6698(b) is amended by striking “\$50” and inserting “\$100”.

(c) LIMITATION ON DISCLOSURE OF TAXPAYER RETURNS TO PARTNERS, S CORPORATION SHAREHOLDERS, TRUST BENEFICIARIES, AND ESTATE BENEFICIARIES.—

(1) IN GENERAL.—Section 6103(e) (relating to disclosure to persons having material interest) is amended by adding at the end the following new paragraph:

“(10) LIMITATION ON CERTAIN DISCLOSURES UNDER THIS SUBSECTION.—In the case of an inspection or disclosure under this subsection relating to the return of a partnership, S corporation, trust, or an estate, the information inspected or disclosed shall not include any supporting schedule, attachment, or list which includes the taxpayer identity information of a person other than the entity making the return or the person conducting the inspection or to whom the disclosure is made.”.

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the date of the enactment of this Act.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to returns required to be filed after the date of the enactment of this Act.

**SEC. 12510. PARTICIPANTS IN GOVERNMENT SECTION 457 PLANS ALLOWED TO TREAT ELECTIVE DEFERRALS AS ROTH CONTRIBUTIONS.**

(a) IN GENERAL.—Section 402A(e)(1) (defining applicable retirement plan) is amended by striking “and” at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting “, and”, and by adding at the end the following:

“(C) an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(b) ELECTIVE DEFERRALS.—Section 402A(e)(2) (defining elective deferral) is amended to read as follows:

“(2) ELECTIVE DEFERRAL.—The term ‘elective deferral’ means—

“(A) any elective deferral described in subparagraph (A) or (C) of section 402(g)(3), and

“(B) any elective deferral of compensation by an individual under an eligible deferred compensation plan (as defined in section 457(b)) of an eligible employer described in section 457(e)(1)(A).”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

On page 1597, after line 18, insert the following:

**Subtitle G—Kansas Disaster Tax Relief Assistance**

**SEC. 12701. TEMPORARY TAX RELIEF FOR KIOWA COUNTY, KANSAS AND SURROUNDING AREA.**

The following provisions of or relating to the Internal Revenue Code of 1986 shall apply, in addition to the areas described in such provisions, to an area with respect to which a major disaster has been declared by the President under section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (FEMA-1699-DR, as in effect on the date of the enactment of this Act) by reason of severe storms and tornados beginning on May 4, 2007, and determined by the President to warrant individual or individual and public assistance from the Federal Government under such Act with respect to damages attributed to such storms and tornados:

(1) SUSPENSION OF CERTAIN LIMITATIONS ON PERSONAL CASUALTY LOSSES.—Section 1400S(b)(1) of the Internal Revenue Code of 1986, by substituting “May 4, 2007” for “August 25, 2005”.

(2) EXTENSION OF REPLACEMENT PERIOD FOR NONRECOGNITION OF GAIN.—Section 405 of the Katrina Emergency Tax Relief Act of 2005, by substituting “on or after May 4, 2007, by reason of the May 4, 2007, storms and tornados” for “on or after August 25, 2005, by reason of Hurricane Katrina”.

(3) EMPLOYEE RETENTION CREDIT FOR EMPLOYERS AFFECTED BY MAY 4 STORMS AND TORNADOS.—Section 1400R(a) of the Internal Revenue Code of 1986—

(A) by substituting “May 4, 2007” for “August 28, 2005” each place it appears,

(B) by substituting “January 1, 2008” for “January 1, 2006” both places it appears, and

(C) only with respect to eligible employers who employed an average of not more than 200 employees on business days during the taxable year before May 4, 2007.

(4) SPECIAL ALLOWANCE FOR CERTAIN PROPERTY ACQUIRED ON OR AFTER MAY 5, 2007.—Section 1400N(d) of such Code—

(A) by substituting “qualified Recovery Assistance property” for “qualified Gulf Opportunity Zone property” each place it appears,

(B) by substituting “May 5, 2007” for “August 28, 2005” each place it appears,

(C) by substituting “December 31, 2008” for “December 31, 2007” in paragraph (2)(A)(v),

(D) by substituting “December 31, 2009” for “December 31, 2008” in paragraph (2)(A)(v),

(E) by substituting “May 4, 2007” for “August 27, 2005” in paragraph (3)(A),

(F) by substituting “January 1, 2009” for “January 1, 2008” in paragraph (3)(B), and

(G) determined without regard to paragraph (6) thereof.

(5) INCREASE IN EXPENSING UNDER SECTION 179.—Section 1400N(e) of such Code, by substituting “qualified section 179 Recovery Assistance property” for “qualified section 179 Gulf Opportunity Zone property” each place it appears.

(6) EXPENSING FOR CERTAIN DEMOLITION AND CLEAN-UP COSTS.—Section 1400N(f) of such Code—

(A) by substituting “qualified Recovery Assistance clean-up cost” for “qualified Gulf Opportunity Zone clean-up cost” each place it appears, and

(B) by substituting “beginning on May 4, 2007, and ending on December 31, 2009” for “beginning on August 28, 2005, and ending on December 31, 2007” in paragraph (2) thereof.

(7) TREATMENT OF PUBLIC UTILITY PROPERTY DISASTER LOSSES.—Section 1400N(o) of such Code.

(8) TREATMENT OF NET OPERATING LOSSES ATTRIBUTABLE TO STORM LOSSES.—Section 1400N(k) of such Code—

(A) by substituting “qualified Recovery Assistance loss” for “qualified Gulf Opportunity Zone loss” each place it appears,

(B) by substituting “after May 3, 2007, and before on January 1, 2010” for “after August 27, 2005, and before January 1, 2008” each place it appears,

(C) by substituting “May 4, 2007” for “August 28, 2005” in paragraph (2)(B)(ii)(I) thereof,

(D) by substituting “qualified Recovery Assistance property” for “qualified Gulf Opportunity Zone property” in paragraph (2)(B)(iv) thereof, and

(E) by substituting “qualified Recovery Assistance casualty loss” for “qualified Gulf Opportunity Zone casualty loss” each place it appears.

(9) TREATMENT OF REPRESENTATIONS REGARDING INCOME ELIGIBILITY FOR PURPOSES OF QUALIFIED RENTAL PROJECT REQUIREMENTS.—Section 1400N(n) of such Code.

(10) SPECIAL RULES FOR USE OF RETIREMENT FUNDS.—Section 1400Q of such Code—

(A) by substituting “qualified Recovery Assistance distribution” for “qualified hurricane distribution” each place it appears,

(B) by substituting “on or after May 4, 2007, and before January 1, 2009” for “on or after August 25, 2005, and before January 1, 2007” in subsection (a)(4)(A)(i),

(C) by substituting “qualified storm distribution” for “qualified Katrina distribution” each place it appears,

(D) by substituting “after November 4, 2006, and before May 5, 2007” for “after February 28, 2005, and before August 29, 2005” in subsection (b)(2)(B)(ii),

(E) by substituting “beginning on May 4, 2007, and ending on November 5, 2007” for “beginning on August 25, 2005, and ending on February 28, 2006” in subsection (b)(3)(A),

(F) by substituting “qualified storm individual” for “qualified Hurricane Katrina individual” each place it appears,

(G) by substituting “December 31, 2007” for “December 31, 2006” in subsection (c)(2)(A),

(H) by substituting “beginning on June 4, 2007, and ending on December 31, 2007” for “beginning on September 24, 2005, and ending on December 31, 2006” in subsection (c)(4)(A)(i),

(I) by substituting “May 4, 2007” for “August 25, 2005” in subsection (c)(4)(A)(ii), and

(J) by substituting “January 1, 2008” for “January 1, 2007” in subsection (d)(2)(A)(ii).

**Subtitle H—Other Provisions**

**SEC. 12801. INCOME AVERAGING FOR AMOUNTS RECEIVED IN CONNECTION WITH THE EXXON VALDEZ LITIGATION.**

(a) INCOME AVERAGING OF AMOUNTS RECEIVED FROM THE EXXON VALDEZ LITIGATION.—For purposes of section 1301 of the Internal Revenue Code of 1986—

(1) any qualified taxpayer who receives any qualified settlement income in any taxable year shall be treated as engaged in a fishing business (determined without regard to the commercial nature of the business), and

(2) such qualified settlement income shall be treated as income attributable to such a fishing business for such taxable year.

(b) CONTRIBUTIONS OF AMOUNTS RECEIVED TO RETIREMENT ACCOUNTS.—

(1) IN GENERAL.—Any qualified taxpayer who receives qualified settlement income during the taxable year may, at any time before the end of the taxable year in which such income was received, make one or more contributions to an eligible retirement plan of which such qualified taxpayer is a beneficiary in an aggregate amount not to exceed the lesser of—

(A) \$100,000 (reduced by the amount of qualified settlement income contributed to an eligible retirement plan in prior taxable years pursuant to this subsection), or

(B) the amount of qualified settlement income received by the individual during the taxable year.

(2) TIME WHEN CONTRIBUTIONS DEEMED MADE.—For purposes of paragraph (1), a qualified taxpayer shall be deemed to have made a contribution to an eligible retirement plan on the last day of the taxable year in which such income is received if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof).

(3) TREATMENT OF CONTRIBUTIONS TO ELIGIBLE RETIREMENT PLANS.—For purposes of the Internal Revenue Code of 1986, if a contribution is made pursuant to paragraph (1) with respect to qualified settlement income, then—

(A) except as provided in paragraph (4)—

(i) to the extent of such contribution, the qualified settlement income shall not be included in gross income, and

(ii) for purposes of section 72 of such Code, such contribution shall not be considered to be investment in the contract.

(B) the qualified taxpayer shall, to the extent of the amount of the contribution, be treated—

(i) as having received the qualified settlement income—

(I) in the case of a contribution to an individual retirement plan (as defined under section 7701(a)(37) of such Code), in a distribution described in section 408(d)(3) of such Code, and

(II) in the case of any other eligible retirement plan, in an eligible rollover distribution (as defined under section 402(f)(2) of such Code), and

(ii) as having transferred the amount to the eligible retirement plan in a direct trustee to trustee transfer within 60 days of the distribution.

(C) section 408(d)(3)(B) of the Internal Revenue Code of 1986 shall not apply with respect to amounts treated as a rollover under this paragraph, and

(D) section 408A(c)(3)(B) of the Internal Revenue Code of 1986 shall not apply with respect to amounts contributed to a Roth IRA (as defined under section 408A(b) of such Code) or a designated Roth contribution to an applicable retirement plan (within the meaning of section 402A of such Code) under this paragraph.

(4) SPECIAL RULE FOR ROTH IRAS AND ROTH 401(k)s.—For purposes of the Internal Revenue Code of 1986, if a contribution is made pursuant to paragraph (1) with respect to qualified settlement income to a Roth IRA (as defined under section 408A(b) of such Code) or as a designated Roth contribution to an applicable retirement plan (within the meaning of section 402A of such Code), then—

(A) the qualified settlement income shall be includible in gross income, and

(B) for purposes of section 72 of such Code, such contribution shall be considered to be investment in the contract.

(5) ELIGIBLE RETIREMENT PLAN.—For purpose of this subsection, the term “eligible retirement plan” has the meaning given such

term under section 402(c)(8)(B) of the Internal Revenue Code of 1986.

(c) TREATMENT OF QUALIFIED SETTLEMENT INCOME UNDER EMPLOYMENT TAXES.—

(1) SECA.—For purposes of chapter 2 of the Internal Revenue Code of 1986 and section 211 of the Social Security Act, no portion of qualified settlement income received by a qualified taxpayer shall be treated as self-employment income.

(2) FICA.—For purposes of chapter 21 of the Internal Revenue Code of 1986 and section 209 of the Social Security Act, no portion of qualified settlement income received by a qualified taxpayer shall be treated as wages.

(d) QUALIFIED TAXPAYER.—For purposes of this section, the term “qualified taxpayer” means—

(1) any individual who is a plaintiff in the civil action *In re Exxon Valdez*, No. 89-095-CV (HRH) (Consolidated) (D. Alaska); or

(2) any individual who is a beneficiary of the estate of such a plaintiff who—

(A) acquired the right to receive qualified settlement income from that plaintiff; and

(B) was the spouse or an immediate relative of that plaintiff.

(e) QUALIFIED SETTLEMENT INCOME.—For purposes of this section, the term “qualified settlement income” means any interest and punitive damage awards which are—

(1) otherwise includible in gross income (determined without regard to subsection (b)), and

(2) received (whether as lump sums or periodic payments) in connection with the civil action *In re Exxon Valdez*, No. 89-095-CV (HRH) (Consolidated) (D. Alaska) (whether pre- or post-judgment and whether related to a settlement or judgment).

**SEC. 12802. 2-YEAR EXTENSION AND EXPANSION OF CHARITABLE DEDUCTION FOR CONTRIBUTIONS OF FOOD INVENTORY.**

(a) IN GENERAL.—Section 170(e)(3)(C) (relating to special rule for certain contributions of inventory and other property) is amended—

(1) by striking “December 31, 2007” in clause (iv) and inserting “December 31, 2009”, and

(2) by redesignating clauses (iii) and (iv) as clauses (iv) and (v), respectively, and by inserting after clause (ii) the following new clause:

“(iii) DETERMINATION OF BASIS.—If a taxpayer—

“(I) does not account for inventories under section 471, and

“(II) is not required to capitalize indirect costs under section 263A,

the taxpayer may elect, solely for purposes of subparagraph (B), to treat the basis of any apparently wholesome food as being equal to 25 percent of the fair market value of such food.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to contributions made after December 31, 2007.

**SEC. 12803. MILEAGE REIMBURSEMENTS TO CHARITABLE VOLUNTEERS EXCLUDED FROM GROSS INCOME.**

(a) IN GENERAL.—Part III of subchapter B of chapter 1 is amended by inserting after section 139A the following new section:

“**SEC. 139B. MILEAGE REIMBURSEMENTS TO CHARITABLE VOLUNTEERS.**

“(a) IN GENERAL.—Gross income of an individual does not include amounts received, from an organization described in section 170(c), as reimbursement of operating expenses with respect to use of a passenger automobile for the benefit of such organization. The preceding sentence shall apply only to the extent that such reimbursement would be deductible under this chapter if section 274(d) were applied—

“(1) by using the standard business mileage rate in effect under section 162(a) at the time of such use, and

“(2) as if the individual were an employee of an organization not described in section 170(c).

“(b) APPLICATION TO VOLUNTEER SERVICES ONLY.—Subsection (a) shall not apply with respect to any expenses relating to the performance of services for compensation.

“(c) NO DOUBLE BENEFIT.—No deduction or credit shall be allowed under any other provision of this title with respect to the expenses excludable from gross income under subsection (a).”.

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 139A and inserting the following new item:

“Sec. 139B. Reimbursement for use of passenger automobile for charity.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

**SEC. 12804. BASIS ADJUSTMENT TO STOCK OF S CORPORATIONS MAKING CHARITABLE CONTRIBUTIONS OF PROPERTY.**

(a) TECHNICAL AMENDMENT RELATED TO SECTION 1203 OF THE PENSION PROTECTION ACT OF 2006.—Subsection (d) of section 1366 is amended by adding at the end the following new paragraph:

“(4) APPLICATION OF LIMITATION ON CHARITABLE CONTRIBUTIONS.—In the case of any charitable contribution of property to which the second sentence of section 1367(a)(2) applies, paragraph (1) shall not apply to the extent of the excess (if any) of—

“(A) the shareholder’s pro rata share of such contribution, over

“(B) the shareholder’s pro rata share of the adjusted basis of such property.”.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect as if included in the provision of the Pension Protection Act of 2006 to which it relates.

**SEC. 12805. PRIVATE PAYMENT TEST FOR PROFESSIONAL SPORTS FACILITY BONDS.**

Section 141, as amended by this Act, is amended—

(1) by striking the last sentence of subsection (a), and

(2) by striking subsection (f).

**SEC. 12806. APPLICATION OF REHABILITATION CREDIT AND DEPRECIATION SCHEDULES TO CERTAIN LOW-INCOME HOUSING FOR THE ELDERLY.**

(a) IN GENERAL.—Section 251(d)(4)(X) of the Tax Reform Act of 1986 is repealed.

(b) EFFECTIVE DATE.—The repeal made by this section shall apply to property placed in service after the date of the enactment of this Act.

**SEC. 12807. COMPETITIVE CERTIFICATION AWARDS MODIFICATION AUTHORITY.**

(a) IN GENERAL.—Section 48A (relating to qualifying advanced coal project credit) is amended by adding at the end the following new subsection:

“(h) COMPETITIVE CERTIFICATION AWARDS MODIFICATION AUTHORITY.—In implementing this section or section 48B, the Secretary is directed to modify the terms of any competitive certification award and any associated closing agreement where such modification—

“(1) is consistent with the objectives of such section,

“(2) is requested by the recipient of the competitive certification award, and

“(3) involves moving the project site to improve the potential to capture and sequester

carbon dioxide emissions, reduce costs of transporting feedstock, and serve a broader customer base,

unless the Secretary determines that the dollar amount of tax credits available to the taxpayer under such section would increase as a result of the modification or such modification would result in such project not being originally certified. In considering any such modification, the Secretary shall consult with other relevant Federal agencies, including the Department of Energy."

(b) **EFFECTIVE DATE.**—The amendment made by this section shall take effect on the date of the enactment of this Act and is applicable to all competitive certification awards entered into under section 48A or 48B of the Internal Revenue Code of 1986, whether such awards were issued before, on, or after such date of enactment.

**SEC. 12808. QUALIFIED FORESTRY CONSERVATION BONDS.**

(a) **IN GENERAL.**—Part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by adding at the end the following new subpart:

**"Subpart I—Qualified Tax Credit Bonds**

"Sec. 54A. Credit to holders of qualified tax credit bonds.

"Sec. 54B. Qualified forestry conservation bonds.

**"SEC. 54A. CREDIT TO HOLDERS OF QUALIFIED TAX CREDIT BONDS.**

"(a) **ALLOWANCE OF CREDIT.**—If a taxpayer holds a qualified tax credit bond on one or more credit allowance dates of the bond during any taxable year, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the sum of the credits determined under subsection (b) with respect to such dates.

"(b) **AMOUNT OF CREDIT.**—

"(1) **IN GENERAL.**—The amount of the credit determined under this subsection with respect to any credit allowance date for a qualified tax credit bond is 25 percent of the annual credit determined with respect to such bond.

"(2) **ANNUAL CREDIT.**—The annual credit determined with respect to any qualified tax credit bond is the product of—

"(A) the applicable credit rate, multiplied by

"(B) the outstanding face amount of the bond.

"(3) **APPLICABLE CREDIT RATE.**—For purposes of paragraph (2), the applicable credit rate is 70 percent of the rate which the Secretary estimates will permit the issuance of qualified tax credit bonds with a specified maturity or redemption date without discount and without interest cost to the qualified issuer. The applicable credit rate with respect to any qualified tax credit bond shall be determined as of the first day on which there is a binding, written contract for the sale or exchange of the bond.

"(4) **SPECIAL RULE FOR ISSUANCE AND REDEMPTION.**—In the case of a bond which is issued during the 3-month period ending on a credit allowance date, the amount of the credit determined under this subsection with respect to such credit allowance date shall be a ratable portion of the credit otherwise determined based on the portion of the 3-month period during which the bond is outstanding. A similar rule shall apply when the bond is redeemed or matures.

"(c) **LIMITATION BASED ON AMOUNT OF TAX.**—

"(1) **IN GENERAL.**—The credit allowed under subsection (a) for any taxable year shall not exceed the excess of—

"(A) the sum of the regular tax liability (as defined in section 26(b)) plus the tax imposed by section 55, over

"(B) the sum of the credits allowable under this part (other than subpart C and this subpart).

"(2) **CARRYOVER OF UNUSED CREDIT.**—If the credit allowable under subsection (a) exceeds the limitation imposed by paragraph (1) for such taxable year, such excess shall be carried to the succeeding taxable year and added to the credit allowable under subsection (a) for such taxable year (determined before the application of paragraph (1) for such succeeding taxable year).

"(d) **QUALIFIED TAX CREDIT BOND.**—For purposes of this section—

"(1) **QUALIFIED TAX CREDIT BOND.**—The term 'qualified tax credit bond' means a qualified forestry conservation bond which is part of an issue that meets the requirements of paragraphs (2), (3), (4), (5), and (6).

