

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. PETERSON OF MINNESOTA**

**(Consisting of Amendments to Titles IV and IX of the
Reported Bill)**

[NUTRITION TITLE]

After section 4004 of the bill, insert the following
(and make such technical and conforming changes as
may be appropriate):

**1 SEC. 4005. EXCLUDING COMBAT RELATED PAY FROM
2 COUNTABLE INCOME.**

3 Section (5)(d) of the Food Stamp Act of 1977 (7
4 U.S.C. 2014(d)) is amended—

5 (1) by striking “and (18)”, and inserting
6 “(18)”, and

7 (2) by inserting before the period at the end the
8 following: “and (19) any additional payment received
9 under Chapter 5 of title 37, United States Code, by
10 (or as an allotment to or transfer from) a member
11 of the United States Armed Forces deployed to a
12 designated combat zone for the duration of the
13 member’s deployment to or service in a combat zone
14 if the additional pay was not received immediately
15 prior to serving in that or another combat zone.”.

1 **SEC. 4006. INCREASING THE STANDARD DEDUCTION.**

2 Section (5)(e)(1) of the Food Stamp Act of 1977 (7
3 U.S.C. 2014(e)(1)) is amended—

4 (1) in subparagraph (A)(ii) by striking “not
5 less than \$134” and all that follows through the pe-
6 riod at the end, and inserting the following: “not
7 less than \$145, \$248, \$205, and \$128, respectively.
8 On October 1, 2008, and each October 1 thereafter,
9 such standard deduction shall be an amount that is
10 equal to the amount from the previous fiscal year
11 adjusted to the nearest lower dollar increment to re-
12 flect changes in the Consumer Price Index for All
13 Urban Consumers published by the Bureau of Labor
14 Statistics, for items other than food, for the 12
15 months ending the preceding June 30.”; and

16 (2) in subparagraph (B)(ii) by striking “not
17 less than \$269.” and inserting the following: “not
18 less than \$291. On October 1, 2008, and each Octo-
19 ber 1 thereafter, such standard deduction shall be
20 an amount that is equal to the amount of the pre-
21 vious fiscal year adjusted to the nearest dollar incre-
22 ment to reflect changes in the Consumer Price Index
23 for All Urban Consumers published by the Bureau
24 of Labor Statistics, for items other than food, for
25 the 12 months ending the preceding June 30.”.

1 **SEC. 4007. EXCLUDING DEPENDENT CARE EXPENSES.**

2 Section (5)(e)(3)(A) of the Food Stamp Act of 1977
3 (7 U.S.C. 2014(e)(3)(A)) is amended by striking “, the
4 maximum allowable level of which shall be \$200 per month
5 for each dependent child under 2 years of age and \$175
6 per month for each other dependent,”.

7 **SEC. 4008. ADJUSTING COUNTABLE RESOURCES FOR IN-**
8 **FLATION.**

9 Section (5)(g) of the Food Stamp Act of 1977 (7
10 U.S.C. 2014(g)) is amended—

11 (1) by striking “(g)(1) The Secretary” and in-
12 serting the following:

13 “(g) ALLOWABLE FINANCIAL RESOURCES.—

14 “(1) TOTAL AMOUNT.—

15 “(A) IN GENERAL.—The Secretary”.

16 (2) in subparagraph (A) (as so designated by
17 paragraph (1))—

18 (A) by inserting “(as adjusted in accord-
19 ance with subparagraph (B))” after “\$2,000”;
20 and

21 (B) by inserting “(as adjusted in accord-
22 ance with subparagraph (B))” after “\$3,000”;
23 and

24 (3) by adding at the end the following:

25 “(B) ADJUSTMENT FOR INFLATION.—

1 “(i) IN GENERAL.—Beginning on Oc-
2 tober 1, 2007, and each October 1 there-
3 after, the amounts in subparagraph (A)
4 shall be adjusted to the nearest \$100 in-
5 crement to reflect changes for the 12-
6 month period ending the preceding June in
7 the Consumer Price Index for All Urban
8 Consumers published by the Bureau of
9 Labor Statistics of the Department of
10 Labor.