"(2) **SPECIAL RULES RELATING TO EXPENDITURES.**—

"(A) **IN GENERAL.**—An issue shall be treated as meeting the requirements of this paragraph if, as of the date of issuance, the issuer reasonably expects—

"(i) 100 percent or more of the available project proceeds to be spent for 1 or more qualified purposes within the 3-year period beginning on such date of issuance, and

"(ii) a binding commitment with a third party to spend at least 10 percent of such available project proceeds will be incurred within the 6-month period beginning on such date of issuance.

"(B) **FAILURE TO SPEND REQUIRED AMOUNT OF BOND PROCEEDS WITHIN 3 YEARS.**—

"(1) **IN GENERAL.**—To the extent that less than 100 percent of the available project proceeds of the issue are expended by the close of the expenditure period for 1 or more qualified purposes, the issuer shall redeem all of the nonqualified bonds within 90 days after the end of such period. For purposes of this paragraph, the amount of the nonqualified bonds required to be redeemed shall be determined in the same manner as under section 142.

"(ii) **EXPENDITURE PERIOD.**—For purposes of this subpart, the term 'expenditure period' means, with respect to any issue, the 3-year period beginning on the date of issuance. Such term shall include any extension of such period under clause (iii).

"(iii) **EXTENSION OF PERIOD.**—Upon submission of a request prior to the expiration of the expenditure period (determined without regard to any extension under this clause), the Secretary may extend such period if the issuer establishes that the failure to expend the proceeds within the original expenditure period is due to reasonable cause and the expenditures for qualified purposes will continue to proceed with due diligence.

"(C) **QUALIFIED PURPOSE.**—For purposes of this paragraph, the term 'qualified purpose' means a purpose specified in section 54B(e).

"(D) **REIMBURSEMENT.**—For purposes of this subtitle, available project proceeds of an issue shall be treated as spent for a qualified purpose if such proceeds are used to reimburse the issuer for amounts paid for a qualified purpose after the date that the Secretary makes an allocation of bond limitation with respect to such issue, but only if—

"(i) prior to the payment of the original expenditure, the issuer declared its intent to reimburse such expenditure with the proceeds of a qualified tax credit bond,

"(ii) not later than 60 days after payment of the original expenditure, the issuer adopts an official intent to reimburse the original expenditure with such proceeds, and

"(iii) the reimbursement is made not later than 18 months after the date the original expenditure is paid.

"(3) **REPORTING.**—An issue shall be treated as meeting the requirements of this paragraph if the issuer of qualified tax credit

bonds submits reports similar to the reports required under section 149(e).

"(4) **SPECIAL RULES RELATING TO ARBITRAGE.**—

"(A) **IN GENERAL.**—An issue shall be treated as meeting the requirements of this paragraph if the issuer satisfies the requirements of section 148 with respect to the proceeds of the issue.

"(B) **SPECIAL RULE FOR INVESTMENTS DURING EXPENDITURE PERIOD.**—Available project proceeds invested during the expenditure period shall not be subject to the requirements of subparagraph (A).

"(C) **SPECIAL RULE FOR RESERVE FUNDS.**—An issue shall not be treated as failing to meet the requirements of subparagraph (A) by reason of any fund which is expected to be used to repay such issue if—

"(i) such fund is funded in a manner reasonably expected to result in an amount not greater than an amount necessary to repay the issue, and

"(ii) the yield on such fund is not greater than the discount rate determined under paragraph (5)(B) with respect to the issue.

"(5) **MATURITY LIMITATION.**—

"(A) **IN GENERAL.**—An issue shall be treated as meeting the requirements of this paragraph if the maturity of any bond which is part of such issue does not exceed the maximum term determined by the Secretary under subparagraph (B).

"(B) **MAXIMUM TERM.**—During each calendar month, the Secretary shall determine the maximum term permitted under this paragraph for bonds issued during the following calendar month. Such maximum term shall be the term which the Secretary estimates will result in the present value of the obligation to repay the principal on the bond being equal to 50 percent of the face amount of such bond. Such present value shall be determined using as a discount rate the average annual interest rate of tax-exempt obligations having a term of 10 years or more which are issued during the month. If the term as so determined is not a multiple of a whole year, such term shall be rounded to the next highest whole year.

"(6) **PROHIBITION ON FINANCIAL CONFLICTS OF INTEREST.**—An issue shall be treated as meeting the requirements of this paragraph if the issuer certifies that—

"(A) applicable State and local law requirements governing conflicts of interest are satisfied with respect to such issue, and

"(B) if the Secretary prescribes additional conflicts of interest rules governing the appropriate Members of Congress, Federal, State, and local officials, and their spouses, such additional rules are satisfied with respect to such issue.

"(e) **OTHER DEFINITIONS.**—For purposes of this subchapter—

"(1) **CREDIT ALLOWANCE DATE.**—The term 'credit allowance date' means—

"(A) March 15,

"(B) June 15,

"(C) September 15, and

"(D) December 15.

Such term includes the last day on which the bond is outstanding.

"(2) **BOND.**—The term 'bond' includes any obligation.

"(3) **STATE.**—The term 'State' includes the District of Columbia and any possession of the United States.

"(4) **AVAILABLE PROJECT PROCEEDS.**—The term 'available project proceeds' means—

"(A) the excess of—

"(i) the proceeds from the sale of an issue, over

"(ii) the issuance costs financed by the issue (to the extent that such costs do not exceed 2 percent of such proceeds), and

"(B) the proceeds from any investment of the excess described in subparagraph (A).

“(f) CREDIT TREATED AS INTEREST.—For purposes of this subtitle, the credit determined under subsection (a) shall be treated as interest which is includible in gross income.

“(g) S CORPORATIONS AND PARTNERSHIPS.—In the case of a tax credit bond held by an S corporation or partnership, the allocation of the credit allowed by this section to the shareholders of such corporation or partners of such partnership shall be treated as a distribution.

“(h) BONDS HELD BY REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—If any qualified tax credit bond is held by a regulated investment company or a real estate investment trust, the credit determined under subsection (a) shall be allowed to shareholders of such company or beneficiaries of such trust (and any gross income included under subsection (f) with respect to such credit shall be treated as distributed to such shareholders or beneficiaries) under procedures prescribed by the Secretary.

“(i) CREDITS MAY BE STRIPPED.—Under regulations prescribed by the Secretary—

“(1) IN GENERAL.—There may be a separation (including at issuance) of the ownership of a qualified tax credit bond and the entitlement to the credit under this section with respect to such bond. In case of any such separation, the credit under this section shall be allowed to the person who on the credit allowance date holds the instrument evidencing the entitlement to the credit and not to the holder of the bond.

“(2) CERTAIN RULES TO APPLY.—In the case of a separation described in paragraph (1), the rules of section 1286 shall apply to the qualified tax credit bond as if it were a stripped bond and to the credit under this section as if it were a stripped coupon.

**“SEC. 54B. QUALIFIED FORESTRY CONSERVATION BONDS.**

“(a) QUALIFIED FORESTRY CONSERVATION BOND.—For purposes of this subchapter, the term ‘qualified forestry conservation bond’ means any bond issued as part of an issue if—

“(1) 100 percent of the available proceeds of such issue are to be used for one or more qualified forestry conservation purposes,

“(2) the bond is issued by a qualified issuer, and

“(3) the issuer designates such bond for purposes of this section.

“(b) LIMITATION ON AMOUNT OF BONDS DESIGNATED.—The maximum aggregate face amount of bonds which may be designated under subsection (a) by any issuer shall not exceed the limitation amount allocated to such issuer under subsection (d).

“(c) NATIONAL LIMITATION ON AMOUNT OF BONDS DESIGNATED.—There is a national qualified forestry conservation bond limitation of \$500,000,000.

“(d) ALLOCATIONS.—

“(1) IN GENERAL.—The Secretary shall make allocations of the amount of the national qualified forestry conservation bond limitation described in subsection (c) among qualified forestry conservation purposes in such manner as the Secretary determines appropriate so as to ensure that all of such limitation is allocated before the date which is 24 months after the date of the enactment of this section.

“(2) SOLICITATION OF APPLICATIONS.—The Secretary shall solicit applications for allocations of the national qualified forestry conservation bond limitation described in subsection (c) not later than 90 days after the date of the enactment of this section.

“(e) QUALIFIED FORESTRY CONSERVATION PURPOSE.—For purposes of this section, the term ‘qualified forestry conservation purpose’ means the acquisition by a State or

501(c)(3) organization (as defined in section 150(a)(4)) from an unrelated person of forest and forest land that meets the following qualifications:

“(1) Some portion of the land acquired must be adjacent to United States Forest Service Land.

“(2) At least half of the land acquired must be transferred to the United States Forest Service at no net cost to the United States and not more than half of the land acquired may either remain with or be donated to a State.

“(3) All of the land must be subject to a native fish habitat conservation plan approved by the United States Fish and Wildlife Service.

“(4) The amount of acreage acquired must be at least 40,000 acres.

“(f) QUALIFIED ISSUER.—For purposes of this section, the term ‘qualified issuer’ means a State or 501(c)(3) organization (as defined in section 150(a)(4)).”

(b) REPORTING.—Subsection (d) of section 6049 (relating to returns regarding payments of interest) is amended by adding at the end the following new paragraph:

“(9) REPORTING OF CREDIT ON QUALIFIED TAX CREDIT BONDS.—

“(A) IN GENERAL.—For purposes of subsection (a), the term ‘interest’ includes amounts includible in gross income under section 54A and such amounts shall be treated as paid on the credit allowance date (as defined in section 54A(e)(1)).

“(B) REPORTING TO CORPORATIONS, ETC.—Except as otherwise provided in regulations, in the case of any interest described in subparagraph (A) of this paragraph, subsection (b)(4) of this section shall be applied without regard to subparagraphs (A), (H), (I), (J), (K), and (L)(i).

“(C) REGULATORY AUTHORITY.—The Secretary may prescribe such regulations as are necessary or appropriate to carry out the purposes of this paragraph, including regulations which require more frequent or more detailed reporting.”

(c) CONFORMING AMENDMENTS.—

(1) Sections 54(c)(2) and 1400N(1)(3)(B) are each amended by striking “subpart C” and inserting “subparts C and I”.

(2) Section 1397E(c)(2) is amended by striking “subpart H” and inserting “subparts H and I”.

(3) Section 6401(b)(1) is amended by striking “and H” and inserting “H, and I”.

(4) The heading of subpart H of part IV of subchapter A of chapter 1 is amended by striking “Certain Bonds” and inserting “Clean Renewable Energy Bonds”.

(5) The table of subparts for part IV of subchapter A of chapter 1 is amended by striking the item relating to subpart H and inserting the following new items:

“SUBPART H. NONREFUNDABLE CREDIT TO HOLDERS OF CLEAN RENEWABLE ENERGY BONDS.

“SUBPART I. QUALIFIED TAX CREDIT BONDS.”

(d) EFFECTIVE DATES.—The amendments made by this section shall apply to obligations issued after the date of the enactment of this Act.

On page 544, line 16, strike “\$5,500,000,000” and insert “\$5,000,000,000”.

On page 1045, between lines 2 and 3, insert the following:

**SEC. 750 . ANIMAL BIOSCIENCE FACILITY, BOZEMAN, MONTANA.**

There is authorized to be appropriated to the Secretary for the period of fiscal years 2008 through 2012 \$16,000,000, to remain available until expended, for the construction in Bozeman, Montana, of an animal bioscience facility within the Agricultural Research Service.

Strike section 2359 and insert the following:

**SEC. 2359. GROUND AND SURFACE WATER CONSERVATION.**

Section 1240I of the Food Security Act of 1985 (16 U.S.C. 3839aa-9) is amended by striking subsection (c) and inserting the following:

“(c) FUNDING.—

“(1) AVAILABILITY OF FUNDS.—Of the funds of the Commodity Credit Corporation, in addition to amounts made available under section 1241(a) to carry out this chapter, the Secretary shall use—

“(A) \$65,000,000 for each of fiscal years 2008 through 2012; and

“(B) \$60,000,000 for each fiscal year thereafter.

“(2) FUNDING FOR CERTAIN STATES.—Of the funds made available under paragraph (1), the Secretary shall—

“(A) provide to each State that received funds under this title during the period of fiscal years 2002 through 2007, the greater of—

“(i) the simple average of amounts allocated to producers in the State under this section for the period of fiscal years 2002 through 2007; or

“(ii) the amount allocated to producers in the State under this section in fiscal year 2007; and

“(B) in the case of each State the boundaries of which encompass a multistate aquifer from which documented groundwater withdrawals exceed 16,000,000,000 gallons per day, provide an amount not less than the greater of—

“(i) \$3,000,000; or

“(ii) the amount provided under subparagraph (A).

“(3) EASTERN SNAKE PLAIN AQUIFER PILOT.—

“(A) IN GENERAL.—Of the funds made available under paragraph (1), the Secretary shall reserve not less than \$2,000,000, to remain available until expended, for regional water conservation activities in the Eastern Snake Aquifer region.

“(B) APPROVAL.—The Secretary may approve regional water conservation activities under this paragraph that address, in whole or in part, water quality issues.”

On page 692, between lines 17 and 18, insert the following:

**SEC. 49 . FOOD EMPLOYMENT EMPOWERMENT AND DEVELOPMENT PROGRAM.**

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE ENTITY.—The term “eligible entity” means an entity that meets the requirements of subsection (b)(2).

(2) VULNERABLE SUBPOPULATION.—

(A) IN GENERAL.—The term “vulnerable subpopulation” means low-income individuals, unemployed individuals, and other subpopulations identified by the Secretary as being likely to experience special risks from hunger or a special need for job training.

(B) INCLUSIONS.—The term “vulnerable subpopulation” includes—

(i) addicts (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802));

(ii) at-risk youths (as defined in section 1432 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6472));

(iii) individuals that are basic skills deficient (as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801));

(iv) homeless individuals (as defined in section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b));

(v) homeless youths (as defined in section 387 of the Runaway and Homeless Youth Act (42 U.S.C. 5732a));

(vi) individuals with disabilities (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102));

(vii) low-income individuals (as defined in section 101 of the Workforce Investment Act of 1998 (29 U.S.C. 2801)); and

(viii) older individuals (as defined in section 102 of the Older Americans Act of 1965 (42 U.S.C. 3002)).

(b) FOOD EMPLOYMENT EMPOWERMENT AND DEVELOPMENT PROGRAM.—

(1) ESTABLISHMENT.—The Secretary shall establish a food employment empowerment and development program under which the Secretary shall make grants to eligible entities to encourage the effective use of community resources to combat hunger and the root causes of hunger by creating opportunity through food recovery and job training.

(2) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall be a public agency, or private nonprofit institution, that conducts, or will conduct, 2 or more of the following activities as an integral part of the normal operation of the entity:

(A) Recovery of donated food from area restaurants, caterers, hotels, cafeterias, farms, or other food service businesses.

(B) Distribution of meals or recovered food to—

(i) nonprofit organizations described in section 501(c)(3) of the Internal Revenue Code of 1986;

(ii) entities that feed vulnerable subpopulations; and

(iii) other agencies considered appropriate by the Secretary.

(C) Training of unemployed and underemployed adults for careers in the food service industry.

(D) Carrying out of a welfare-to-work job training program in combination with—

(i) production of school meals, such as school meals served under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) or the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.); or

(ii) support for after-school programs, such as programs conducted by community learning centers (as defined in section 4201(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7171(b))).

(3) USE OF FUNDS.—An eligible entity may use a grant awarded under this section for—

(A) capital investments related to the operation of the eligible entity;

(B) support services for clients, including staff, of the eligible entity and individuals enrolled in job training programs;

(C) purchase of equipment and supplies related to the operation of the eligible entity or that improve or directly affect service delivery;

(D) building and kitchen renovations that improve or directly affect service delivery;

(E) educational material and services;

(F) administrative costs, in accordance with guidelines established by the Secretary; and

(G) additional activities determined appropriate by the Secretary.

(4) PREFERENCES.—In awarding grants under this section, the Secretary shall give preference to eligible entities that perform, or will perform, any of the following activities:

(A) Carrying out food recovery programs that are integrated with—

(i) culinary worker training programs, such as programs conducted by a food service management institute under section 21 of the Richard B. Russell National School Lunch Act (42 U.S.C. 1769b-1);

(ii) school education programs; or

(iii) programs of service-learning (as defined in section 101 of the National and Community Service Act of 1990 (42 U.S.C. 12511)).

(B) Providing job skills training, life skills training, and case management support to vulnerable subpopulations.

(C) Integrating recovery and distribution of food with a job training program.

(D) Maximizing the use of an established school, community, or private food service facility or resource in meal preparation and culinary skills training.

(E) Providing job skills training, life skills training, and case management support to vulnerable subpopulations.

(5) ELIGIBILITY FOR JOB TRAINING.—To be eligible to receive job training assistance from an eligible entity using a grant made available under this section, an individual shall be a member of a vulnerable subpopulation.

(6) PERFORMANCE INDICATORS.—The Secretary shall establish, for each year of the program, performance indicators and expected levels of performance for meal and food distribution and job training for eligible entities to continue to receive and use grants under this section.

(7) TECHNICAL ASSISTANCE.—The Secretary may provide such technical assistance to eligible entities as the Secretary considers appropriate to help the eligible entities in carrying out this section.

(8) RELATIONSHIP TO OTHER LAW.—

(A) BILL EMERSON GOOD SAMARITAN FOOD DONATION ACT.—An action taken by an eligible entity using a grant provided under this section shall be covered by the Bill Emerson Good Samaritan Food Donation Act (42 U.S.C. 1791).

(B) FOOD HANDLING GUIDELINES.—In using a grant provided under this section, an eligible entity shall comply with any applicable food handling guideline established by a State or local authority.

(9) MAXIMUM AMOUNT OF GRANT.—The amount of a grant provided to an eligible entity for a fiscal year under this section shall not exceed \$200,000.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.

(2) TECHNICAL ASSISTANCE.—Of the amount of funds that are made available for a fiscal year under paragraph (1), the Secretary shall use to provide technical assistance under subsection (b)(7) not more than the greater of—

(A) 5 percent of the amount of funds that are made available for the fiscal year under paragraph (1); or

(B) \$1,000,000.

In lieu of the matter proposed to be inserted, insert the following:

**SEC. 11. OVERSIGHT OF NATIONAL AQUATIC ANIMAL HEALTH PLAN.**

(a) DEFINITIONS.—In this section:

(1) ADVISORY COMMITTEE.—The term “advisory committee” means the General Advisory Committee for Oversight of National Aquatic Animal Health established under subsection (b)(1).

(2) PLAN.—The term “plan” means the national aquatic animal health plan developed by the National Aquatic Animal Health Task Force, composed of representatives of the Department of Agriculture, the Department of Commerce (including the National Oceanic and Atmospheric Administration), and the Department of the Interior (including the United States Fish and Wildlife Service).

(3) SECRETARY.—The term “Secretary” means the Secretary of Agriculture, acting through the Administrator of the Animal and Plant Health Inspection Service.

(b) GENERAL ADVISORY COMMITTEE FOR OVERSIGHT OF NATIONAL AQUATIC ANIMAL HEALTH.—

(1) ESTABLISHMENT.—Not later than 180 days after the date of enactment of this Act, the Secretary, in consultation with States and the private sector, shall establish an advisory committee, to be known as the “General Advisory Committee for Oversight of National Aquatic Animal Health”.

(2) MEMBERSHIP.—

(A) COMPOSITION.—The advisory committee shall—

(i) be composed equally of representatives of—

(I) State and tribal governments; and

(II) commercial aquaculture interests; and

(ii) consist of not more than 20 members, to be appointed by the Secretary, of whom—

(I) not less than 3 shall be representatives of Federal departments or agencies;

(II) not less than 6 shall be representatives of State or tribal governments that elect to participate in the plan under subsection (d);

(III) not less than 6 shall be representatives of affected commercial aquaculture interests; and

(IV) not less than 2 shall be aquatic animal health experts, as determined by the Secretary, of whom at least 1 shall be a doctor of veterinary medicine.

(B) NOMINATIONS.—The Secretary shall publish in the Federal Register a solicitation for, and may accept, nominations for members of the advisory committee from appropriate entities, as determined by the Secretary.

(c) RECOMMENDATIONS.—

(1) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the advisory committee shall develop and submit to the Secretary recommendations regarding—

(A) the establishment and membership of appropriate expert and representative commissions to efficiently implement and administer the plan;

(B) disease- and species-specific best management practices relating to activities carried out under the plan; and

(C) the establishment and administration of the indemnification fund under subsection (e).

(2) FACTORS FOR CONSIDERATION.—In developing recommendations under paragraph (1), the advisory committee shall take into consideration all emergency aquaculture-related projects that have been or are being carried out under the plan as of the date of submission of the recommendations.

(3) REGULATIONS.—After consideration of the recommendations submitted under this subsection, the Secretary shall promulgate regulations to establish a national aquatic animal health improvement program, in accordance with the Animal Health Protection Act (7 U.S.C. 8301 et seq.).

(d) PARTICIPATION BY STATE AND TRIBAL GOVERNMENTS AND PRIVATE SECTOR.—

(1) IN GENERAL.—Any State or tribal government, and any entity in the private sector, may elect to participate in the plan.

(2) DUTIES.—On election by a State or tribal government or entity in the private sector to participate in the plan under paragraph (1), the State or tribal government or entity shall—

(A) submit to the Secretary—

(i) a notification of the election; and

(ii) nominations for members of the advisory committee, as appropriate; and

(B) as a condition of participation, enter into an agreement with the Secretary under which the State or tribal government or entity—

(i) assumes responsibility for a portion of the non-Federal share of the costs of carrying out the plan, as described in paragraph (3); and

(ii) agrees to act in accordance with applicable disease- and species-specific best management practices relating to activities carried out under the plan by the State or tribal government or entity, as the Secretary determines to be appropriate.

(3) NON-FEDERAL SHARE.—

(A) IN GENERAL.—Subject to subparagraph (B), the non-Federal share of the cost of carrying out the plan—

(i) shall be determined—

(I) by the Secretary, in consultation with the advisory committee; and

(II) on a case-by-case basis for each project carried out under the plan; and

(ii) may be provided by State and tribal governments and entities in the private sector in cash or in-kind.

(B) DEPOSITS INTO INDEMNIFICATION FUND.—The non-Federal share of amounts in the indemnification fund provided by each State or tribal government or entity in the private sector shall be—

(i) zero with respect to the initial deposit into the fund; and

(ii) determined on a case-by-case basis for each project carried out under the plan.

(e) INDEMNIFICATION FUND.—

(1) ESTABLISHMENT.—The Secretary, in consultation with the advisory committee, shall establish a fund, to be known as the “indemnification fund”, consisting of such amounts as are initially deposited into the fund by the Secretary under subsection (g)(1).

(2) USES.—The Secretary shall use amounts in the indemnification fund only to compensate aquatic farmers—

(A) the entire inventory of livestock or gametes of which is eradicated as a result of a disease control or eradication measure carried out under the plan; or

(B) for the cost of disinfecting, destruction, and cleaning products or equipment in response to a depopulation order carried out under the plan.

(3) UNUSED AMOUNTS.—Amounts remaining in the indemnification fund on September 30 of the fiscal year for which the amounts were appropriated—

(A) shall remain in the fund;

(B) may be used in any subsequent fiscal year in accordance with paragraph (2); and

(C) shall not be reprogrammed by the Secretary for any other use.

(f) REVIEW.—Not later than 2 years after the date of enactment of this Act, the Secretary, in consultation with the advisory committee, shall review, and submit to Congress a report regarding—

(1) activities carried out under the plan during the preceding 2 years;

(2) activities carried out by the advisory committee; and

(3) recommendations for funding for subsequent fiscal years to carry out this section.

(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$15,000,000 for each of fiscal years 2008 and 2009, of which—

(1) not less than 50 percent shall be deposited into the indemnification fund established under subsection (e) for use in accordance with that subsection; and

(2) not more than 50 percent shall be used for the costs of carrying out the plan, including the costs of—

(A) administration of the plan;

(B) implementation of the plan;

(C) training and laboratory testing;

(D) cleaning and disinfection associated with depopulation orders; and

(E) public education and outreach activities.

On page 987, strike lines 3 and 4 and insert the following:

(a) COMPETITIVE GRANTS.—The Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) is amended in subsection (b)—

On page 989, between lines 2 and 3, insert the following:

(b) NATIONAL RESEARCH SUPPORT PROJECT-7.—The Competitive, Special, and Facilities Research Grant Act (7 U.S.C. 450i) is amended by adding at the end the following:

“(1) NATIONAL RESEARCH SUPPORT PROJECT-7.—

“(1) DEFINITIONS.—In this subsection:

“(A) PROJECT.—The term ‘project’ means the project established by the Secretary under paragraph (2).

“(B) SECRETARY.—The term ‘Secretary’ means the Secretary of Agriculture.

“(2) ESTABLISHMENT.—The Secretary shall establish the National Research Support Project-7—

“(A) to identify the animal drug needs for—

“(i) minor species; and

“(ii) minor uses in major species;

“(B) to generate and disseminate data to ensure the safe, effective, and lawful use of drugs to be used primarily for the therapy or reproductive management of minor animal species; and

“(C) to facilitate the development and approval of drugs for minor species, and minor uses in major species, by the Center for Veterinary Medicine of the Food and Drug Administration.

“(3) ADMINISTRATION OF PROJECT.—

“(A) NATIONAL RESEARCH SUPPORT PROJECT-7.—The Secretary shall carry out the project in accordance with each purpose and principle of the National Research Support Project-7 carried out by the Administrator of the Cooperative State Research, Education, and Extension Service as of the day before the date of enactment of this subsection.

“(B) CONSULTATION WITH OTHER ENTITIES.—The Secretary shall carry out the project in consultation with—

“(i) the Commissioner of Food and Drugs;

“(ii) State agricultural experiment stations;

“(iii) institutions of higher education;

“(iv) private entities; and

“(v) any other interested individual or entity.

“(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this subsection.”

On page 920, between lines 5 and 6, insert the following:

**SEC. 70 . INDIRECT COST RECOVERY.**

Section 1473A of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319a) is amended in the second sentence by striking “not exceeding 10 percent of the direct cost” and inserting “and shall be the negotiated indirect rate of Cost for an institution by the appropriate Federal audit agency for the institution, not to exceed 30 percent.”

On page 935, strike line 7 and insert the following:

“(f) POULTRY SUSTAINABILITY CENTER OF EXCELLENCE.—

“(1) IN GENERAL.—The Secretary shall establish a poultry sustainability center of excellence—

“(A) to identify challenges and develop solutions to enhance the economic and environmental sustainability of the poultry industry in the southwest region of the United States;

“(B) to research, develop, and implement programs—

“(i) to recover energy and other useful products from poultry waste;

“(ii) to identify new technologies for the storage, treatment, and use of animal waste; and

“(iii) to assist the poultry industry in ensuring that emissions of animal waste and discharges of the industry are maintained at levels at or below applicable regulatory standards;

“(C) to provide technical assistance, training, applied research, and monitoring to eligible applicants;

“(D) to develop environmentally effective programs in the poultry industry; and

“(E) to collaborate with eligible applicants to work with the Federal Government (including Federal agencies) in the development of conservation and watershed programs to help private landowners and agricultural producers meet applicable water quality standards.

“(2) REPORTS.—Not later than 2 years after the date of enactment of this section, and for each fiscal year thereafter, the Secretary shall submit to Congress a report describing—

“(A) each project for which funds are provided under this subsection; and

“(B) any advances in technology resulting from the implementation of this subsection.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There

On page 895, strike lines 4 through 7 and insert the following:

Section 1408 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3123) is amended—

(A) in subsection (g)(1), by striking “\$350,000” and inserting “\$500,000”; and

(B) in subsection (h), by striking “2007” and inserting “2012”.

On page 842, between lines 13 and 14, add the following:

**SEC. 6034. NORTHERN BORDER ECONOMIC DEVELOPMENT COMMISSION.**

The Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) is amended by adding at the end the following:

**“Subtitle J—Northern Border Economic Development Commission**

**“SEC. 386A. DEFINITIONS.**

**“In this subtitle:**

“(1) COMMISSION.—The term ‘Commission’ means the Northern Border Economic Development Commission established by section 386B.

“(2) FEDERAL GRANT PROGRAM.—The term ‘Federal grant program’ means a Federal grant program to provide assistance in carrying out economic and community development activities and conservation activities that are consistent with economic development.

“(3) NON-PROFIT ENTITY.—The term ‘non-profit entity’ means any entity with tax-exempt or non-profit status, as defined by the Internal Revenue Service.

“(4) REGION.—The term ‘region’ means the area covered by the Commission (as described in section 386N).

**“SEC. 386B. NORTHERN BORDER ECONOMIC DEVELOPMENT COMMISSION.**

**“(a) ESTABLISHMENT.—**

“(1) IN GENERAL.—There is established the Northern Border Economic Development Commission.

“(2) COMPOSITION.—The Commission shall be composed of—

“(A) a Federal member, to be appointed by the President, with the advice and consent of the Senate; and

“(B) the Governor of each State in the region that elects to participate in the Commission.

“(3) COCHAIRPERSONS.—The Commission shall be headed by—

“(A) the Federal member, who shall serve—

“(i) as the Federal cochairperson; and

“(ii) as a liaison between the Federal Government and the Commission; and

“(B) a State cochairperson, who—

“(i) shall be a Governor of a participating State in the region; and

“(ii) shall be elected by the State members for a term of not less than 1 year.

“(b) ALTERNATE MEMBERS.—

“(1) STATE ALTERNATES.—

“(A) APPOINTMENT.—The State member of a participating State may have a single alternate, who shall be appointed by the Governor of the State from among the Governor’s cabinet or personal staff.

“(B) VOTING.—An alternate shall vote in the event of the absence, death, disability, removal, or resignation of the member for whom the individual is an alternate.

“(2) ALTERNATE FEDERAL COCHAIRPERSON.—The President shall appoint an alternate Federal cochairperson.

“(3) QUORUM.—

“(A) IN GENERAL.—Subject to the requirements of this paragraph, the Commission shall determine what constitutes a quorum of the Commission.

“(B) FEDERAL COCHAIRPERSON.—The Federal cochairperson or the Federal cochairperson’s designee must be present for the establishment of a quorum of the Commission.

“(C) STATE ALTERNATES.—A State alternate shall not be counted toward the establishment of a quorum of the Commission.

“(4) DELEGATION OF POWER.—No power or responsibility of the Commission specified in paragraphs (3) and (4) of subsection (c), and no voting right of any Commission member, shall be delegated to any person—

“(A) who is not a Commission member; or

“(B) who is not entitled to vote in Commission meetings.

“(c) DECISIONS.—

“(1) REQUIREMENTS FOR APPROVAL.—Except as provided in subsection (g), decisions by the Commission shall require the affirmative vote of the Federal cochairperson and of a majority of the State members, exclusive of members representing States delinquent under subsection (g)(2)(C).

“(2) CONSULTATION.—In matters coming before the Commission, the Federal cochairperson, to the extent practicable, shall consult with the Federal departments and agencies having an interest in the subject matter.

“(3) DECISIONS REQUIRING QUORUM OF STATE MEMBERS.—The following decisions may not be made without a quorum of State members:

“(A) A decision involving Commission policy.

“(B) Approval of State, regional, or sub-regional development plans or strategy statements.

“(C) Modification or revision of the Commission’s code.

“(D) Allocation of amounts among the States.

“(4) PROJECT AND GRANT PROPOSALS.—The approval of project and grant proposals is a responsibility of the Commission and shall be carried out in accordance with section 386H.

“(d) DUTIES.—The Commission shall—

“(1) develop, on a continuing basis, comprehensive and coordinated plans and programs to establish priorities and approve grants for the economic development of the region, giving due consideration to other Federal, State, and local planning and development activities in the region;

“(2) not later than 365 days after the date of enactment of this Act, establish priorities in a development plan for the region (including 5-year regional outcome targets);

“(3) assess the needs and capital assets of the region based on available research, demonstration projects, assessments, and evaluations of the region prepared by Federal, State, or local agencies, local development districts, and any other relevant source;

“(4)(A) enhance the capacity of, and provide support for, local development districts in the region; or

“(B) if no local development district exists in an area in a participating State in the region, foster the creation of a local development district;

“(5) actively solicit the participation of representatives of local development districts, industry groups, and other appropriate organizations as approved by the Commission, in all public proceedings of the Commission conducted under subsection (e)(1), either in-person or through interactive telecommunications; and

“(6) encourage private investment in industrial, commercial, and other economic development projects in the region.

“(e) ADMINISTRATION.—In carrying out subsection (d), the Commission may—

“(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute a description of the proceedings and reports on actions by the Commission as the Commission considers appropriate;

“(2) authorize, through the Federal or State cochairperson or any other member of the Commission designated by the Commission, the administration of oaths if the Commission determines that testimony should be taken or evidence received under oath;

“(3) request from any Federal, State, or local department or agency such information as may be available to or procurable by the department or agency that may be of use to the Commission in carrying out duties of the Commission;

“(4) adopt, amend, and repeal bylaws and rules governing the conduct of Commission business and the performance of Commission duties;

“(5) request the head of any Federal department or agency to detail to the Commission such personnel as the Commission requires to carry out duties of the Commission, each such detail to be without loss of seniority, pay, or other employee status;

“(6) request the head of any State department or agency or local government to detail to the Commission such personnel as the Commission requires to carry out duties of the Commission, each such detail to be without loss of seniority, pay, or other employee status;

“(7) provide for coverage of Commission employees in a suitable retirement and employee benefit system by—

“(A) making arrangements or entering into contracts with any participating State government; or

“(B) otherwise providing retirement and other employee benefit coverage;

“(8) accept, use, and dispose of gifts or donations of services or real, personal, tangible, or intangible property;

“(9) enter into and perform such contracts or other transactions as are necessary to carry out Commission duties;

“(10) establish and maintain a central office located within the Northern Border Economic Development Commission region and field offices at such locations as the Commission may select; and

“(11) provide for an appropriate level of representation in Washington, DC.

“(f) FEDERAL AGENCY COOPERATION.—A Federal agency shall—

“(1) cooperate with the Commission; and

“(2) provide, on request of the Federal cochairperson, appropriate assistance in carrying out this subtitle, in accordance with applicable Federal laws (including regulations).

“(g) ADMINISTRATIVE EXPENSES.—

“(1) IN GENERAL.—Administrative expenses of the Commission (except for the expenses of the Federal cochairperson, including expenses of the alternate and staff of the Federal cochairperson, which shall be paid solely by the Federal Government) shall be paid—

“(A) by the Federal Government, in an amount equal to 50 percent of the administrative expenses; and

“(B) by the States in the region participating in the Commission, in an amount equal to 50 percent of the administrative expenses.

“(2) STATE SHARE.—

“(A) IN GENERAL.—The share of administrative expenses of the Commission to be paid by each State shall be determined by the Commission.

“(B) NO FEDERAL PARTICIPATION.—The Federal cochairperson shall not participate or vote in any decision under subparagraph (A).

“(C) DELINQUENT STATES.—If a State is delinquent in payment of the State’s share of administrative expenses of the Commission under this subsection—

“(i) no assistance under this subtitle shall be furnished to the State (including assistance to a political subdivision or a resident of the State); and

“(ii) no member of the Commission from the State shall participate or vote in any action by the Commission.

“(h) COMPENSATION.—

“(1) FEDERAL COCHAIRPERSON.—The Federal cochairperson shall be compensated by the Federal Government at level III of the Executive Schedule in subchapter II of chapter 53 of title V, United States Code.

“(2) ALTERNATE FEDERAL COCHAIRPERSON.—The alternate Federal cochairperson—

“(A) shall be compensated by the Federal Government at level V of the Executive Schedule described in paragraph (1); and

“(B) when not actively serving as an alternate for the Federal cochairperson, shall perform such functions and duties as are delegated by the Federal cochairperson.

“(3) STATE MEMBERS AND ALTERNATES.—

“(A) IN GENERAL.—A State shall compensate each member and alternate representing the State on the Commission at the rate established by law of the State.

“(B) NO ADDITIONAL COMPENSATION.—No State member or alternate member shall receive any salary, or any contribution to or supplementation of salary from any source other than the State for services provided by the member or alternate to the Commission.

“(4) DETAILED EMPLOYEES.—

“(A) IN GENERAL.—No person detailed to serve the Commission under paragraph (5) or (6) of subsection (e) shall receive any salary or any contribution to or supplementation of salary for services provided to the Commission from—

“(i) any source other than the Federal, State, local, or intergovernmental department or agency from which the person was detailed; or

“(ii) the Commission.

“(B) VIOLATION.—Any person that violates this paragraph shall be fined not more than \$5,000, imprisoned not more than 1 year, or both.

“(C) APPLICABLE LAW.—The Federal cochairperson, the alternate Federal cochairperson, and any Federal officer or employee detailed to duty on the Commission under subsection (e)(5) shall not be subject to subparagraph (A), but shall remain subject to sections 202 through 209 of title 18, United States Code.

“(5) ADDITIONAL PERSONNEL.—

“(A) COMPENSATION.—

“(i) IN GENERAL.—The Commission may appoint and fix the compensation of an executive director and such other personnel as are necessary to enable the Commission to carry out the duties of the Commission.

“(ii) EXCEPTION.—Compensation under clause (i) shall not exceed the maximum rate

for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

“(B) EXECUTIVE DIRECTOR.—The executive director shall be responsible for—

“(i) the carrying out of the administrative duties of the Commission;

“(ii) direction of the Commission staff; and

“(iii) such other duties as the Commission may assign.

“(C) NO FEDERAL EMPLOYEE STATUS.—No member, alternate, officer, or employee of the Commission (except the Federal cochairperson of the Commission, the alternate and staff for the Federal cochairperson, and any Federal employee detailed to the Commission under subsection (e)(5)) shall be considered to be a Federal employee for any purpose.

“(i) CONFLICTS OF INTEREST.—

“(1) IN GENERAL.—Except as provided under paragraph (2), no State member, alternate, officer, or employee of the Commission shall participate personally and substantially as a member, alternate, officer, or employee of the Commission, through decision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in any proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other matter in which, to knowledge of the member, alternate, officer, or employee any of the following persons has a financial interest:

“(A) The member, alternate, officer, or employee.

“(B) The spouse, minor child, partner, or organization (other than a State or political subdivision of the State) of the member, alternate, officer, or employee, in which the member, alternate, officer, or employee is serving as officer, director, trustee, partner, or employee.

“(C) Any person or organization with whom the member, alternate, officer, or employee is negotiating or has any arrangement concerning prospective employment.

“(2) DISCLOSURE.—Paragraph (1) shall not apply if the State member, alternate, officer, or employee—

“(A) immediately advises the Commission of the nature and circumstances of the proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter presenting a potential conflict of interest;

“(B) makes full disclosure of the financial interest; and

“(C) before the proceeding concerning the matter presenting the conflict of interest, receives a written determination by the Commission that the interest is not so substantial as to be likely to affect the integrity of the services that the Commission may expect from the State member, alternate, officer, or employee.

“(3) VIOLATION.—Any person that violates this subsection shall be fined not more than \$10,000, imprisoned not more than 2 years, or both.

“(j) VALIDITY OF CONTRACTS, LOANS, AND GRANTS.—The Commission may declare void any contract, loan, or grant of or by the Commission in relation to which the Commission determines that there has been a violation of any provision under subsection (h)(4), subsection (i), or sections 202 through 209 of title 18, United States Code.

**“SEC. 386C. ECONOMIC AND COMMUNITY DEVELOPMENT GRANTS.**

“(a) IN GENERAL.—The Commission may approve grants to States, local development districts (as defined in section 386E(a)), and public and nonprofit entities for projects, approved in accordance with section 386H—

“(1) to develop the infrastructure of the region for the purpose of facilitating economic development in the region (except that grants for this purpose may only be made to a State or local government);

“(2) to assist the region in obtaining job training, employment-related education, business development, and small business development and entrepreneurship;

“(3) to assist the region in community and economic development;

“(4) to support the development of severely distressed and underdeveloped areas;

“(5) to promote resource conservation, forest management, tourism, recreation, and preservation of open space in a manner consistent with economic development goals;

“(6) to promote the development of renewable and alternative energy sources; and

“(7) to achieve the purposes of this subtitle.

“(b) FUNDING.—

“(1) IN GENERAL.—Funds for grants under subsection (a) may be provided—

“(A) entirely from appropriations to carry out this section;

“(B) in combination with funds available under another State or Federal grant program; or

“(C) from any other source.