11 “(ii) REQUIREMENT.—Each adjust-
12 ment under clause (i) shall be based on the
13 unrounded amount for the prior 12-month
14 period.”.

15 **SEC. 4009. EXCLUDING EDUCATION ACCOUNTS FROM**
16 **COUNTABLE INCOME.**

17 Section (5)(g) of the Food Stamp Act of 1977 (7
18 U.S.C. 2014(g)) is amended by adding at the end the fol-
19 lowing:

20 “(7) EXCLUSION OF EDUCATION ACCOUNTS
21 FROM COUNTABLE RESOURCES.—

22 “(A) MANDATORY EXCLUSIONS.—The Sec-
23 retary shall exclude from financial resources
24 under this subsection the value of any funds in
25 a qualified tuition program described in section

1 529 of the Internal Revenue Code of 1986 or
2 in a Coverdell education savings account under
3 section 530 of that Code.

4 “(B) DISCRETIONARY EXCLUSIONS.—The
5 Secretary may also exclude from financial re-
6 sources under this subsection the value of any
7 program or account included in any successor
8 or similar provision that is enacted and deter-
9 mined to be exempt from taxation under the In-
10 ternal Revenue Code of 1986.”.

11 **SEC. 4010. EXCLUDING RETIREMENT ACCOUNTS FROM**
12 **COUNTABLE INCOME.**

13 Section (5)(g) of the of the Food Stamp Act of 1977
14 (7 U.S.C. 2014(g)), as amended by section 4009, is
15 amended—

16 (1) in subsection (g)(2)(B)(v) by striking “or
17 retirement account (including an individual ac-
18 count)” and inserting “account”; and

19 (2) adding at the end the following:

20 “(8) EXCLUSION OF RETIREMENT ACCOUNTS
21 FROM COUNTABLE RESOURCES.—

22 “(A) MANDATORY EXCLUSIONS.—The Sec-
23 retary shall exclude from financial resources
24 under this subsection the value of any funds in
25 a plan, contract, or account as described in sec-

1 tion 401(a), 403(a), 403(b), 408, 408A, 457(b),
2 or 501(c)(18) of the Internal Revenue Code of
3 1986 and the value of funds in a Federal Thrift
4 Savings Plan account as provided section 8439
5 of title 5, United States Code.

6 “(B) DISCRETIONARY EXCLUSIONS.—

7 “(i) The Secretary may exclude from
8 financial resources under this subsection
9 any other retirement plans, contracts, or
10 accounts that have been determined to be
11 tax qualified retirement plans, contracts,
12 or accounts, under the Internal Revenue
13 Code of 1986.

14 “(ii) The Secretary may also exclude
15 from financial resources under this sub-
16 section the value of any program or ac-
17 count included in any successor or similar
18 provision that is enacted and determined to
19 be exempt from taxation under the Inter-
20 nal Revenue Code of 1986.”.

After section 4006 of the bill, insert the following
(and make such technical and conforming changes as
may be appropriate):

1 **SEC. 4014. INCREASING THE MINIMUM BENEFIT.**

2 Section 8(a) of the Food Stamp Act of 1977 (7
3 U.S.C. 2017(a)) is amended by striking “\$10 per month”
4 and inserting “10 percent of the thrifty food plan for a
5 household containing 1 member, as determined by the Sec-
6 retary under section 3(o)”.