“(2) ELIGIBLE PROJECTS.—The Commission may provide assistance, make grants, enter into contracts, and otherwise provide funds to eligible entities in the region for projects that promote—

“(A) business development;

“(B) job training or employment-related education;

“(C) small businesses and entrepreneurship, including—

“(i) training and education to aspiring entrepreneurs, small businesses, and students;

“(ii) access to capital and facilitating the establishment of small business venture capital funds;

“(iii) existing entrepreneur and small business development programs and projects; and

“(iv) projects promoting small business innovation and research;

“(D) local planning and leadership development;

“(E) basic public infrastructure, including high-tech infrastructure and productive natural resource conservation;

“(F) information and technical assistance for the modernization and diversification of the forest products industry to support value-added forest products enterprises;

“(G) forest-related cultural, nature-based, and heritage tourism;

“(H) energy conservation and efficiency in the region to enhance its economic competitiveness;

“(I) the use of renewable energy sources in the region to produce alternative transportation fuels, electricity and heat; and

“(J) any other activity facilitating economic development in the region.

“(3) FEDERAL SHARE.—Notwithstanding any provision of law limiting the Federal share in any grant program, funds appropriated or otherwise made available to carry out this section may be used to increase a Federal share in a grant program, as the Commission determines appropriate.

**“SEC. 386D. SUPPLEMENTS TO FEDERAL GRANT PROGRAMS.**

“(a) FEDERAL GRANT PROGRAM FUNDING.—In accordance with subsection (b), the Federal cochairperson may use amounts made available to carry out this subtitle, without regard to any limitations on areas eligible for assistance or authorizations for appropriation under any other Act, to fund all or any portion of the basic Federal contribution to a project or activity under a Federal grant program in the region in an amount that is above the fixed maximum portion of

the cost of the project otherwise authorized by applicable law, but not to exceed 80 percent of the costs of the project.

“(b) CERTIFICATION.—

“(1) IN GENERAL.—In the case of any program or project for which all or any portion of the basic Federal contribution to the project under a Federal grant program is proposed to be made under this section, no Federal contribution shall be made until the Federal official administering the Federal law authorizing the contribution certifies that the program or project—

“(A) meets the applicable requirements of the applicable Federal grant law; and

“(B) could be approved for Federal contribution under the law if funds were available under the law for the program or project.

“(2) CERTIFICATION BY COMMISSION.—

“(A) IN GENERAL.—The certifications and determinations required to be made by the Commission for approval of projects under this subtitle in accordance with section 386H—

“(i) shall be controlling; and

“(ii) shall be accepted by the Federal agencies.

“(B) ACCEPTANCE BY FEDERAL COCHAIRPERSON.—Any finding, report, certification, or documentation required to be submitted to the head of the department, agency, or instrumentality of the Federal Government responsible for the administration of any Federal grant program shall be accepted by the Federal cochairperson with respect to a supplemental grant for any project under the program.

**“SEC. 386E. LOCAL DEVELOPMENT DISTRICTS; CERTIFICATION AND ADMINISTRATIVE EXPENSES.**

“(a) DEFINITION OF LOCAL DEVELOPMENT DISTRICT.—In this section, the term ‘local development district’ means an entity designated by the State that—

“(1) is—

“(A)(i) a planning district in existence on the date of enactment of this Act that is recognized by the Economic Development Administration of the Department of Commerce; or

“(ii) a development district recognized by the State; or

“(B) if an entity described in subparagraph (A)(i) or (A)(ii) does not exist, an entity designated by the Commission that satisfies the criteria developed by the Economic Development Administration for a local development district; and

“(2) has not, as certified by the Federal cochairperson—

“(A) inappropriately used Federal grant funds from any Federal source; or

“(B) appointed an officer who, during the period in which another entity inappropriately used Federal grant funds from any Federal source, was an officer of the other entity.

“(b) GRANTS TO LOCAL DEVELOPMENT DISTRICTS.—

“(1) IN GENERAL.—The Commission may make grants for administrative expenses under this section.

“(2) CONDITIONS FOR GRANTS.—

“(A) MAXIMUM AMOUNT.—The amount of any grant awarded under paragraph (1) shall not exceed 80 percent of the administrative expenses of the local development district receiving the grant.

“(B) LOCAL SHARE.—The contributions of a local development district for administrative expenses may be in cash or in kind, fairly evaluated, including space, equipment, and services.

“(c) DUTIES OF LOCAL DEVELOPMENT DISTRICTS.—A local development district shall—

“(1) operate as a lead organization serving multicounty areas in the region at the local level; and

“(2) serve as a liaison between State and local governments, nonprofit organizations (including community-based groups and educational institutions), the business community, and citizens that—

“(A) are involved in multijurisdictional planning;

“(B) provide technical assistance to local jurisdictions and potential grantees; and

“(C) provide leadership and civic development assistance.

**“SEC. 386F. DEVELOPMENT PLANNING PROCESS.**

“(a) STATE DEVELOPMENT PLAN.—In accordance with policies established by the Commission, each State member shall submit a development plan for the area of the region represented by the State member.

“(b) CONTENT OF PLAN.—A State development plan submitted under subsection (a) shall reflect the goals, objectives, and priorities identified in the regional development plan developed under section 386B(d)(2).

“(c) CONSULTATION.—In carrying out the development planning process, a State shall—

“(1) consult with—

“(A) local development districts;

“(B) local units of government;

“(C) institutions of higher learning; and

“(D) stakeholders; and

“(2) take into consideration the goals, objectives, priorities, and recommendations of the entities described in paragraph (1).

“(d) PUBLIC PARTICIPATION.—The Commission and applicable State and local development districts shall encourage and assist, to the maximum extent practicable, public participation in the development, revision, and implementation of all plans and programs under this subtitle.

**“SEC. 386G. PROGRAM DEVELOPMENT CRITERIA.**

“(a) IN GENERAL.—In considering programs and projects to be provided assistance under this subtitle, and in establishing a priority ranking of the requests for assistance provided by the Commission, the Commission shall follow procedures that ensure, to the maximum extent practicable, consideration of—

“(1) the relationship of the project to overall regional development;

“(2) the economic distress of an area, including the per capita income, outmigration, poverty and unemployment rates, and other socioeconomic indicators for the area;

“(3) the financial resources available to the applicants for assistance seeking to carry out the project, with emphasis on ensuring that projects are adequately financed to maximize the probability of successful economic development;

“(4) the importance of the project in relation to other projects that may be in competition for the same funds;

“(5) the prospects that the project for which assistance is sought will improve, on a continuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic development of the area served by the project;

“(6) the extent to which the project design provides for detailed outcome measurements by which grant expenditures and the results of the expenditures may be evaluated; and

“(7) the preservation of multiple uses, including conservation, of natural resources.

“(b) NO RELOCATION ASSISTANCE.—No financial assistance authorized by this subtitle shall be used to assist an establishment in relocating from 1 area to another.

“(c) REDUCTION OF FUNDS.—Funds may be provided for a program or project in a State under this subtitle only if the Commission determines that the level of Federal or State

financial assistance provided under a law other than this subtitle, for the same type of program or project in the same area of the State within the region, will not be reduced as a result of funds made available by this subtitle.

**“SEC. 386H. APPROVAL OF DEVELOPMENT PLANS AND PROJECTS.**

“(a) IN GENERAL.—A State or regional development plan or any multistate sub-regional plan that is proposed for development under this subtitle shall be reviewed by the Commission.

“(b) EVALUATION BY STATE MEMBER.—An application for a grant or any other assistance for a project under this subtitle shall be made through and evaluated for approval by the State member of the Commission representing the applicant.

“(c) CERTIFICATION.—An application for a grant or other assistance for a project shall be approved only on certification by the State member and Federal cochairperson that the application for the project—

“(1) describes ways in which the project complies with any applicable State development plan;

“(2) meets applicable criteria under section 386G;

“(3) provides adequate assurance that the proposed project will be properly administered, operated, and maintained; and

“(4) otherwise meets the requirements of this subtitle.

“(d) VOTES FOR DECISIONS.—Upon certification of an application for a grant or other assistance for a specific project under this section, an affirmative vote of the Commission under section 386B(c) shall be required for approval of the application.

**“SEC. 386I. CONSENT OF STATES.**

“Nothing in this subtitle requires any State to engage in or accept any program under this subtitle without the consent of the State.

**“SEC. 386J. RECORDS.**

“(a) RECORDS OF THE COMMISSION.—

“(1) IN GENERAL.—The Commission shall maintain accurate and complete records of all transactions and activities of the Commission.

“(2) AVAILABILITY.—All records required under paragraph (1) shall be available for audit by the Comptroller General of the United States and the Commission (including authorized representatives of the Comptroller General and the Commission).

“(b) RECORDS OF RECIPIENTS OF FEDERAL ASSISTANCE.—

“(1) IN GENERAL.—A recipient of Federal funds under this subtitle shall, as required by the Commission, maintain accurate and complete records of transactions and activities financed with Federal funds and report on the transactions and activities to the Commission.

“(2) AVAILABILITY.—All records required under paragraph (1) shall be available for audit by the Comptroller General of the United States and the Commission (including authorized representatives of the Comptroller General and the Commission).

**“SEC. 386K. ANNUAL REPORT.**

“Not later than 180 days after the end of each fiscal year, the Commission shall submit to the President and to Congress a report describing the activities carried out under this subtitle.

**“SEC. 386L. AUTHORIZATION OF APPROPRIATIONS.**

“(a) IN GENERAL.—There is authorized to be appropriated to the Commission to carry out this subtitle \$40,000,000 for each of fiscal years 2008 through 2012, to remain available until expended.

“(b) ADMINISTRATIVE EXPENSES.—Not more than 5 percent of the amount appropriated

under subsection (a) for a fiscal year shall be used for administrative expenses of the Commission.

**“SEC. 386M. TERMINATION OF COMMISSION.**

“This subtitle shall have no force or effect on or after October 1, 2012.

**“SEC. 386N. REGION OF NORTHERN BORDER ECONOMIC DEVELOPMENT COMMISSION.**

“(a) GOAL.—It shall be the goal of the Commission to address economic distress along the northern border of the United States east of, and including, Cayuga County, New York, especially in rural areas.

“(b) COUNTIES INCLUDED IN NORTHERN BORDER REGION.—Consistent with the goal described in subsection (a), the region of Commission shall include the following counties:

“(1) In Maine, the counties of Aroostook, Franklin, Oxford, Somerset, and Washington.

“(2) In New Hampshire, the county of Coos.

“(3) In New York, the counties of Cayuga, Clinton, Franklin, Jefferson, Oswego, and St. Lawrence.

“(4) In Vermont, the counties of Essex, Franklin, Grand Isle, and Orleans.

“(c) CONTIGUOUS COUNTIES.—

“(1) IN GENERAL.—Subject to paragraph (2), in addition to the counties listed in subsection (b), the region of Commission shall include the following counties:

“(A) In Maine, the counties of Androscoggin, Kennebec, Penobscot, Piscataquis, and Waldo.

“(B) In New York, the counties of Essex, Hamilton, Herkimer, Lewis, Oneida, and Seneca.

“(C) In Vermont, the county of Caledonia.

“(2) RECOMMENDATIONS TO CONGRESS.—As part of an annual report submitted under section 386K, the Commission may recommend to Congress removal of a county listed in paragraph (1) from the region on the basis that the county no longer exhibits 2 or more of the following economic distress factors: population loss, poverty, income levels, and unemployment.

“(d) EXAMINATION OF ADDITIONAL COUNTIES AND AREAS FOR INCLUSION IN THE REGION.—

“(1) IN GENERAL.—Not later than one year after the date of enactment of this Act, the Commission—

“(A) shall examine all counties that border the region of the Commission specified in subsection (a), including the political subdivisions and census tracts within such counties; and

“(B) may add a county or any portion of a county examined under subparagraph (A) to the region, if the Commission determines that the county or portion—

“(i) is predominantly rural in nature; and

“(ii) exhibits significant economic distress in terms of population loss, poverty, income levels, unemployment, or other economic indicator that the Commission considers appropriate.

“(2) PRIORITY.—In carrying out paragraph (1)(A), the Commission shall first examine the following counties:

“(A) In Maine, the counties of Hancock and Knox.

“(B) In New Hampshire, the counties of Grafton, Carroll, and Sullivan.

“(C) In New York, the counties of Fulton, Madison, Warren, Saratoga, and Washington.

“(D) In Vermont, the county of Lamoille.

“(e) ADDITION OF COUNTIES AND OTHER AREAS.—

“(1) RECOMMENDATIONS.—Following the one-year period beginning on the date of enactment of this Act, as part of an annual report submitted under section 386K, the Commission may recommend to Congress additional counties or portions of counties for inclusion in the region.

“(2) AREAS OF ECONOMIC DISTRESS.—The Commission may recommend that an entire

county be included in the region on the basis of one or more distressed areas within the county.

“(3) ASSESSMENTS OF ECONOMIC CONDITIONS.—The Commission may provide technical and financial assistance to a county that is not included in the region for the purpose of conducting an economic assessment of the county. The results of such an assessment may be used by the Commission in making recommendations under paragraph (1).

“(f) LIMITATION.—A county eligible for assistance from the Appalachian Regional Commission under subtitle IV of title 40, United States Code, shall not be eligible for assistance from the Northern Border Economic Development Commission.”.

On page 778, between lines 2 and 3, insert the following:

**SEC. 60 . GEOGRAPHICALLY DISADVANTAGED FARMERS AND RANCHERS.**

(a) IN GENERAL.—The Consolidated Farm and Rural Development Act is amended by inserting after section 344 (7 U.S.C. 1992) the following:

**“SEC. 345. GEOGRAPHICALLY DISADVANTAGED FARMERS AND RANCHERS.**

“(a) DEFINITIONS.—In this section:

“(1) AGRICULTURAL COMMODITY.—The term ‘agricultural commodity’ has the meaning given the term in section 102 of the Agricultural Trade Act of 1978 (7 U.S.C. 5602).

“(2) GEOGRAPHICALLY DISADVANTAGED FARMER OR RANCHER.—The term ‘geographically disadvantaged farmer or rancher’ has the meaning given the term in section 10906(a) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 2204 note; Public Law 107–171).

“(b) AUTHORIZATION.—

“(1) IN GENERAL.—Subject to paragraph (2) and the availability of funds under subsection (d), for each fiscal year, the Secretary may provide geographically disadvantaged farmers or ranchers direct reimbursement payments for activities described in subsection (c).

“(2) LIMITATION.—The total amount of direct reimbursement payments provided by the Secretary under this section shall not exceed \$15,000,000 for each fiscal year.

“(c) TRANSPORTATION.—

“(1) IN GENERAL.—Subject to paragraphs (2) and (3), the Secretary may provide direct reimbursement payments to a geographically disadvantaged farmer or rancher to transport an agricultural commodity, or inputs used to produce an agricultural commodity, during a fiscal year.

“(2) PROOF OF ELIGIBILITY.—To be eligible to receive assistance under paragraph (1), farmer or rancher shall provide to the Secretary proof (as determined by the Secretary) that transportation or the agricultural commodity or inputs occurred over a distance of more than 30 miles.

“(3) AMOUNT.—The amount of direct reimbursement payments made to a geographically disadvantaged farmer or rancher under a subsection for a fiscal year shall equal the product obtained by multiplying—

“(A) the amount of costs incurred by the farmer or rancher for transportation of the agricultural commodity or inputs during the fiscal year; and

“(B) the percentage of the allowance for that fiscal year made under section 5941 of title 5, United States Code, for Federal employees stationed in Alaska and Hawaii.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on October 1, 2007.

On page 294, insert after line 11:

**SEC. 19 . SESAME INSURANCE PILOT PROGRAM.**

Section 523 of the Federal Crop Insurance Act (7 U.S.C. 1523) is amended by adding at the end the following

“(g) SESAME INSURANCE PILOT PROGRAM.—

(1) IN GENERAL.—The Secretary of Agriculture shall establish and carry out a pilot program under which a producer of non-dehiscent sesame under contract may elect to obtain multi-peril crop insurance, as determined by the Secretary.

(2) TERMS AND CONDITIONS.—The multi-peril crop insurance offered under the sesame insurance pilot program shall—

(A) be offered through reinsurance arrangements with private insurance companies;

(B) be actuarially sound; and

(C) require the payment of premiums and administrative fees by a producer obtaining the insurance.

(3) LOCATION.—The sesame insurance pilot program shall be carried out only in the State of Texas.

(4) RELATION TO PROHIBITION ON RESEARCH AND DEVELOPMENT BY CORPORATION.—Section 522(e)(4) of the Federal Crop Insurance Act (7 U.S.C. 1522(e)(4)) shall apply with respect to the sesame insurance pilot program.

(5) DURATION.—The Secretary shall commence the sesame insurance pilot program as soon as practicable after the date of the enactment of this Act and continue the program through the 2012 crop year.

At the end of subtitle C of title VIII, add the following:

**SEC. 82 . PREVENTION OF ILLEGAL LOGGING PRACTICES.**

(a) IN GENERAL.—The Lacey Act Amendments of 1981 are amended—

(1) in section 2 (16 U.S.C. 3371)—

(A) by striking subsection (f) and inserting the following:

“(f) PLANT.—

“(1) IN GENERAL.—The term ‘plant’ means any wild member of the plant kingdom, including roots, seeds, parts, and products thereof.

“(2) EXCLUSIONS.—

“(A) IN GENERAL.—Subject to subparagraph (B), the term ‘plant’ excludes—

“(i) any cultivar or common food crop; or

“(ii) a plant intended to remain planted, to be planted, or replanted (including roots, seeds, and germplasm) that is—

“(I)(aa) imported into the United States accompanied by a phytosanitary certificate issued by the national plant protection organization of the country of origin or transshipment country; or

“(bb) precleared for entry by the Secretary; or

“(II) a domestically produced plant, or derived from a domestically produced plant, that is—

“(aa) moving in interstate commerce; and

“(bb) not listed pursuant to any State law that provides for the conservation of species threatened with extinction.

“(B) LIMITATION.—The exclusions in subparagraph (A) do not apply to a plant listed—

“(i) on an appendix to the Convention on International Trade in Endangered Species of Wild Fauna and Flora, done at Washington on March 3, 1973 (27 UST 1087; TIAS 8249); or

“(ii) as an endangered or threatened species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).”.

(B) in subsection (h), by inserting “also” after “plants the term”; and

(C) by striking subsection (j) and inserting the following:

“(j) TAKEN AND TAKING.—

(1) TAKEN.—The term “taken” means captured, killed, or collected and, with respect to a plant, also means harvested, cut logged, or removed.

(2) TAKING.—The term “taking” means the act by which fish, wildlife, or plants are taken.”;

(2) in section 3 (16 U.S.C. 3372)—

(A) in subsection (a)—

(i) in paragraph (2), by striking subparagraph (B) and inserting the following:

“(B) any plant—

“(i) taken, possessed, transported, or sold in violation of any law or regulation of any State, or any foreign law, that protects plants or that regulates—

“(I) the theft of plants;

“(II) the taking of plants from a park, forest reserve, or other officially protected area;

“(III) the taking of plants from an officially designated area; or

“(IV) the taking of plants without, or contrary to, required authorization;

“(ii) taken, possessed, transported, or sold without the payment of royalties, taxes, or stumpage fees required for the plant by any law or regulation of any State or any foreign law; or

“(iii) taken, possessed, transported, or sold in violation of any limitation under any law or regulation of any State or under any foreign law; governing the export or transshipment of plants; or”; and

(ii) in paragraph (3), by striking subparagraph (B) and inserting the following:

“(B) to possess any plant—

“(i) taken, possessed, transported, or sold in violation of any law or regulation of any State, or any foreign law, that protects plants or that regulates—

“(I) the theft of plants;

“(II) the taking of plants from a park, forest reserve, or other officially protected area;

“(III) the taking of plants from an officially designated area; or

“(IV) the taking of plants without, or contrary to, required authorization;

“(ii) taken, possessed, transported, or sold without the payment of royalties, taxes, or stumpage fees required for the plant by any law or regulation of any State or any foreign law; or

“(iii) taken, possessed, transported, or sold in violation of any limitation under any law or regulation of any State or under any foreign law; governing the export or transshipment of plants; or”; and

(B) by adding at the end the following:

“(f) PLANT DECLARATIONS.—

“(1) IN GENERAL.—Effective 180 days from the date of enactment of this subsection and except as provided in paragraph (3), it shall be unlawful for any person to import any plant unless the person files upon importation where clearance is requested a declaration that contains—

“(A) the scientific name of any plant (including the genus and species of the plant) contained in the importation;

“(B) a description of—

“(i) the value of the importation; and

“(ii) the quantity, including the unit of measure, of the plant; and

“(C) the name of the country from which the plant was taken.

“(2) DECLARATION RELATING TO PLANT PRODUCTS.—Until the date on which the Secretary promulgates a regulation under paragraph (6), a declaration relating to a plant product shall—

“(A) in the case in which the species of plant used to produce the plant product that is the subject of the importation varies, and the species used to produce the plant product is unknown, contain the name of each species of plant that may have been used to produce the plant product; and

“(B) in the case in which the species of plant used to produce the plant product that

is the subject of the importation is commonly taken from more than 1 country, and the country from which the plant was taken and used to produce the plant product is unknown, contain the name of each country from which the plant may have been taken.

“(3) EXCLUSIONS.—Paragraphs (1) and (2) shall not apply to plants used exclusively as packaging materials to support, protect, or carry another item, unless the packaging materials are the items being imported.

“(4) REVIEW.—

“(A) IN GENERAL.—Not later than 2 years after the date of enactment of this subsection, the Secretary shall review the implementation of each requirement described in paragraphs (1) and (2).

“(B) REVIEW OF EXCLUDED WOOD AND PAPER PACKAGING MATERIALS.—The Secretary—

“(i) shall, in conducting the review under subparagraph (A), consider the effect of excluding the materials described in paragraph (3); and

“(ii) may limit the scope of the exclusions under paragraph (3) if the Secretary determines, based on the review, that the limitations in scope are warranted.

“(5) REPORT.—

“(A) IN GENERAL.—Not later than 180 days after the date on which the Secretary completes the review under paragraph (4), the Secretary shall submit to the appropriate committees of Congress a report containing—

“(i) an evaluation of—

“(I) the effectiveness of each type of information required under paragraphs (1) and (2) in assisting enforcement of section 3; and

“(II) the potential to harmonize each requirement described in paragraphs (1) and (2) with other applicable import regulations in existence as of the date of the report;

“(ii) recommendations for such legislation as the Secretary determines to be appropriate to assist in the identification of plants that are imported into the United States in violation of section 3; and

“(iii) an analysis of the effect of the provisions of subsection (a) and (f) on—

“(I) the cost of legal plant imports; and

“(II) the extent and methodology of illegal logging practices and trafficking.

“(B) PUBLIC PARTICIPATION.—In conducting the review under paragraph (4), the Secretary shall provide public notice and an opportunity for comment.

“(6) PROMULGATION OF REGULATIONS.—Not later than 180 days after the date on which the Secretary completes the review under paragraph (4), the Secretary may promulgate regulations—

“(A) to limit the applicability of any requirement described in paragraph (2) to specific plant products;

“(B) to make any other necessary modification to any requirement described in paragraph (2), as determined by the Secretary based on the review under paragraph (4); and

“(C) to limit the scope of the exclusions under paragraph (3) if the Secretary determines, based on the review under paragraph (4), that the limitations in scope are warranted.”;

(3) in section 4 (16 U.S.C. 3373)—

(A) by striking “subsections (b) and (d)” each place it appears and inserting “subsections (b), (d), and (f)”;

(B) by striking “section 3(d)” each place it appears and inserting “subsection (d) or (f) of section 3”; and

(C) in subsection (a)(2), by striking “subsection 3(b)” and inserting “subsection (b) or subsection (f) of section 3, except as provided in paragraph (1).”;

(4) by adding at the end of section 5 (16 U.S.C. 3374) the following:

“(d) CIVIL FORFEITURES.—Civil forfeitures under this section shall be governed by the provisions of chapter 46 of title 18, United States Code.”; and

(5) in section 7(a)(1) (16 U.S.C. 3376(a)(1)), by striking “section 4” and inserting “section 3(f), section 4.”.

(b) TECHNICAL CORRECTION.—

(1) IN GENERAL.—Section 102(c) of Public Law 100-653 (102 Stat. 3825) is amended by striking “(other than section 3(b))” and inserting “(other than subsection 3(b))”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect on November 14, 1988.

(f)(2) EXCLUSIONS—

(A) The term plant excludes—

(i) any cultivar or common food crop; or

(ii) plants intended to remain planted, to be planted or replanted (including roots, seeds, and germplasm) that are—

(I) imported into the United States accompanied by a phytosanitary certificate issued by the national plant protection organization of the country of origin or transshipment country, or that have been precleared for entry by the Secretary; or

(II) domestically produced, or derived from domestically produced plants, moving in interstate commerce; or

(iii) non-woody plant material, from plants lacking a well-defined stem or stems and a more or less definite crown including roots, seeds, and germplasm, intended for research;

(B) The exclusions in paragraph (A) do not apply to plants listed—

(i) on an appendix to the Convention on International Trade in Endangered Species of Wild Fauna and Flora (27 UST 1087; TIAS 8249);

(ii) as an endangered or threatened species under the Endangered Species Act of 1973 (16 USC 1531 et seq.); or

(iii) pursuant to any State law that provides for the conservation of species threatened with extinction.

At the end, insert the following:

#### TITLE XIII—HOUSING ASSISTANCE COUNCIL

##### SEC. 13001. SHORT TITLE.

This title may be cited as the “Housing Assistance Council Authorization Act of 2007”.

##### SEC. 13002. ASSISTANCE TO HOUSING ASSISTANCE COUNCIL.

(a) USE.—The Secretary of Housing and Urban Development may provide financial assistance to the Housing Assistance Council for use by such Council to develop the ability and capacity of community-based housing development organizations to undertake community development and affordable housing projects and programs in rural areas. Assistance provided by the Secretary under this section may be used by the Housing Assistance Council for—

(1) technical assistance, training, support, and advice to develop the business and administrative capabilities of rural community-based housing development organizations;

(2) loans, grants, or other financial assistance to rural community-based housing development organizations to carry out community development and affordable housing activities for low- and moderate-income families; and

(3) such other activities as may be determined by the Housing Assistance Council.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated for financial assistance under this section for the Housing Assistance Council—

(1) \$10,000,000 for fiscal year 2008; and

(2) \$15,000,000 for each of fiscal years 2009 and 2010.

##### SEC. 13003. AUDITS AND REPORTS.

(a) AUDIT.—In any year in which the Housing Assistance Council receives funds under

this title, the Comptroller General of the United States shall—

(1) audit the financial transactions and activities of such Council only with respect to such funds so received; and

(2) submit a report detailing such audit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

(b) GAO REPORT.—The Comptroller General of the United States shall conduct a study and submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representative on the use of any funds appropriated to the Housing Assistance Council over the past 10 years.

##### SEC. 13004. PERSONS NOT LAWFULLY PRESENT IN THE UNITED STATES.

None of the funds made available under this title may be used to provide direct housing assistance to any person not lawfully present in the United States.

##### SEC. 13005. LIMITATION ON USE OF AUTHORIZED AMOUNTS.

None of the amounts authorized by this title may be used to lobby or retain a lobbyist for the purpose of influencing a Federal, State, or local governmental entity or officer.

On page 1161, between lines 8 and 9, insert the following:

##### “SEC. 9011. NEW CENTURY FARM PROJECT.

“There is authorized to be appropriated to the Secretary to support the development and operation of an integrated and sustainable biomass, feedstock, and biofuels production system to serve as a model for a new century farm \$15,000,000 for the period of fiscal years 2008 through 2012, to remain available until expended.”.

At the end of title VIII, add the following:

#### Subtitle D—Qualifying Timber Contract Options

##### SEC. 8301. QUALIFYING TIMBER CONTRACT OPTIONS.

(a) DEFINITIONS.—

(1) AUTHORIZED PRODUCER PRICE INDEX.—The term “authorized Producer Price Index” includes—

(A) the softwood commodity index (code number 0811);

(B) the hardwood commodity index (code number 0812);

(C) the wood chip index (code number PCU 3211332135); and

(D) any other subsequent comparable index, as established by the Bureau of Labor Statistics of the Department of Labor.

(2) QUALIFYING CONTRACT.—The term “qualifying contract” means a contract for the sale of timber on National Forest System land—

(A) that was awarded during the period beginning on July 1, 2004, and ending on December 31, 2006;

(B) for which there is unharvested volume remaining on the parcel of land that is the subject of the contract;

(C) for which, not later than 90 days after the date of enactment of this Act, the timber purchaser makes a written request to the Secretary for any option described in subsection (b);

(D) that is not a salvage sale; and

(E) that is not in breach or in default.

(3) SECRETARY.—The term “Secretary” means the Secretary of Agriculture (acting through the Chief of the Forest Service).

(b) OPTIONS FOR QUALIFYING CONTRACTS.—

(1) CANCELLATION; RATE REDETERMINATION.—Notwithstanding any other provision of law, if the rate at which a qualifying contract would be advertised as of the date of enactment of this Act is at least 50 percent

less than the sum of the original purchase rates for all of the species of timber that are the subject of the qualifying contract, the Secretary may, at the sole discretion of the Secretary—

(A) cancel the qualifying contract if the timber purchaser—

(i) pays 30 percent of the total value of the qualifying contract based on current contract rates;

(ii) completes each contractual obligation of the timber purchaser with respect to each unit on which harvest has begun, (including the removal of downed timber, the completion of road work, and the completion of erosion control work) to a logical stopping point, as determined by the Secretary, in consultation with the timber purchaser; and

(iii) terminates the rights of the timber purchaser under the qualifying contract; or

(B) redetermine the rate of the qualifying contract to equal the sum obtained by adding—

(1) 25 percent of the bid premium on the qualifying contract; and

(ii) the rate at which the qualifying contract would be advertised as of the date of enactment of this Act.

(2) **SUBSTITUTION OF INDEX.**—

(A) **IN GENERAL.**—Notwithstanding any other provision of law, the Secretary may, at the sole discretion of the Secretary, substitute the Producer Price Index in provision A20 of a qualifying contract if the timber purchaser of the qualifying contract identifies—

(i) each product that the timber purchaser intends to produce from the timber harvested from each unit of land that is the subject of the qualifying contract; and

(ii) a substitute index that contains products similar to each product identified in clause (i) from an authorized Producer Price Index.

(B) **AUTHORITY OF SECRETARY TO MODIFY QUALIFYING CONTRACT.**—If the Secretary substitutes the Producer Price Index of a qualifying contract under subparagraph (A), the Secretary may modify the qualifying contract as the Secretary determines to be necessary to provide for an emergency rate re-determination.

(C) **EXTENSION OF QUALIFYING CONTRACTS.**—With respect to a qualifying contract for which the current contract rate is redetermined by the Secretary under subsection (b)(1)(B), or for which the Producer Price Index is substituted by the Secretary under subsection (b)(2), the Secretary may—

(1) extend the contract term for a 1-year period beginning on the contract termination date; and

(2) adjust the periodic payments required under the contract in accordance with applicable law (including regulations) and policies.

(d) **EFFECT OF OPTIONS.**—

(1) **IN GENERAL.**—This section shall not have the effect of surrendering any claim by the United States against any timber purchaser that arose under a qualifying contract before the date on which the Secretary conducts a cancellation, rate redetermination, or index substitution under subsection (b).

(2) **RELEASE OF LIABILITY.**—The United States shall be released from all liability, including further consideration or compensation, resulting from—

(A) a cancellation, rate redetermination, or index substitution conducted by the Secretary under subsection (b); or

(B) a determination made by the Secretary not to cancel, redetermine any rate, or substitute any index under subsection (b).

(3) **LIMITATION.**—A cancellation, rate re-determination, or index substitution conducted by the Secretary under subsection (b) shall

release the timber purchaser from liability for any damages resulting from the cancellation, rate redetermination, or index substitution.

On page 499, strike lines 1 through 12 and insert the following:

**SEC. 2607. DESERT TERMINAL LAKES.**

Section 2507 of the Farm Security and Rural Investment Act of 2002 (43 U.S.C. 2211 note; Public Law 107-171) is amended—

(1) in subsection (a), by striking “, as soon as practicable after the date of enactment of this Act,” and inserting the following: “and paragraph (1) of section 207(a) of Public Law 108-7 (117 Stat. 146), notwithstanding paragraph (3) of that section, on the date of enactment of the Food and Energy Security Act of 2007;” and

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

“(b) **PERMITTED USES.**—In any case in which there are willing sellers, the funds described in subsection (a) may be used—

“(1) to lease water; or

“(2) to purchase land, water appurtenant to the land, and related interests in the Walker River Basin in accordance with section 208(a)(1)(A) of the Energy and Water Development Appropriations Act, 2006 (Public Law 109-103, 119 Stat. 2268).”

Beginning on page 664, strike line 23 and all that follows through page 665, line 5, and insert the following:

(2) by redesignating paragraph (2) as paragraph (4);

(3) by inserting after paragraph (1) the following:

“(2) **ADMINISTRATION.**—In providing grants under paragraph (1), the Secretary shall give priority to projects that can be replicated in schools.

“(3) **PILOT PROGRAM FOR HIGH-POVERTY SCHOOLS.**—

“(A) **DEFINITIONS.**—In this paragraph:

“(i) **ELIGIBLE PROGRAM.**—The term ‘eligible program’ means—

“(I) a school-based program with hands-on vegetable gardening and nutrition education that is incorporated into the curriculum for 1 or more grades at 2 or more eligible schools; or

“(II) a community-based summer program with hands-on vegetable gardening and nutrition education that is part of, or coordinated with, a summer enrichment program at 2 or more eligible schools.

“(ii) **ELIGIBLE SCHOOL.**—The term ‘eligible school’ means a public school, at least 50 percent of the students of which are eligible for free or reduced price meals under this Act.

“(B) **ESTABLISHMENT.**—The Secretary shall carry out a pilot program under which the Secretary shall provide to nonprofit organizations or public entities in not more than 5 States grants to develop and run, through eligible programs, community gardens at eligible schools in the States that would—

“(i) be planted, cared for, and harvested by students at the eligible schools; and

“(ii) teach the students participating in the community gardens about agriculture, sound farming practices, and diet.

“(C) **PRIORITY STATES.**—Of the States provided a grant under this paragraph—

“(i) at least 1 State shall be among the 15 largest States, as determined by the Secretary;

“(ii) at least 1 State shall be among the 16th to 30th largest States, as determined by the Secretary; and

“(iii) at least 1 State shall be a State that is not described in clause (i) or (ii).

“(D) **USE OF PRODUCE.**—Produce from a community garden provided a grant under this paragraph may be—

“(i) used to supplement food provided at the eligible school;

“(ii) distributed to students to bring home to the families of the students; or

“(iii) donated to a local food bank or senior center nutrition program.

“(E) **NO COST-SHARING REQUIREMENT.**—A nonprofit organization or public entity that receives a grant under this paragraph shall not be required to share the cost of carrying out the activities assisted under this paragraph.

“(F) **EVALUATION.**—A nonprofit organization or public entity that receives a grant under this paragraph shall be required to cooperate in an evaluation in accordance with paragraph (1)(H).

“(G) **AUTHORIZATION OF APPROPRIATIONS.**—There is authorized to be appropriated to carry out this paragraph \$10,000,000; and

(4) in paragraph (4) (as redesignated by paragraph (2)), by inserting “(other than paragraph (3))” after “this subsection”.

At the appropriate place in title XI, insert the following:

**SEC. . FOOD SAFETY IMPROVEMENT.**

(a) **REPORTABLE FOOD REGISTRIES.**—

(1) **FEDERAL MEAT INSPECTION.**—The Federal Meat Inspection Act is amended—

(A) by redesignating section 411 (21 U.S.C. 680) as section 412; and

(B) by inserting after section 410 (21 U.S.C. 679a) the following:

“**SEC. 411. REPORTABLE FOOD EVENT.**

“(a) **DEFINITIONS.**—In this section:

“(1) **REPORTABLE FOOD.**—The term ‘reportable food’ means meat or a meat food product under this Act for which there is a reasonable probability that the use of, or exposure to, the meat or meat food product will cause serious adverse health consequences or death to humans or animals.

“(2) **REGISTRY.**—The term ‘Registry’ means the registry established under subsection (b).

“(3) **RESPONSIBLE PARTY.**—The term ‘responsible party’, with respect to a reportable food, means an operator of an establishment subject to inspection under this Act at which the reportable food is manufactured, processed, packed, or held.

“(b) **ESTABLISHMENT.**—

“(1) **IN GENERAL.**—Not later than 1 year after the date of enactment of the Food and Energy Security Act of 2007, the Secretary shall establish within the Department of Agriculture a Reportable Meat Registry to which information concerning reportable food may be submitted via an electronic portal, from—

“(A) employees of the Food Safety and Inspection Service;

“(B) Federal, State, and local public health officials; and

“(C) responsible parties.

“(2) **REVIEW BY SECRETARY.**—The Secretary shall promptly review and assess the information submitted under paragraph (1) for the purposes of—

“(A) identifying reportable food;

“(B) submitting entries to the Registry;

“(C) taking actions under subsection (c); and

“(D) exercising other food safety authority of the Secretary to protect the health and safety of humans and animals.

“(c) **ISSUANCE OF AN ALERT BY THE SECRETARY.**—

“(1) **IN GENERAL.**—The Secretary shall issue, or cause to be issued, an alert or a notification with respect to a reportable food using information from the Registry as the Secretary considers necessary to protect the health and safety of humans and animals.

“(2) **EFFECT.**—Paragraph (1) shall not affect the authority of the Secretary to issue an alert or a notification under any other provision of law.

“(d) **REPORTING AND NOTIFICATION.**—

“(1) **IN GENERAL.**—Except as provided in paragraph (2), as soon as practicable, but in

no case later than 24 hours after a responsible party determines that meat or meat food product is a reportable food, the responsible party shall—

“(A) submit a report to the Secretary through the Registry that includes information described in subsection (e) (other than the information described in paragraphs (7), (8), and (9) of that subsection); and

“(B) investigate the cause of the event that caused the meat or meat food product to be a reportable food, if the reportable food originated with the responsible party.

“(2) NO REPORT REQUIRED.—A responsible party shall not be required to submit a report under paragraph (1) if—

“(A) the adulteration or misbranding originated with the responsible party;

“(B) the responsible party detected the adulteration or misbranding prior to any transfer to another person of the meat or meat food product; and

“(C) the responsible party—

“(i) corrected the adulteration or misbranding; or

“(ii) destroyed or caused the destruction of the meat or meat food product.

“(3) REPORT NUMBER.—The Secretary shall ensure that, upon submission of a report under paragraph (1), a unique number is issued through the Registry to the person submitting the report, by which the Secretary is able—

“(A) to link reports about the reportable food submitted and amended under this subsection; and

“(B) identify the supply chain for the reportable food.

“(4) RESPONSE TO REPORT SUBMITTED BY A RESPONSIBLE PARTY.—After consultation with the responsible party that submitted a report under paragraph (1), the Secretary may require the responsible party to perform, as soon as practicable, but in no case later than a time specified by the Secretary, 1 or more of the following, as determined by the Secretary:

“(A) Amend the report submitted by the responsible party under paragraph (1) to include the information described in subsection (e)(8).

“(B) Provide a notification—

“(i) to the immediate previous source of the reportable food;

“(ii) to the immediate subsequent recipient of the reportable food; and

“(iii) that includes—

“(I) the information described in subsection (e) that the Secretary considers necessary;

“(II) the actions described under paragraph (5) that the recipient of the notification shall perform, as required by the Secretary; and

“(III) any other information that the Secretary may require.

“(5) SUBSEQUENT REPORTS AND NOTIFICATIONS.—Except as provided in paragraph (6), the Secretary may require a responsible party to perform, as soon as practicable, but in no case later than a time specified by the Secretary, after the responsible party receives a notification under subparagraph (C) or paragraph (4)(B), 1 or more of the following:

“(A) Submit a report to the Secretary through the Registry established under subsection (b) that includes the information described in subsection (e) and other information that the Secretary considers necessary.

“(B) Investigate the cause of the adulteration or misbranding if the adulteration or misbranding of the reportable food may have originated with the responsible party.

“(C) Provide a notification—

“(i) to the immediate previous source of the reportable food;

“(ii) to the immediate subsequent recipient of the reportable food; and

“(iii) that includes—

“(I) the information described in subsection (e) that the Secretary considers necessary;

“(II) the actions described under this paragraph that the recipient of the notification shall perform, as required by the Secretary; and

“(III) any other information that the Secretary may require.