Strike section 4021 of the bill, insert the following
(and make such technical and conforming changes as
may be appropriate):

7 **SEC. 4028. EMERGENCY FOOD ASSISTANCE PROGRAM.**

8 Section 27(a) of the Food Stamp Act of 1977 (7
9 U.S.C. 2036(a)) is amended by—

10 (1) by striking “(a) PURCHASE OF COMMOD-
11 ITIES” and all that follows through 2007’ and in-
12 serting the following:

13 “(a) PURCHASE OF COMMODITIES.—

14 “(1) IN GENERAL.—As provided in paragraph
15 (2), for each of the fiscal years 2008 through 2012”;

16 (2) by striking “\$140,000,000 of”; and

17 (3) by adding at the end the following:

18 “(2) AMOUNTS.—The following amounts are
19 made available to carry out this subsection:

20 “(A) for fiscal year 2008, \$250,000,000;

21 and

1 “(B) for each of the fiscal years 2009
2 through 2012, the dollar amount of commod-
3 ities specified in subparagraph (A) adjusted by
4 the percentage by which the thrifty food plan
5 has been adjusted under section 3(o)(4) be-
6 tween June 30, 2007 and June 30 of the imme-
7 diately preceding fiscal year.”.

[ENERGY TITLE]

Section 9002 of the bill is amended by adding at the
end the following new paragraph:

8 (3) by striking subsection (k)(2)(A) and insert-
9 ing the following:

10 “(A) IN GENERAL.—Of the funds of the
11 Commodity Credit Corporation, the Secretary
12 shall use \$2,000,000 for each of fiscal years
13 2008 through 2012 for bio-product testing and
14 support ongoing operations of the Designation
15 Program, the Voluntary Labeling Program,
16 procurement program models, procurement re-
17 search, promotion, education, and awareness of
18 the BioPreferred Program.”.

Section 9003(3) of the bill is amended by striking
“subsections (d) through (h) as subsections (e) through
(i), respectively” and inserting “subsection (h) as sub-

section (j) and subsections (d) through (g) as subsections (e) through (h), respectively.”.

Section 9003 of the bill is amended by striking paragraph (5) and adding at the end the following new paragraphs:

1 (5) by inserting after subsection (h) the following new subsection:

2 “(i) CONDITION OF PROVISION OF ASSISTANCE.—As
3 a condition of receiving a grant or loan guarantee under
4 this section, the eligible entity shall ensure that all labor-
5 ers and mechanics employed by contractors or subcontractors
6 in the performance of construction work financed in
7 whole or in part with the grant or loan guarantee, as the
8 case may be, shall be paid wages at rates not less than
9 those prevailing on similar construction in the locality, as
10 determined by the Secretary of Labor in accordance with
11 section 3141 through 3144, 3146, and 3147 of title 40,
12 United States Code. The Secretary of Labor shall have,
13 with respect to such labor standards, the authority and
14 functions set forth in Reorganization Plan Numbered 14
15 of 1950 (15 F. R. 3176; 64 Stat. 1267) and section 3145
16 of such title.”;

17
18 (6) in subsection (j) (as so redesignated), by
19 striking “2007” and inserting “2012”; and

1 (7) by adding at the end the following new sub-
2 section:

3 “(k) ADDITIONAL FUNDING FOR LOAN GUARAN-
4 TEES.—Of the funds of the Commodity Credit Corpora-
5 tion, the Secretary shall use to carry out this section—
6 “(1) \$75,000,000 for fiscal year 2008;
7 “(2) \$100,000,000 for fiscal year 2009;
8 “(3) \$125,000,000 for fiscal year 2010;
9 “(4) \$200,000,000 for fiscal year 2011; and
10 “(5) \$300,000,000 for fiscal year 2012.”.

Section 9005(5) of the bill is amended by striking
“redesignating subsections (e) and (f) as subsections (g)
and (h), respectively” and inserting “redesignating sub-
section (e) as subsection (g) and striking subsection (f)”.

Section 9005 of the bill is amended by adding at the
end the following new paragraph:

11 (7) by adding at the end the following new sub-
12 section:
13 “(h) FUNDING.—Of the funds of the Commodity
14 Credit Corporation, the Secretary of Agriculture shall
15 make available to carry out this section—
16 “(1) \$50,000,000 for fiscal year 2008;
17 “(2) \$75,000,000 for fiscal year 2009;
18 “(3) \$100,000,000 for fiscal year 2010;

1 “(4) \$125,000,000 for fiscal year 2011; and
2 “(5) \$150,000,000 for fiscal year 2012.”.