“(6) AMENDED REPORT.—If a responsible party receives a notification under paragraph (4)(B) or paragraph (5)(C) with respect to a reportable food after the responsible party has submitted a report to the Secretary under paragraph (1) with respect to the reportable food, the responsible party—

“(A) shall not be required to submit an additional report or make a notification under paragraph (5); and

“(B) the responsible party shall amend the report submitted by the responsible party under paragraph (1) to include the information described in paragraph (7), and, with respect to both the notification and the report, paragraph (10) of subsection (e).

“(e) INFORMATION.—The information described in this subsection is the following:

“(1) The date on which the meat or meat food product was determined to be a reportable food.

“(2) A description of the reportable food, including the quantity of the reportable food.

“(3) The extent and nature of the adulteration or misbranding.

“(4) If the adulteration or misbranding of the reportable food may have originated with the responsible party, the results of the investigation required under paragraph (1)(B) or (5)(B) of subsection (d), as applicable, and when known.

“(5) The disposition of the reportable food, if known.

“(6) Product information typically found on packaging including product codes, use-by dates, and the names of manufacturers, packers, or distributors sufficient to identify the reportable food.

“(7) Contact information for the responsible party.

“(8) The contact information for parties directly linked in the supply chain and notified under paragraph (4)(B) or (5)(C) of subsection (d), as applicable.

“(9) The information required by the Secretary to be included in a notification provided by the responsible party involved under paragraph (4)(B) or (5)(C) of subsection (d) or required in a report under subsection (d)(5)(A).

“(10) The unique number described in subsection (d)(3).

“(f) COORDINATION OF FEDERAL, STATE, AND LOCAL EFFORTS.—

“(1) FOOD AND DRUG ADMINISTRATION.—In carrying out this section, the Secretary shall—

“(A) share information and coordinate regulatory efforts with the Commissioner of Food and Drugs; and

“(B) if the Secretary receives a report submitted about a food within the jurisdiction of the Commissioner, promptly provide the report to the Commissioner.

“(2) STATES AND LOCALITIES.—In carrying out this section, the Secretary shall work with the State and local public health officials to share information that is not confidential commercial or financial information protected under section 552(b)(4) of title 5, United States Code, and coordinate regulatory efforts, in order to—

“(A) help to ensure coverage of the safety of the food supply chain, including those establishments regulated by the States and localities that are not regulated under this Act; and

“(B) reduce duplicative regulatory efforts.

“(g) MAINTENANCE AND INSPECTION OF RECORDS.—

“(1) IN GENERAL.—The responsible party shall maintain records related to each report received, notification made, and report submitted to the Secretary under this section for at least 2 years.

“(2) INSPECTION.—A responsible party shall, at the request of the Secretary, permit inspection of records maintained under paragraph (1).

“(h) REQUEST FOR INFORMATION.—Section 552 of title 5, United States Code, shall apply to any request for information regarding a record in the Registry.

“(i) SAFETY REPORT.—A report or notification under subsection (d) may be accompanied by a statement, which shall be part of any report released for public disclosure, that denies that the report or the notification constitutes an admission that the product involved caused or contributed to a death, serious injury, or serious illness.

“(j) ADMISSION.—A report or notification under this section shall not be considered an admission that the reportable food involved is adulterated, misbranded, or caused or contributed to a death, serious injury, or serious illness.

“(k) HOMELAND SECURITY NOTIFICATION.—If, after receiving a report under subsection (d), the Secretary believes the reportable food may have been deliberately adulterated or misbranded, the Secretary shall—

“(1) immediately notify the Secretary of Homeland Security; and

“(2) make relevant information from the Registry available to the Secretary of Homeland Security.

“(l) VIOLATIONS.—A responsible party that fails to comply with any requirement of this section shall be subject to an appropriate penalty under section 406.”

(2) POULTRY PRODUCTS INSPECTION ACT.—The Poultry Products Inspection Act is amended by inserting after section 10 (21 U.S.C. 459) the following:

“SEC. 10A. REPORTABLE FOOD EVENT.

“(a) DEFINITIONS.—In this section:

“(1) REPORTABLE FOOD.—The term ‘reportable food’ means poultry or a poultry product under this Act for which there is a reasonable probability that the use of, or exposure to, the poultry or poultry product will cause serious adverse health consequences or death to humans or animals.

“(2) REGISTRY.—The term ‘Registry’ means the registry established under subsection (b).

“(3) RESPONSIBLE PARTY.—The term ‘responsible party’, with respect to a reportable food, means an operator of an official establishment.

“(b) ESTABLISHMENT.—

“(1) IN GENERAL.—Not later than 1 year after the date of enactment of the Food and Energy Security Act of 2007, the Secretary shall establish within the Department of Agriculture a Reportable Poultry Registry to which information concerning reportable food may be submitted via an electronic portal, from—

“(A) employees of the Food Safety and Inspection Service;

“(B) Federal, State, and local public health officials; and

“(C) responsible parties.

“(2) REVIEW BY SECRETARY.—The Secretary shall promptly review and assess the information submitted under paragraph (1) for the purposes of—

“(A) identifying reportable food;

“(B) submitting entries to the Registry;

“(C) taking actions under subsection (c); and

“(D) exercising other food safety authority of the Secretary to protect the health and safety of humans and animals.

“(c) ISSUANCE OF AN ALERT BY THE SECRETARY.—

“(1) IN GENERAL.—The Secretary shall issue, or cause to be issued, an alert or a notification with respect to a reportable food using information from the Registry as the Secretary considers necessary to protect the health and safety of humans and animals.

“(2) EFFECT.—Paragraph (1) shall not affect the authority of the Secretary to issue an alert or a notification under any other provision of law.

“(d) REPORTING AND NOTIFICATION.—

“(1) IN GENERAL.—Except as provided in paragraph (2), as soon as practicable, but in no case later than 24 hours after a responsible party determines that poultry or poultry product is a reportable food, the responsible party shall—

“(A) submit a report to the Secretary through the Registry that includes information described in subsection (e) (other than the information described in paragraphs (7), (8), and (9) of that subsection); and

“(B) investigate the cause of the event that caused the poultry or poultry product to be a reportable food, if the reportable food originated with the responsible party.

“(2) NO REPORT REQUIRED.—A responsible party shall not be required to submit a report under paragraph (1) if—

“(A) the adulteration or misbranding originated with the responsible party;

“(B) the responsible party detected the adulteration or misbranding prior to any transfer to another person of the poultry or poultry product; and

“(C) the responsible party—

“(i) corrected the adulteration or misbranding; or

“(ii) destroyed or caused the destruction of the poultry or poultry product.

“(3) REPORT NUMBER.—The Secretary shall ensure that, upon submission of a report under paragraph (1), a unique number is issued through the Registry to the person submitting the report, by which the Secretary is able—

“(A) to link reports about the reportable food submitted and amended under this subsection; and

“(B) identify the supply chain for the reportable food.

“(4) RESPONSE TO REPORT SUBMITTED BY A RESPONSIBLE PARTY.—After consultation with the responsible party that submitted a report under paragraph (1), the Secretary may require the responsible party to perform, as soon as practicable, but in no case later than a time specified by the Secretary, 1 or more of the following, as determined by the Secretary:

“(A) Amend the report submitted by the responsible party under paragraph (1) to include the information described in subsection (e)(8).

“(B) Provide a notification—

“(i) to the immediate previous source of the reportable food;

“(ii) to the immediate subsequent recipient of the reportable food; and

“(iii) that includes—

“(I) the information described in subsection (e) that the Secretary considers necessary;

“(II) the actions described under paragraph (5) that the recipient of the notification shall perform, as required by the Secretary; and

“(III) any other information that the Secretary may require.

“(5) SUBSEQUENT REPORTS AND NOTIFICATIONS.—Except as provided in paragraph (6), the Secretary may require a responsible party to perform, as soon as practicable, but in no case later than a time specified by the Secretary, after the responsible party receives a notification under subparagraph (C)

or paragraph (4)(B), 1 or more of the following:

“(A) Submit a report to the Secretary through the Registry established under subsection (b) that includes the information described in subsection (e) and other information that the Secretary considers necessary.

“(B) Investigate the cause of the adulteration or misbranding if the adulteration or misbranding of the reportable food may have originated with the responsible party.

“(C) Provide a notification—

“(i) to the immediate previous source of the reportable food;

“(ii) to the immediate subsequent recipient of the reportable food; and

“(iii) that includes—

“(I) the information described in subsection (e) that the Secretary considers necessary;

“(II) the actions described under this paragraph that the recipient of the notification shall perform, as required by the Secretary; and

“(III) any other information that the Secretary may require.

“(6) AMENDED REPORT.—If a responsible party receives a notification under paragraph (4)(B) or paragraph (5)(C) with respect to a reportable food after the responsible party has submitted a report to the Secretary under paragraph (1) with respect to the reportable food, the responsible party—

“(A) shall not be required to submit an additional report or make a notification under paragraph (5); and

“(B) the responsible party shall amend the report submitted by the responsible party under paragraph (1) to include the information described in paragraph (7), and, with respect to both the notification and the report, paragraph (10) of subsection (e).

“(e) INFORMATION.—The information described in this subsection is the following:

“(1) The date on which the poultry or poultry product was determined to be a reportable food.

“(2) A description of the reportable food, including the quantity of the reportable food.

“(3) The extent and nature of the adulteration or misbranding.

“(4) If the adulteration or misbranding of the reportable food may have originated with the responsible party, the results of the investigation required under paragraph (1)(B) or (5)(B) of subsection (d), as applicable, and when known.

“(5) The disposition of the reportable food, if known.

“(6) Product information typically found on packaging including product codes, use-by dates, and the names of manufacturers, packers, or distributors sufficient to identify the reportable food.

“(7) Contact information for the responsible party.

“(8) The contact information for parties directly linked in the supply chain and notified under paragraph (4)(B) or (5)(C) of subsection (d), as applicable.

“(9) The information required by the Secretary to be included in a notification provided by the responsible party involved under paragraph (4)(B) or (5)(C) of subsection (d) or required in a report under subsection (d)(5)(A).

“(10) The unique number described in subsection (d)(3).

“(f) COORDINATION OF FEDERAL, STATE, AND LOCAL EFFORTS.—

“(1) FOOD AND DRUG ADMINISTRATION.—In carrying out this section, the Secretary shall—

“(A) share information and coordinate regulatory efforts with the Commissioner of Food and Drugs; and

“(B) if the Secretary receives a report submitted about a food within the jurisdiction of the Commissioner, promptly provide the report to the Commissioner.

“(2) STATES AND LOCALITIES.—In carrying out this section, the Secretary shall work with the State and local public health officials to share information that is not confidential commercial or financial information protected under section 552(b)(4) of title 5, United States Code, and coordinate regulatory efforts, in order to—

“(A) help to ensure coverage of the safety of the food supply chain, including those establishments regulated by the States and localities that are not regulated under this Act; and

“(B) reduce duplicative regulatory efforts.

“(g) MAINTENANCE AND INSPECTION OF RECORDS.—

“(1) IN GENERAL.—The responsible party shall maintain records related to each report received, notification made, and report submitted to the Secretary under this section for at least 2 years.

“(2) INSPECTION.—A responsible party shall, at the request of the Secretary, permit inspection of records maintained under paragraph (1).

“(h) REQUEST FOR INFORMATION.—Section 552 of title 5, United States Code, shall apply to any request for information regarding a record in the Registry.

“(i) SAFETY REPORT.—A report or notification under subsection (d) may be accompanied by a statement, which shall be part of any report released for public disclosure, that denies that the report or the notification constitutes an admission that the product involved caused or contributed to a death, serious injury, or serious illness.

“(j) ADMISSION.—A report or notification under this section shall not be considered an admission that the reportable food involved is adulterated, misbranded, or caused or contributed to a death, serious injury, or serious illness.

“(k) HOMELAND SECURITY NOTIFICATION.—If, after receiving a report under subsection (d), the Secretary believes the reportable food may have been deliberately adulterated or misbranded, the Secretary shall—

“(1) immediately notify the Secretary of Homeland Security; and

“(2) make relevant information from the Registry available to the Secretary of Homeland Security.

“(1) PENALTIES.—A responsible party that fails to comply with any requirement of this section shall be subject to an appropriate penalty under section 12.”

(3) CONFORMING AMENDMENT.—Section 12(a) of the Poultry Products Inspection Act (21 U.S.C. 461(a)) is amended by inserting “10A,” after “10.”

(4) EFFECTIVE DATE.—The amendments made by the subsection take effect on the date that is 1 year after the date of enactment of this Act.

(5) GUIDANCE.—Not later than 270 days after the date of enactment of this Act, the Secretary shall issue a guidance to industry relating to—

(A) the submission of reports to the registries established under section 411 of the Federal Meat Inspection Act (as amended by paragraph (1)) and section 10A of the Poultry Products Inspection Act (as amended by paragraph (2)); and

(B) the provision of notification to other persons in the supply chain of reportable food under those sections.

(6) EFFECT.—Nothing in this subsection, or an amendment made by this subsection, alters the jurisdiction between the Secretary and the Secretary of Health and Human Services, under applicable law (including regulations).

(b) **SUPPLEMENTAL PLANS AND REASSESSMENTS.**—The Secretary shall require that each establishment required by the Secretary to have a hazard analysis and critical control point plan in accordance with the final rule of the Secretary (61 Fed. Reg. 38806 (July 25, 1996)) shall submit to the Secretary, in writing—

(1) at a minimum, a recall plan described in Directive 8080.1, Rev. 4 (May 24, 2004) of the Food Safety and Inspection Service (or a successor directive); and

(2) for beef products, an E. coli reassessment described in the supplementary information relating to E. coli O157: H7 Contamination of Beef Products (67 Fed. Reg. 62325 (October 7, 2002); part 417 of title 9, Code of Federal Regulations).

(c) **SANITARY TRANSPORTATION OF FOOD.**—

(1) **IN GENERAL.**—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall promulgate regulations described in section 416(b) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 350e(b)).

(2) **MEMORANDUM OF UNDERSTANDING.**—Not later than 180 days after the date of enactment of this Act, the Secretary, the Secretary of Health and Human Services, and the Secretary of Transportation shall enter into a memorandum of understanding to ensure that the Secretaries work together effectively to ensure the safety and security of the food supply of the United States, particularly in relation to distribution channels involving transportation (as described in the withdrawal of notices of proposed rulemaking (70 Fed. Reg. 76228 (December 23, 2005))).

At the appropriate place in title XI, insert the following:

**SEC. 11 . . . OFFICE OF SMALL FARMS AND BEGINNING FARMERS AND RANCHERS.**

(a) **IN GENERAL.**—Subtitle B of title II of the Department of Agriculture Reorganization Act of 1994 (as amended by section 11059(a)) is amended by inserting after section 226B the following:

**“SEC. 226C. OFFICE OF SMALL FARMS AND BEGINNING FARMERS AND RANCHERS.**

“(a) **ESTABLISHMENT.**—Not less than 180 days after the date of enactment of this section, the Secretary shall establish and maintain within the executive operations of the Department an office, to be known as the ‘Office of Small Farms and Beginning Farmers and Ranchers’ (referred to in this section as the ‘Office’).

“(b) **PURPOSES.**—The purposes of the Office are—

“(1) to ensure coordination across all agencies of the Department—

“(A) to improve use of the programs and services of the Department; and

“(B) to enhance the viability of small, beginning, and socially disadvantaged farmers and ranchers and others, as the Secretary determines to be necessary;

“(2) to ensure small, beginning, and socially disadvantaged farmers and ranchers access to, and equitable participation in, commodity, credit, risk management and disaster protection, conservation, marketing, nutrition, value-added, rural development, and other programs and services of the Department;

“(3) to ensure that the number and economic contributions of small, limited-resource, beginning, and socially disadvantaged farmers and ranchers are accurately reflected in the Census of Agriculture and in other reports; and

“(4) to assess and enhance the effectiveness of outreach and programs of the Department—

“(A) to reduce barriers to program participation;

“(B) to improve service provided through programs of the Department to small, beginning, and socially disadvantaged farmers and ranchers; and

“(C) by suggesting to the Secretary new initiatives and programs to better serve the needs of small, socially disadvantaged, and beginning farmers and ranchers.

“(c) **DIRECTOR.**—

“(1) **IN GENERAL.**—The Office shall be headed by a Director.

“(2) **ASSUMPTION OF DUTIES.**—Effective on the date of establishment of the Office under subsection (a), the Director shall assume the duties and personnel of the Director of Small Farms Coordination, as in existence on the day before the date of enactment of this section.

“(d) **DUTIES.**—The Office shall—

“(1) in collaboration with such other agencies and offices of the Department as the Secretary determines to be necessary, develop and implement a plan to coordinate the activities established under Departmental Regulation 9700-1 (August 3, 2006), including activities of the Small and Beginning Farmers and Ranchers Council and services provided by the Department to small farms and beginning farmers and ranchers;

“(2) coordinate with the Office of Outreach to provide consultation, training, and liaison activities with eligible entities (as defined in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 7 U.S.C. 2279(e));

“(3) cooperate with, and monitor, agencies and offices of the Department to ensure that the Department is meeting the needs of small farms and of beginning farmers and ranchers;

“(4) establish cross-cutting and strategic departmental goals and objectives for small farms and beginning farmers and ranchers and for each associated program;

“(5) provide input to agencies and offices of the Department on program and policy decisions to ensure that the interests of small farms and of beginning farmers and ranchers are represented;

“(6) measure outcomes of all small farm programs and beginning farmer and rancher programs and track progress made in achieving the goals of the programs;

“(7) supervise data collection by agencies and offices of the Department regarding characteristics of small farms and beginning farmers and ranchers to ensure that the goals and objectives, and measures carried out to achieve those goals and objectives, can be measured and evaluated; and

“(8) carry out any other related duties that the Secretary determines to be appropriate.

“(e) **OUTREACH.**—The Office shall establish and maintain an Internet website—

“(1) to share information with interested producers; and

“(2) to collect and respond to comments from small and beginning farmers and ranchers, including comments of the Small and Beginning Farmers and Ranchers Council.

“(f) **RESOURCES.**—Using funds made available to the Secretary in appropriations Acts, the Secretary shall provide to the Office such human and capital resources as are sufficient to allow the Office to carry out the duties of the Office under this section in a timely and efficient manner.

“(g) **ANNUAL REPORT.**—The Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate annual reports that describe actions taken by the Office during the preceding calendar year to advance the interests of small farms and beginning farmers and ranchers.”

(b) **CONFORMING AMENDMENT.**—Section 296(b) of the Department of Agriculture Re-

organization Act of 1994 (7 U.S.C. 7014(b)) is amended—

(1) in paragraph (6) (as added by section 7401(c)(1)), by striking “or” at the end;

(2) in paragraph (7) (as added by section 11059(b)), by striking the period at the end and inserting “; or”; and

(3) by adding at the end the following:

“(8) the authority of the Secretary to establish in the Department the Office of Small Farms and Beginning Farmers and Ranchers in accordance with section 226C.”

On page 1362, between lines 19 and 20, insert the following:

**SEC. 110 . . . STUDY OF IMPACTS OF LOCAL FOOD SYSTEMS AND COMMERCE.**

(a) **STUDY.**—The Secretary shall conduct a study on the impacts of local food systems and commerce that shall, at a minimum—

(1) develop a working definition of local food systems and commerce; and

(2) identify indicators, and include an assessment of—

(A) the market share of local food systems and commerce throughout the United States and by region;

(B) the potential community, economic, health and nutrition, environmental, food safety, and food security impacts of advancing local food systems and commerce;

(C) the potential energy, transportation, water resource, and climate change impacts of local food systems and commerce;

(D) the structure of agricultural considerations and impacts throughout the United States and by region;

(E) the interest of agricultural producers in diversifying to access local markets and the barriers and opportunities confronted by agricultural producers in the process of diversification;

(F) the current availability and present and future need of independent processing plants that cater to local food commerce, including difficulty in meeting regulatory requirements;

(G) the key gaps in food processing, distribution, marketing, and economic development, including regional differences in infrastructure gaps and other barriers;

(H) the role of public and private institutions and institutional and governmental buying systems and procurement policies in purchasing products through local food systems;

(I) the benefits and challenges for children and families in the most vulnerable rural and urban sectors of the United States; and

(J) the challenges that prevent local foods from comprising a larger share of the per capita food consumption in the United States, and existing and potential strategies, policies, and programs to address those challenges.

(b) **COLLABORATION.**—

(1) **IN GENERAL.**—The Secretary shall appoint a collaborative study team to oversee and conduct the research necessary to conduct the study described in subsection (a) and the case studies described in subsection (c).