Section 9007 of the bill is amended by adding at the end the following new paragraph:

3 (3) by striking subsection (c) and inserting the
4 following:

5 “(c) FUNDING.—Of the funds of the Commodity
6 Credit Corporation, the Secretary of Agriculture shall use
7 to carry out this section—

8 “(1) \$225,000,000 for fiscal year 2008;

9 “(2) \$250,000,000 for fiscal year 2009;

10 “(3) \$275,000,000 for fiscal year 2010;

11 “(4) \$300,000,000 for fiscal year 2011; and

12 “(5) \$350,000,000 for fiscal year 2012.”.

Section 9008(j) of the Farm Security and Rural Investment Act of 2002, as added by section 9006 of the bill, is amended to read as follows:

13 “(j) FUNDING.—

14 “(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary of Agriculture shall make available to carry out this section—
15
16
17 tion—

18 “(A) \$35,000,000 for fiscal year 2008;

19 “(B) \$60,000,000 for fiscal year 2009;

1 “(C) \$75,000,000 for fiscal year 2010;
2 “(D) \$100,000,000 for fiscal year 2011;
3 and
4 “(E) \$150,000,000 for fiscal year 2012.
5 “(2) ADDITIONAL FUNDING.—In addition to
6 amounts transferred under paragraph (1), there are
7 authorized to be appropriated to carry out this sec-
8 tion \$200,000,000 for each of fiscal years 2006
9 through 2015.”.

At the end of title IX of the bill, add the following
new sections:

10 **SEC. 9018. BIODIESEL FUEL EDUCATION PROGRAM.**

11 Section 9004(d) of the Farm Security and Rural In-
12 vestment Act of 2002 (7 U.S.C. 8104(d)) is amended to
13 read as follows:

14 “(d) FUNDING.—Of the funds of the Commodity
15 Credit Corporation, the Secretary shall make available to
16 carry out this section \$2,000,000 for each of fiscal years
17 2008 through 2012.”.

18 **SEC. 9019. BIOMASS ENERGY RESERVE.**

19 Title IX of the Farm Security and Rural Investment
20 Act of 2002 (7 U.S.C. 8101 et seq.) is amended by adding
21 at the end the following new section:

1 **“SEC. 9017. BIOMASS ENERGY RESERVE.**

2 “(a) PURPOSE.—The purpose of this section is to es-
3 tablish a biomass energy reserve—

4 “(1) to encourage production of dedicated en-
5 ergy crops in a sustainable manner that protects the
6 soil, air, water, and wildlife of the United States;
7 and

8 “(2) to provide financial and technical assist-
9 ance to owners and operators of eligible cropland to
10 produce dedicated energy crops and crop mixes of
11 suitable quality and in sufficient quantities to sup-
12 port and induce development and expansion of the
13 use of the crop for—

14 “(A) bioenergy;

15 “(B) power or heat generation to supple-
16 ment or replace nonbiobased energy sources; or

17 “(C) biobased products to supplement or
18 replace non biobased products;

19 “(3) to establish biomass energy reserve project
20 areas; and

21 “(4) to provide financial and technical assist-
22 ance to owners and operators for harvesting, storing,
23 and transporting cellulosic material.

24 “(b) DEFINITIONS.— In this section:

25 “(1) BEGINNING FARMER OR RANCHER.—The
26 term ‘beginning farmer or rancher’ has the meaning

1 given the term in section 343(a) of the Consolidated
2 Farm and Rural Development Act (7 U.S.C.
3 1991(a)).

4 “(2) BER.—The term ‘BER’ means the bio-
5 mass energy reserve established under this section.