(2) **MEMBERSHIP.**—The study team shall include representatives of—

(A) the Economic Research Service, Agricultural Marketing Service, and other appropriate agencies of the Department of Agriculture or other Federal agencies;

(B) the Environmental Protection Agency;

(C) institutions of higher education, including at least 1 institution of higher education representative from each of the regions studied;

(D) small farmers;

(E) nongovernmental organizations with appropriate expertise; and

(F) State and local governments.

(c) **CASE STUDIES.**—

(1) IN GENERAL.—The study team appointed by the Secretary under subsection (b) shall carry out case studies in representative production and marketing regions in the United States to address the issues being studied under subsection (a).

(2) REQUIREMENTS.—In carrying out case studies, the study team shall—

(A) identify opportunities for primary research; and

(B) to the maximum extent practicable, use existing surveys, data, and research.

(3) COMPONENTS.—Each case study shall—

(A) identify and, to the maximum extent practicable, evaluate the success of relevant Federal, State, and local policies that are intended to induce local food purchasing and commerce;

(B) examine the agricultural structure in each region to account for the impact of farm size and type of production on local economies and barriers to accessing local markets;

(C) determine regional market trends and the share of the market supplied by current agricultural producers in the region; and

(D) assess the potential for local food system value chains and supply networks and map the supply chain factors in each region involved in agricultural production, processing, and distribution of locally grown produce, meat, dairy, and other products.

(d) REPORTS.—Not later than 2 years after the date of enactment of this Act, and thereafter as the Secretary considers appropriate, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report that—

(1) describes the results of the study conducted under subsection (a) and the case studies under subsection (c); and

(2) includes such recommendations for legislative action as the Secretary considers appropriate.

On page 1362, between lines 19 and 20, insert the following:

**SEC. 11072. INVASIVE SPECIES REVOLVING LOAN FUND.**

(a) DEFINITIONS.—In this section:

(1) AUTHORIZED EQUIPMENT.—

(A) IN GENERAL.—The term “authorized equipment” means any equipment necessary for the management of forest land.

(B) INCLUSIONS.—The term “authorized equipment” includes—

(i) cherry pickers;

(ii) equipment necessary for—

(I) the construction of staging and marshalling areas;

(II) the planting of trees; and

(III) the surveying of forest land;

(iv) vehicles capable of transporting harvested trees;

(v) wood chippers; and

(vi) any other appropriate equipment, as determined by the Secretary.

(2) FUND.—The term “Fund” means the Invasive Species Revolving Loan Fund established by subsection (b).

(3) SECRETARY.—The term “Secretary” means the Secretary of Agriculture, acting through the Deputy Chief of the State and Private Forestry organization.

(b) ESTABLISHMENT OF FUND.—There is established in the Treasury of the United States a revolving fund, to be known as the “Invasive Species Revolving Loan Fund”, consisting of such amounts as are appropriated to the Fund under subsection (f).

(c) EXPENDITURES FROM FUND.—

(1) IN GENERAL.—Subject to paragraph (2), on request by the Secretary, the Secretary of the Treasury shall transfer from the Fund to the Secretary such amounts as the Secretary determines are necessary to provide loans under subsection (e).

(2) ADMINISTRATIVE EXPENSES.—An amount not exceeding 10 percent of the amounts in the Fund shall be available for each fiscal year to pay the administrative expenses necessary to carry out this section.

(d) TRANSFERS OF AMOUNTS.—

(1) IN GENERAL.—The amounts required to be transferred to the Fund under this section shall be transferred at least monthly from the general fund of the Treasury to the Fund on the basis of estimates made by the Secretary of the Treasury.

(2) ADJUSTMENTS.—Proper adjustment shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or less than the amounts required to be transferred.

(e) USES OF FUND.—

(1) LOANS.—

(A) IN GENERAL.—The Secretary shall use amounts in the Fund to provide loans to eligible units of local government to finance purchases of authorized equipment to monitor, remove, dispose of, and replace infested trees that are located—

(i) on land under the jurisdiction of the eligible units of local government; and

(ii) within the borders of quarantine areas infested by invasive species.

(B) MAXIMUM AMOUNT.—The maximum amount of a loan that may be provided by the Secretary to an eligible unit of local government under this subsection shall be the lesser of—

(i) the amount that the eligible unit of local government has appropriated—

(I) to finance purchases of authorized equipment to monitor, remove, dispose of, and replace infested trees that are located—

(aa) on land under the jurisdiction of the eligible unit of local government; and

(bb) within the borders of a quarantine area infested by invasive species; and

(II) to enter into contracts with appropriate individuals and entities to monitor, remove, dispose of, and replace infested trees that are located in each area described in subclause (I); or

(ii) \$5,000,000.

(C) INTEREST RATE.—The interest rate on any loan made by the Secretary under this paragraph shall be a rate equal to 2 percent.

(D) REPORT.—Not later than 180 days after the date on which an eligible unit of local government receives a loan provided by the Secretary under subparagraph (A), the eligible unit of local government shall submit to the Secretary a report that describes each purchase made by the eligible unit of local government using assistance provided through the loan.

(2) LOAN REPAYMENT SCHEDULE.—

(A) IN GENERAL.—To be eligible to receive a loan from the Secretary under paragraph (1), in accordance with each requirement described in subparagraph (B), an eligible unit of local government shall enter into an agreement with the Secretary to establish a loan repayment schedule relating to the repayment of the loan.

(B) REQUIREMENTS RELATING TO LOAN REPAYMENT SCHEDULE.—A loan repayment schedule established under subparagraph (A) shall require the eligible unit of local government—

(i) to repay to the Secretary of the Treasury, not later than 1 year after the date on which the eligible unit of local government receives a loan under paragraph (1), and semiannually thereafter, an amount equal to the quotient obtained by dividing—

(I) the principal amount of the loan (including interest); by

(II) the total quantity of payments that the eligible unit of local government is required to make during the repayment period of the loan; and

(ii) not later than 20 years after the date on which the eligible unit of local government receives a loan under paragraph (1), to complete repayment to the Secretary of the Treasury of the loan made under this section (including interest).

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Fund such sums as are necessary to carry out this section.

**SEC. 11073. COOPERATIVE AGREEMENTS RELATING TO INVASIVE SPECIES PREVENTION ACTIVITIES.**

Any cooperative agreement entered into after the date of enactment of this Act between the Secretary and a State relating to the prevention of invasive species infestation shall allow the State to provide any cost-sharing assistance or financing mechanism provided to the State under the cooperative agreement to a unit of local government of the State that—

(1) is engaged in any activity relating to the prevention of invasive species infestation; and

(2) is capable of documenting each invasive species infestation prevention activity generally carried out by—

(A) the Department of Agriculture; or

(B) the State department of agriculture that has jurisdiction over the unit of local government.

At the end of title VIII, insert the following:

**SEC. 8 \_\_\_\_\_. SALE AND EXCHANGE OF NATIONAL FOREST SYSTEM LAND, VERMONT.**

(a) DEFINITIONS.—In this section:

(1) BROMLEY.—The term “Bromley” means Bromley Mountain Ski Resort, Inc.

(2) MAP.—The term “map” means the map entitled “Proposed Bromley Land Sale or Exchange” and dated April 7, 2004.

(3) STATE.—The term “State” means the State of Vermont.

(b) SALE OR EXCHANGE OF GREEN MOUNTAIN NATIONAL FOREST LAND.—

(1) IN GENERAL.—The Secretary may, under any terms and conditions that the Secretary may prescribe, sell or exchange any right, title, and interest of the United States in and to the parcels of National Forest System land described in paragraph (2).

(2) DESCRIPTION OF LAND.—The parcels of National Forest System land referred to in paragraph (1) are the 5 parcels of land in Bennington County in the State, as generally depicted on the map.

(3) MAP AND LEGAL DESCRIPTIONS.—

(A) IN GENERAL.—The map shall be on file and available for public inspection in—

(i) the office of the Chief of the Forest Service; and

(ii) the office of the Supervisor of the Green Mountain National Forest.

(B) MODIFICATIONS.—The Secretary may modify the map and legal descriptions to—

(i) correct technical errors; or

(ii) facilitate the conveyance under paragraph (1).

(4) CONSIDERATION.—Consideration for the sale or exchange of land described in paragraph (2)—

(A) shall be equal to an amount that is not less than the fair market value of the land sold or exchanged; and

(B) may be in the form of cash, land, or a combination of cash and land.

(5) APPRAISALS.—Any appraisal carried out to facilitate the sale or exchange of land under paragraph (1) shall conform with the Uniform Appraisal Standards for Federal Land Acquisitions.

(6) METHODS OF SALE.—

(A) CONVEYANCE TO BROMLEY.—

(i) IN GENERAL.—Before soliciting offers under subparagraph (B), the Secretary shall offer to convey to Bromley the land described in paragraph (2).

(ii) **CONTRACT DEADLINE.**—If Bromley accepts the offer under clause (i), the Secretary and Bromley shall have not more than 180 days after the date on which any environmental analyses with respect to the land are completed to enter into a contract for the sale or exchange of the land.

(B) **PUBLIC OR PRIVATE SALE.**—If the Secretary and Bromley do not enter into a contract for the sale or exchange of the land by the date specified in subparagraph (A)(ii), the Secretary may sell or exchange the land at public or private sale (including auction), in accordance with such terms, conditions, and procedures as the Secretary determines to be in the public interest.

(C) **REJECTION OF OFFERS.**—The Secretary may reject any offer received under this paragraph if the Secretary determines that the offer is not adequate or is not in the public interest.

(D) **BROKERS.**—In any sale or exchange of land under this subsection, the Secretary may—

(i) use a real estate broker or other third party; and

(ii) pay the real estate broker or third party a commission in an amount comparable to the amounts of commission generally paid for real estate transactions in the area.

(7) **CASH EQUALIZATION.**—Notwithstanding section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)), the Secretary may accept a cash equalization payment in excess of 25 percent of the value of any Federal land exchanged under this section.

(c) **DISPOSITION OF PROCEEDS.**—

(1) **IN GENERAL.**—The Secretary shall deposit the net proceeds from a sale or exchange under this section in the fund established under Public Law 90-171 (16 U.S.C. 484a) (commonly known as the “Sisk Act”).

(2) **USE.**—Amounts deposited under paragraph (1) shall be available to the Secretary until expended, without further appropriation, for—

(A) the location and relocation of the Appalachian National Scenic Trail and the Long National Recreation Trail in the State;

(B) the acquisition of land and interests in land by the Secretary for National Forest System purposes within the boundary of the Green Mountain National Forest, including land for and adjacent to the Appalachian National Scenic Trail and the Long National Recreation Trail;

(C) the acquisition of wetland or an interest in wetland within the boundary of the Green Mountain National Forest to offset the loss of wetland from the parcels sold or exchanged; and

(D) the payment of direct administrative costs incurred in carrying out this section.

(3) **LIMITATION.**—Amounts deposited under paragraph (1) shall not—

(A) be paid or distributed to the State or counties or towns in the State under any provision of law; or

(B) be considered to be money received from units of the National Forest System for purposes of—

(i) the Act of May 23, 1908 (16 U.S.C. 500); or

(ii) the Act of March 4, 1913 (16 U.S.C. 501).

(4) **PROHIBITION OF TRANSFER OR REPROGRAMMING.**—Amounts deposited under paragraph (1) shall not be subject to transfer or reprogramming for wildfire management or any other emergency purposes.

(d) **ACQUISITION OF LAND.**—The Secretary may acquire, using funds made available under subsection (c) or otherwise made available for acquisition, land or an interest in land for National Forest System purposes within the boundary of the Green Mountain National Forest.

(e) **EXEMPTION FROM CERTAIN LAWS.**—Subtitle I of title 40, United States Code, shall not apply to any sale or exchange of National Forest System land under this section.

At the end of subtitle F of title IV, add the following:

**SEC. 4. INFRASTRUCTURE AND TRANSPORTATION GRANTS TO SUPPORT RURAL FOOD BANK DELIVERY OF HEALTHY PERISHABLE FOODS.**

(a) **PURPOSE.**—The purpose of this section is to provide grants to State and local food banks and other emergency feeding organizations (as defined in section 201A of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501))—

(1) to support and expand the efforts of food banks operating in rural areas to procure and transport highly perishable and healthy food;

(2) to improve identification of potential providers of donated food and to enhance the nonprofit food donation system, particularly in and for rural areas; and

(3) to support the procurement of locally produced food from small and family farms and ranches for distribution to needy people.

(b) **DEFINITION OF TIME-SENSITIVE FOOD PRODUCT.**—

(1) **IN GENERAL.**—In this section, the term “time-sensitive food product” means a fresh, raw, or processed food with a short time limitation for safe and acceptable consumption, as determined by the Secretary.

(2) **INCLUSIONS.**—The term “time-sensitive food product” includes—

- (A) fruits;
- (B) vegetables;
- (C) dairy products;
- (D) meat;
- (E) fish; and
- (F) poultry.

(c) **GRANT PROGRAM.**—

(1) **IN GENERAL.**—The Secretary shall establish a program under which the Secretary shall provide grants, on a competitive basis, to expand the capacity and infrastructure of food banks, statewide food bank associations, and regional food bank collaboratives that operate in rural areas to improve the capacity of the food banks to receive, store, distribute, track, collect, and deliver time-sensitive food products made available from national and local food donors.

(2) **MAXIMUM AMOUNT.**—The maximum amount of a grant provided under this subsection shall be not more than \$1,000,000 for a fiscal year.

(3) **USE OF FUNDS.**—A food bank may use a grant provided under this section for—

(A) the development and maintenance of a computerized system for the tracking of time-sensitive food products;

(B) capital, infrastructure, and operating costs associated with—

(i) the collection and transportation of time-sensitive food products; or

(ii) the storage and distribution of time-sensitive food products;

(C) improving the security and diversity of the emergency food distribution and recovery systems of the United States through the support of—

(i) small, midsize, or family farms and ranches;

(ii) fisheries and aquaculture; and

(iii) donations from local food producers and manufacturers to persons in need;

(D) providing recovered healthy foods to food banks and similar nonprofit emergency food providers to reduce hunger in the United States; and

(E) improving the identification of—

(i) potential providers of donated foods;

(ii) potential nonprofit emergency food providers; and

(iii) persons in need of emergency food assistance in rural areas.

(d) **AUDITS.**—The Secretary shall establish fair and reasonable procedures to audit the use of funds made available to carry out this section.

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

On page 966, between lines 13 and 14, insert the following:

**SEC. 7050. REGIONAL CENTERS OF EXCELLENCE IN FOOD SYSTEMS VETERINARY MEDICINE.**

Subtitle K of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3310 et seq.) (as amended by section 7049) is amended by adding at the end the following:

**“SEC. 1473S. REGIONAL CENTERS OF EXCELLENCE IN FOOD SYSTEMS VETERINARY MEDICINE.**

“(a) **DEFINITION OF ELIGIBLE SCHOOL OF VETERINARY MEDICINE.**—In this section, the term ‘eligible school of veterinary medicine’ means a school of veterinary medicine that is—

“(1) a public or other nonprofit entity; and

“(2) accredited by an entity that is approved for such purpose by the Department of Education.

“(b) **GRANT PROGRAM.**—The Secretary shall make grants to eligible schools of veterinary medicine to assist the eligible schools of veterinary medicine in supporting centers of emphasis in food systems veterinary medicine.

“(c) **APPLICATION PROCESS.**—

“(1) **APPLICATION REQUIREMENT.**—To be eligible to receive a grant from the Secretary under subsection (b), an eligible school of veterinary medicine shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(2) **CONSIDERATION OF APPLICATIONS.**—The Secretary shall establish procedures to ensure that—

“(A) each application submitted under paragraph (1) is rigorously reviewed; and

“(B) grants are competitively awarded based on—

“(i) the ability of the eligible school of veterinary medicine to provide a comprehensive educational experience for students with particular emphasis on the species of food animal for which the eligible school of veterinary medicine is applying that is used for food production (including food animal veterinary medicine, food supply bioterrorism prevention and surveillance, food-safety, and the improvement of the quality of the environment);

“(ii) the ability of the eligible school of veterinary medicine to increase capacity with respect to research on the species of food animal for which the eligible school of veterinary medicine is applying that is used for food production; and

“(iii) any other consideration that the Secretary determines to be appropriate.

“(3) **PREFERENCE FOR CONSORTIUM.**—In making grants under subsection (b), the Secretary shall give preference to eligible schools of veterinary medicine that participate in interinstitutional agreements that—

“(A) cover issues relating to residency, tuition, or fees; and

“(B) consist of more than 1 other—

“(i) school of veterinary medicine;

“(ii) school of public health;

“(iii) school of agriculture; or

“(iv) appropriate entity that carries out education and research activities with respect to food production systems, as determined by the Secretary.

“(d) **REQUIRED USE OF FUNDS.**—The Secretary may not make a grant to an eligible

school of veterinary medicine under subsection (b) unless the eligible school of veterinary medicine agrees to use the grant funds—

“(1) to develop a competitive student applicant pool through linkages with other appropriate schools of veterinary medicine, as determined by the Secretary;

“(2) to improve the capacity of the eligible school of veterinary medicine—

“(A) to train, recruit, and retain faculty;

“(B) to pay such stipends and fellowships as the Secretary determines to be appropriate in areas of research relating to—

“(i) food animal medicine; and

“(ii) food-safety and defense; and

“(C) to enhance the quality of the environment;

“(3) to carry out activities to improve the information resources, curriculum, and clinical education of students of the eligible school of veterinary medicine with respect to—

“(A) food animal veterinary medicine; and

“(B) food-safety;

“(4) to facilitate faculty and student research on health issues that—

“(A) affect—

“(i) food-producing animals; and

“(ii) food-safety; and

“(B) enhance the environment;

“(5) to provide stipends for students to offset costs relating to travel, tuition, and other expenses associated with attending the eligible school of veterinary medicine; and

“(6) for any other purpose that the Secretary determines to be appropriate.

“(e) PERIOD OF GRANTS.—

“(1) IN GENERAL.—Subject to paragraph (2), an eligible school of veterinary medicine that receives funds through a grant under subsection (b) shall receive funds under the grant for not more than 5 years after the date on which the grant was first provided.

“(2) CONDITIONS RELATING TO GRANT FUNDS.—Funds provided to an eligible school of veterinary medicine through a grant under subsection (b) shall be subject to—

“(A) the annual approval of the Secretary; and

“(B) the availability of appropriations.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012.”

On page 1362, between lines 19 and 20, insert the following:

**SEC. 11072. SOUTHWEST REGIONAL DAIRY, ENVIRONMENT, AND PRIVATE LAND PROGRAM.**

(a) DEFINITIONS.—In this section:

(1) ELIGIBLE INSTITUTION OF HIGHER EDUCATION.—The term “eligible institution of higher education” means an institution of higher education that—

(A) is located in—

(i) the State of Arizona;

(ii) the State of Colorado;

(iii) the State of New Mexico;

(iv) the State of Oklahoma; and

(v) the State of Texas;

(B) has facilities that are necessary for the facilitation of research on issues relating to the dairy industry in a practical setting;

(C) has a dairy research program and an institution for applied environmental research;

(D) has a university laboratory that is—

(i) located on the campus of the institution of higher education; and

(ii) accredited by the National Environmental Laboratory Accreditation Council to ensure the quality of any proposed research activities;

(E) has the capability to enter into a partnership with representatives of the dairy industry and other public and private entities and institutions of higher education;

(F) has experience in conducting watershed modeling (including the conduct of cost-benefit analyses, policy applications, and long-term watershed monitoring); and

(G) works with—

(i) producer-run advocacy groups (including Industry-Led Solutions); and

(ii) private land coalitions.

(2) PROGRAM.—The term “program” means the Southwest regional dairy, environment, and private land program established under subsection (b).

(b) ESTABLISHMENT.—

(1) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary shall establish a Southwest regional dairy, environment, and private land program.