6 “(3) BER PROJECT AREA.—The term ‘BER
7 project area’ means an area that—

8 “(A) has eligible cropland that—

9 “(i) is owned or operated by eligible
10 participants; and

11 “(ii) has specified boundaries that are
12 submitted to the Secretary by eligible par-
13 ticipants and subsequently approved by the
14 Secretary; and

15 “(B) is physically located within a 50-mile
16 radius of a bioenergy facility.

17 “(4) CONSERVATION RESERVE PROGRAM.—The
18 term ‘conservation reserve program’ means the con-
19 servation reserve program established under sub-
20 chapter B of chapter 1 of subtitle D of title XII of
21 the Food Security Act of 1985 (16 U.S.C. 3831 et
22 seq.).

23 “(5) CONTRACT ACREAGE.—The term ‘contract
24 acreage’ means eligible cropland that is covered by
25 a BER contract entered into with the Secretary.

1 “(6) ELIGIBLE APPLICANT.—The term ‘eligible
2 applicant’ means—

3 “(A) a collective group of owners and oper-
4 ators producing or proposing to produce eligible
5 dedicated energy crops;

6 “(B) an energy or agricultural company or
7 refinery; and

8 “(C) an Agricultural Innovation Center es-
9 tablished pursuant to section 6402 of the Farm
10 Security and Rural Investment Act of 2002
11 (Public Law 107-171; 116 Stat. 426; 7 U.S.C.
12 1621 note).

13 “(7) ELIGIBLE CROPLAND.—

14 “(A) IN GENERAL.—The term ‘eligible
15 cropland’ means land that the applicable county
16 committee of the Farm Service Agency deter-
17 mines—

18 “(i) is currently being tilled for the
19 production of a crop for harvest; or

20 “(ii) is not currently being tilled but
21 has been tilled in a prior crop year and is
22 suitable for production of an eligible dedi-
23 cated energy crop.

24 “(B) EXCLUSIONS.—The term ‘eligible
25 cropland’ does not include—

1 “(i) Federally-owned land;

2 “(ii) land enrolled in—

3 “(I) the conservation reserve pro-
4 gram;

5 “(II) the grassland reserve pro-
6 gram; or

7 “(III) the wetlands reserve pro-
8 gram; and

9 “(iii) land with greater than 50 per-
10 cent cover of native nonwoody vegetation
11 or forest land, as of the date of enactment
12 of this section.

13 “(8) ELIGIBLE DEDICATED ENERGY CROP.—

14 “(A) IN GENERAL.—The term ‘eligible
15 dedicated energy crop’ means any crop native to
16 the United States, or another crop, as deter-
17 mined by the Secretary, grown specifically to
18 provide raw materials for—

19 “(i) conversion to liquid transpor-
20 tation fuels or chemicals through bio-
21 chemical or thermochemical processes; or

22 “(ii) energy generation through com-
23 bustion, pyrolysis, gasification, cofiring, or
24 other technologies, as determined by the
25 Secretary.

1 “(B) EXCLUSIONS.—The term ‘eligible
2 dedicated energy crop’ does not include—

3 “(i) any crop that is eligible for pay-
4 ments under title I or a successor title; or

5 “(ii) any plant that is invasive or nox-
6 ious or has the potential to become
7 invasive or noxious, as determined by the
8 Secretary, in consultation with other ap-
9 propriate Federal or State departments
10 and agencies.

11 “(9) ELIGIBLE PARTICIPANT.—The term ‘eligi-
12 ble participant’ means an owner or operator of con-
13 tract acreage that is physically located within a
14 BER project area .

15 “(10) FEDERALLY-OWNED LAND.—The term
16 ‘Federally-owned land’ means land owned by—

17 “(A) the Federal Government (including
18 any department, instrumentality, bureau, or
19 agency of the Federal Government); or

20 “(B) any corporation whose stock is wholly
21 owned by the Federal Government.