(2) REQUIRED ACTIVITIES.—In carrying out the program, the Secretary shall—

(A) identify challenges and develop solutions to enhance the economic and environmental sustainability, growth, and expansion of the dairy industry in the Southwest region of the United States;

(B) research, develop, and implement programs—

(i) to recover energy and other useful products from dairy waste;

(ii) to identify best management practices; and

(iii) to assist the dairy industry in ensuring that animal waste emissions and discharges of the dairy industry are maintained at levels below applicable regulatory standards;

(C) offer technical assistance (including research activities conducted by a university laboratory that is accredited by the National Environmental Laboratory Accreditation Council), training, applied research, and watershed water quality programs monitoring to applicable entities;

(D) develop—

(i) watershed modeling through the development of innovative modeling tools and data mining to develop cost-efficient and environmentally effective programs in the dairy industry; and

(ii) an international modeling application clearinghouse to coordinate watershed modeling tools in the United States and in other countries, to be carried out by the Secretary; and

(E) collaborate with a private land coalition to use input gathered from landowners in the United States through a program of industry led solutions to work with the Federal Government (including Federal agencies) in the development of conservation, environmental credit trading, and watershed programs to help private landowners and agricultural producers meet applicable water quality standards.

(c) CONTRACTS.—

(1) IN GENERAL.—In carrying out the program, the Secretary shall offer to enter into contracts with eligible institutions of higher education.

(2) APPLICATION.—

(A) SUBMISSION OF APPLICATION.—To enter into a contract with the Secretary under paragraph (1), an eligible institution of higher education shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(B) GUIDELINES.—As soon as practicable after the date of enactment of this Act, the Secretary shall promulgate guidelines describing each requirement of the Secretary with respect to the application requirements described in subparagraph (A).

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section for each of fiscal years 2008 through 2012, to remain available until expended.

On page 1361, on line 2, strike “, un-” and all that follows through line 5, “counties”.

On line 16, strike, “November 1, 2007,” and insert, “date of enactment”.

On page 1362, between lines 19 and 20, insert the following:

**SEC. 1107 . ENFORCEMENT OF UNITED STATES-CANADA SOFTWOOD LUMBER AGREEMENT.**

(a) FINDINGS.—The Senate finds that—

(1) the Federal Government has repeatedly found that Canadian softwood lumber shipped to the United States is unfairly subsidized and dumped into the United States market and materially injures softwood lumber producers in the United States;

(2) in September 2006, the United States and Canada entered into the United States-Canada Softwood Lumber Agreement (referred to in this section as the ‘Agreement’) to address Canada’s unfair lumber trade practices;

(3) the Agreement obligates Canada to apply export taxes and quotas to Canadian softwood lumber exports to the United States and to forego new subsidies to Canadian lumber producers;

(4) Canada has consistently violated the Agreement, including by failing to apply export taxes and quotas as required by the Agreement and by providing new subsidies to Canadian lumber companies;

(5) Canadian violations of the Agreement are contributing to market conditions that are resulting in significant job losses in the United States lumber mills;

(6) the United States is challenging some of the Canadian violations of the Agreement through arbitral proceedings;

(7) as of the date of enactment of this Act, Federal enforcement of the Agreement has not resulted in progress to date; and

(8) Federal executive agencies have been considering proposals to enforce the Agreement.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the President should take all actions necessary to ensure that imports of Canadian softwood lumber are consistent with the provisions of the United States-Canada Softwood Lumber Agreement.

**SA 3856.** Ms. STABENOW (for Mr. BAUCUS for himself, Mr. GRASSLEY, Ms. STABENOW, Mr. KERRY, Mr. GREGG, Mr. VOINOVICH, Mrs. LINCOLN, Mr. ALLARD, Mr. SUNUNU, Mr. COLEMAN, Mr. SPECTER, Mrs. DOLE, Ms. COLLINS, Mr. NELSON of Florida, Mr. BAYH, Ms. SNOWE, Mr. LIEBERMAN, Ms. CANTWELL, and Mr. SCHUMER)) proposed an amendment to the bill H.R. 3648, to amend the Internal Revenue Code of 1986 to exclude discharges of indebtedness on principal residences from gross income, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “Mortgage Forgiveness Debt Relief Act of 2007”.

**SEC. 2. DISCHARGES OF INDEBTEDNESS ON PRINCIPAL RESIDENCE EXCLUDED FROM GROSS INCOME.**

(a) IN GENERAL.—Paragraph (1) of section 108(a) of the Internal Revenue Code of 1986 is amended by striking “or” at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting “, or”, and by inserting after subparagraph (D) the following new subparagraph:

“(E) the indebtedness discharged is qualified principal residence indebtedness which is discharged before January 1, 2010.”

(b) SPECIAL RULES RELATING TO QUALIFIED PRINCIPAL RESIDENCE INDEBTEDNESS.—Section 108 of such Code is amended by adding at the end the following new subsection:

“(h) SPECIAL RULES RELATING TO QUALIFIED PRINCIPAL RESIDENCE INDEBTEDNESS.—

“(1) BASIS REDUCTION.—The amount excluded from gross income by reason of subsection (a)(1)(E) shall be applied to reduce (but not below zero) the basis of the principal residence of the taxpayer.

“(2) QUALIFIED PRINCIPAL RESIDENCE INDEBTEDNESS.—For purposes of this section, the term ‘qualified principal residence indebtedness’ means acquisition indebtedness (within the meaning of section 163(h)(3)(B), applied by substituting ‘\$2,000,000 (\$1,000,000’ for ‘\$1,000,000 (\$500,000’ in clause (ii) thereof) with respect to the principal residence of the taxpayer.

“(3) EXCEPTION FOR CERTAIN DISCHARGES NOT RELATED TO TAXPAYER’S FINANCIAL CONDITION.—Subsection (a)(1)(E) shall not apply to the discharge of a loan if the discharge is on account of services performed for the lender or any other factor not directly related to a decline in the value of the residence or to the financial condition of the taxpayer.

“(4) ORDERING RULE.—If any loan is discharged, in whole or in part, and only a portion of such loan is qualified principal residence indebtedness, subsection (a)(1)(E) shall apply only to so much of the amount discharged as exceeds the amount of the loan (as determined immediately before such discharge) which is not qualified principal residence indebtedness.

“(5) PRINCIPAL RESIDENCE.—For purposes of this subsection, the term ‘principal residence’ has the same meaning as when used in section 121.”

(c) COORDINATION.—

(1) Subparagraph (A) of section 108(a)(2) of such Code is amended by striking “and (D)” and inserting “(D), and (E)”.

(2) Paragraph (2) of section 108(a) of such Code is amended by adding at the end the following new subparagraph:

“(C) PRINCIPAL RESIDENCE EXCLUSION TAKES PRECEDENCE OVER INSOLVENCY EXCLUSION UNLESS ELECTED OTHERWISE.—Paragraph (1)(B) shall not apply to a discharge to which paragraph (1)(E) applies unless the taxpayer elects to apply paragraph (1)(B) in lieu of paragraph (1)(E).”

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to discharges of indebtedness on or after January 1, 2007.

### SEC. 3. EXTENSION OF TREATMENT OF MORTGAGE INSURANCE PREMIUMS AS INTEREST.

(a) IN GENERAL.—Subclause (I) of section 163(h)(3)(E)(iv) of the Internal Revenue Code of 1986 (relating to termination) is amended by striking “December 31, 2007” and inserting “December 31, 2010”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to amounts paid or accrued after December 31, 2007.

### SEC. 4. ALTERNATIVE TESTS FOR QUALIFYING AS COOPERATIVE HOUSING CORPORATION.

(a) IN GENERAL.—Subparagraph (D) of section 216(b)(1) of the Internal Revenue Code of 1986 (defining cooperative housing corporation) is amended to read as follows:

“(D) meeting 1 or more of the following requirements for the taxable year in which the taxes and interest described in subsection (a) are paid or incurred:

“(i) 80 percent or more of the corporation’s gross income for such taxable year is derived from tenant-stockholders.

“(ii) At all times during such taxable year, 80 percent or more of the total square footage of the corporation’s property is used or available for use by the tenant-stockholders

for residential purposes or purposes ancillary to such residential use.

“(iii) 90 percent or more of the expenditures of the corporation paid or incurred during such taxable year are paid or incurred for the acquisition, construction, management, maintenance, or care of the corporation’s property for the benefit of the tenant-stockholders.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years ending after the date of the enactment of this Act.

### SEC. 5. EXCLUSION FROM INCOME FOR BENEFITS PROVIDED TO VOLUNTEER FIREFIGHTERS AND EMERGENCY MEDICAL RESPONDERS.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by inserting after section 139A the following new section:

#### “SEC. 139B. BENEFITS PROVIDED TO VOLUNTEER FIREFIGHTERS AND EMERGENCY MEDICAL RESPONDERS.

“(a) IN GENERAL.—In the case of any member of a qualified volunteer emergency response organization, gross income shall not include—

“(1) any qualified State and local tax benefit, and

“(2) any qualified payment.

“(b) DENIAL OF DOUBLE BENEFITS.—In the case of any member of a qualified volunteer emergency response organization—

“(1) the deduction under 164 shall be determined with regard to any qualified State and local tax benefit, and

“(2) expenses paid or incurred by the taxpayer in connection with the performance of services as such a member shall be taken into account under section 170 only to the extent such expenses exceed the amount of any qualified payment excluded from gross income under subsection (a).

“(c) DEFINITIONS.—For purposes of this section—

“(1) QUALIFIED STATE AND LOCAL TAX BENEFIT.—The term ‘qualified state and local tax benefit’ means any reduction or rebate of a tax described in paragraph (1), (2), or (3) of section 164(a) provided by a State or political division thereof on account of services performed as a member of a qualified volunteer emergency response organization.

“(2) QUALIFIED PAYMENT.—

“(A) IN GENERAL.—The term ‘qualified payment’ means any payment (whether reimbursement or otherwise) provided by a State or political division thereof on account of the performance of services as a member of a qualified volunteer emergency response organization.

“(B) APPLICABLE DOLLAR LIMITATION.—The amount determined under subparagraph (A) for any taxable year shall not exceed \$30 multiplied by the number of months during such year that the taxpayer performs such services.

“(3) QUALIFIED VOLUNTEER EMERGENCY RESPONSE ORGANIZATION.—The term ‘qualified volunteer emergency response organization’ means any volunteer organization—

“(A) which is organized and operated to provide firefighting or emergency medical services for persons in the State or political subdivision, as the case may be, and

“(B) which is required (by written agreement) by the State or political subdivision to furnish firefighting or emergency medical services in such State or political subdivision.

“(d) TERMINATION.—This section shall not apply with respect to taxable years beginning after December 31, 2010.”

(b) CLERICAL AMENDMENT.—The table of sections for such part is amended by inserting after the item relating to section 139A the following new item:

“Sec. 139B. Benefits provided to volunteer firefighters and emergency medical responders.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2007.

### SEC. 6. CLARIFICATION OF STUDENT HOUSING ELIGIBLE FOR LOW-INCOME HOUSING CREDIT.

(a) IN GENERAL.—Subclause (I) of section 42(i)(3)(D)(ii) of the Internal Revenue Code of 1986 (relating to certain students not to disqualify unit) is amended to read as follows:

“(I) single parents and their children and such parents are not dependents (as defined in section 152, determined without regard to subsections (b)(1), (b)(2), and (d)(1)(B) thereof) of another individual and such children are not dependents (as so defined) of another individual other than a parent of such children, or.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to—

(1) housing credit amounts allocated before, on, or after the date of the enactment of this Act, and

(2) buildings placed in service before, on, or after such date to the extent paragraph (1) of section 42(h) of the Internal Revenue Code of 1986 does not apply to any building by reason of paragraph (4) thereof.

### SEC. 7. APPLICATION OF JOINT RETURN LIMITATION FOR CAPITAL GAINS EXCLUSION TO CERTAIN POST-MARRIAGE SALES OF PRINCIPAL RESIDENCES BY SURVIVING SPOUSES.

(a) SALE WITHIN 2 YEARS OF SPOUSE’S DEATH.—Section 121(b) of the Internal Revenue Code of 1986 (relating to limitations) is amended by adding at the end the following new paragraph:

“(4) SPECIAL RULE FOR CERTAIN SALES BY SURVIVING SPOUSES.—In the case of a sale or exchange of property by an unmarried individual whose spouse is deceased on the date of such sale, paragraph (1) shall be applied by substituting ‘\$500,000’ for ‘\$250,000’ if such sale occurs not later than 2 years after the date of death of such spouse and the requirements of paragraph (2)(A) were met immediately before such date of death.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to sales or exchanges after December 31, 2007.

### SEC. 8. MODIFICATION OF PENALTY FOR FAILURE TO FILE PARTNERSHIP RETURNS; LIMITATION ON DISCLOSURE.

(a) EXTENSION OF TIME LIMITATION.—Section 6698(a) of the Internal Revenue Code of 1986 (relating to failure to file partnership returns) is amended by striking “5 months” and inserting “12 months”.

(b) INCREASE IN PENALTY AMOUNT.—Paragraph (1) of section 6698(b) of such Code is amended by striking “\$50” and inserting “\$85”.

(c) LIMITATION ON DISCLOSURE OF TAXPAYER RETURNS TO PARTNERS, S CORPORATION SHAREHOLDERS, TRUST BENEFICIARIES, AND ESTATE BENEFICIARIES.—

(1) IN GENERAL.—Section 6103(e) of such Code (relating to disclosure to persons having material interest) is amended by adding at the end the following new paragraph:

“(10) LIMITATION ON CERTAIN DISCLOSURES UNDER THIS SUBSECTION.—In the case of an inspection or disclosure under this subsection relating to the return of a partnership, S corporation, trust, or an estate, the information inspected or disclosed shall not include any supporting schedule, attachment, or list which includes the taxpayer identity information of a person other than the entity making the return or the person conducting the inspection or to whom the disclosure is made.”

(2) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on the date of the enactment of this Act.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to returns required to be filed after the date of the enactment of this Act.

**SEC. 9. PENALTY FOR FAILURE TO FILE S CORPORATION RETURNS.**

(a) IN GENERAL.—Part I of subchapter B of chapter 68 of the Internal Revenue Code of 1986 (relating to assessable penalties) is amended by adding at the end the following new section:

**“SEC. 6699. FAILURE TO FILE S CORPORATION RETURN.**

“(a) GENERAL RULE.—In addition to the penalty imposed by section 7203 (relating to willful failure to file return, supply information, or pay tax), if any S corporation required to file a return under section 6037 for any taxable year—

“(1) fails to file such return at the time prescribed therefor (determined with regard to any extension of time for filing), or

“(2) files a return which fails to show the information required under section 6037,

such S corporation shall be liable for a penalty determined under subsection (b) for each month (or fraction thereof) during which such failure continues (but not to exceed 12 months), unless it is shown that such failure is due to reasonable cause.

“(b) AMOUNT PER MONTH.—For purposes of subsection (a), the amount determined under this subsection for any month is the product of—

“(1) \$85, multiplied by

“(2) the number of persons who were shareholders in the S corporation during any part of the taxable year.

“(c) ASSESSMENT OF PENALTY.—The penalty imposed by subsection (a) shall be assessed against the S corporation.

“(d) DEFICIENCY PROCEDURES NOT TO APPLY.—Subchapter B of chapter 63 (relating to deficiency procedures for income, estate, gift, and certain excise taxes) shall not apply in respect of the assessment or collection of any penalty imposed by subsection (a).”

(b) CLERICAL AMENDMENT.—The table of sections for part I of subchapter B of chapter 68 of such Code is amended by adding at the end the following new item:

“Sec. 6699. Failure to file S corporation return.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns required to be filed after the date of the enactment of this Act.

**SEC. 10. MODIFICATION OF REQUIRED INSTALLMENT OF CORPORATE ESTIMATED TAXES WITH RESPECT TO CERTAIN DATES.**

The percentage under subparagraph (B) of section 401(1) of the Tax Increase Prevention and Reconciliation Act of 2005 in effect on the date of the enactment of this Act is increased by 1.50 percentage points.

**NOTICE OF HEARING**

**COMMITTEE ON ENERGY AND NATURAL RESOURCES**

Mr. BINGAMAN. Mr. President, the Committee on Energy and Natural Resources will hold a business meeting on Wednesday, December 19, at 11:30 a.m., in room 366 of the Dirksen Senate Office Building to consider the nomination of Jon Wellinghoff to be a Member of the Federal Energy Regulatory Commission for the term expiring June 30, 2013. (Reappointment)

For further information, please contact Sam Fowler at (202) 224-7571 or Rosemarie Calabro at (202) 224-5039.

**EXECUTIVE CALENDAR**

Mr. REID. Madam President, I ask unanimous consent that the Senate proceed to executive session to consider Calendar Nos. 395, 396, 407, 410; that the nominations be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

**THE JUDICIARY**

Joseph N. Laplante, of New Hampshire, to be United States District Judge for the District of New Hampshire.

Thomas D. Schroeder, of North Carolina, to be United States District Judge for the Middle District of North Carolina.

**DEPARTMENT OF VETERANS AFFAIRS**

James B. Peake, of the District of Columbia, to be Secretary of Veterans Affairs.

**PENSION BENEFIT GUARANTY CORPORATION**

Charles E. F. Millard, of New York, to be Director of the Pension Benefit Guaranty Corporation. (New Position)

**NOMINATION OF JOSEPH NORMAND LAPLANTE**

Mr. LEAHY. Madam President, I am pleased that we can take a break from the tired partisan sniping from the other side of the aisle to continue, as we have all year, making progress considering and confirming the President's judicial nominations.

The complaints we hear more and more loudly as we approach an election year from the President and others ring hollow. Last month, the Judiciary Committee reached a milestone by reporting out 4 more nominations for lifetime appointments to the Federal bench, reaching 40 in this session of Congress alone. That exceeds the totals reported in each of the previous 2 years, when a Republican-led Judiciary Committee was considering this President's nominees.

Today we consider the nomination of Joseph Normand Laplante, who has been nominated to fill a vacancy in the Northern District of Texas. Joseph is well known to many of us Vermonters as he has spent much of his professional career working for our friends to the east in the old Granite State of New Hampshire and our friends to the south in the Bay State of Massachusetts. Joseph serves as the first assistant U.S. attorney for the District of New Hampshire. Before that, Joseph served as an Assistant U.S. Attorney in the District of Massachusetts, a trial attorney for the U.S. Justice Department's Criminal Division, and a senior assistant attorney general for the State of New Hampshire Office of the Attorney General. He also has experience as a private practitioner in New Hampshire. Joseph graduated from Georgetown University in 1987 and from the Georgetown Law Center in 1990.

I thank Senator GREGG and Senator SUNUNU for their consideration of this

nomination and Senator WHITEHOUSE for chairing the confirmation hearing.

When we confirm the nomination we consider today, the Senate will have confirmed 38 nominations for lifetime appointments to the Federal bench this session alone. That is more than the total number of judicial nominations that a Republican-led Senate confirmed in all of 1997, 1999, 2004, 2005 or 2006 with a Republican Majority. It is 21 more confirmations than were achieved during the entire 1996 session, more than double that session's total of 17, when Republicans stalled consideration of President Clinton's nominations.

When this nomination is confirmed, the Senate will have confirmed 138 total Federal judicial nominees in my tenure as Judiciary Chairman. During the Bush Presidency, more circuit judges, more district judges—more total judges—were confirmed in the first 24 months that I served as Judiciary Chairman than during the 2-year tenures of either of the two Republican Chairmen working with Republican Senate majorities.

The Administrative Office of the U.S. Courts will list 45 judicial vacancies and 14 circuit court vacancies after today's confirmation. Compare that to the numbers at the end of the 109th Congress, when the total vacancies under a Republican controlled Judiciary Committee were 51 judicial vacancies and 15 circuit court vacancies. That means that despite the additional 5 vacancies that arose at the beginning of the 110th Congress, the current vacancy totals under my chairmanship of the Judiciary Committee are below where they were under a Republican-led Judiciary Committee. They are only a little more than half of what they were at the end of President Clinton's term, when Republican pocket filibusters allowed judicial vacancies to rise to 80, 26 of them for circuit courts.

Despite the progress we have made, I will continue to work to find new ways to be productive on judicial nominations. Just last month, I sent the President a letter urging him to work with me, Senator SPECTER, and home State Senators to send us more well-qualified, consensus nominations. Now is the time for him to send us more nominations that could be considered and confirmed as his Presidency approaches its last year, before the Thurmond Rule kicks in.

As I noted in that letter, I have been concerned that several recent nominations seem to be part of an effort to pick political fights rather than judges to fill vacancies. For example, President Bush nominated Duncan Getchell to one of Virginia's Fourth Circuit Vacancies over the objections of Senator WEBB, a Democrat, and Senator WARNER, a Republican. They had submitted a list of five recommended nominations, and specifically warned the White House not to nominate Mr. Getchell. As a result, this nomination