22 “(11) FOREST LAND.—The term ‘forest land’
23 means an ecosystem that is at least 1 acre in size
24 (including timberland and woodland) and that (as
25 determined by the Secretary)—

1 “(A) is characterized by dense and exten-
2 sive tree cover;

3 “(B) contains, or once contained, at least
4 10 percent tree crown cover; and

5 “(C) is not developed and planned for ex-
6 clusive nonforest resource use.

7 “(12) GRASSLAND RESERVE PROGRAM.—The
8 term ‘grassland reserve program’ means the grass-
9 land reserve program established under subchapter
10 C of chapter 2 of subtitle D of title XII of the Food
11 Security Act of 1985 (16 U.S.C. 3838n et seq.).

12 “(13) OPERATOR.—The term ‘operator’ means
13 an individual, entity, or joint operation that is in
14 control of the farming operations on a farm during
15 the applicable crop year.

16 “(14) OWNER.—

17 “(A) IN GENERAL.—The term ‘owner’
18 means a person that has legal ownership of eli-
19 gible cropland.

20 “(B) INCLUSION.—The term ‘owner’ in-
21 cludes—

22 “(i) a person that is buying eligible
23 cropland under a contract for deed; and

24 “(ii) a person that has a life estate in
25 eligible cropland.

1 “(15) QUALIFIED ORGANIZATION.—The term
2 ‘qualified organization’ means—

3 “(A) an Agricultural Innovation Center es-
4 tablished pursuant to section 6402 of the Farm
5 Security and Rural Investment Act of 2002
6 (Public Law 107-171; 116 Stat. 426; 7 U.S.C.
7 1621 note) with significant experience in the
8 field of renewable energy, as determined by the
9 Secretary; or

10 “(B) in a region not served by a center re-
11 ferred to in subparagraph (A)—

12 “(i) an entity with significant experi-
13 ence in the field of renewable energy that
14 is geographically located in such region, as
15 determined by the Secretary; or

16 “(ii) an accredited college or univer-
17 sity with experience providing technical as-
18 sistance in the field of renewable energy
19 that is geographically located in such re-
20 gion, as determined by the Secretary.

21 “(16) SECRETARY.—The term ‘Secretary’
22 means the Secretary of Agriculture.

23 “(17) SOCIALLY DISADVANTAGED FARMER OR
24 RANCHER.—The term ‘socially disadvantaged farmer
25 or rancher’ means a farmer or rancher who is a

1 member of a socially disadvantaged group (as de-
2 fined in section 355(e) of the Consolidated Farm
3 and Rural Development Act (7 U.S.C. 2003(e))).

4 “(18) WETLANDS RESERVE PROGRAM.—The
5 term ‘wetlands reserve program’ means the wetlands
6 reserve program established under subchapter C of
7 chapter 1 of subtitle D of title XII of the Food Se-
8 curity Act of 1985 (16 U.S.C. 3837 et seq.).

9 “(c) ESTABLISHMENT.— Not later than 90 days
10 after the date of enactment of this section, the Secretary
11 shall establish a biomass energy reserve in accordance with
12 this section. The Secretary shall ensure the purposes in
13 subsection (a) are met by including in the reserve projects
14 that include a variety of harvest and post-harvest prac-
15 tices, including stubble height, unharvested strips (includ-
16 ing strips for wildlife habitat), and varying harvest dates
17 and a variety of monoculture and polyculture crop mixes,
18 as appropriate, by project area.

19 “(d) PROPOSALS FOR BER PROJECT AREAS.—

20 “(1) SELECTION OF QUALIFIED ORGANIZA-
21 TIONS.—

22 “(A) IN GENERAL.—The Secretary shall
23 select not more than 10 qualified organizations
24 to assist—

1 “(i) eligible applicants in submitting
2 proposals under paragraph (2); and

3 “(ii) the Secretary in selecting BER
4 project areas.

5 “(B) REGION.—The Secretary shall select
6 not more than 1 qualified organization to assist
7 eligible applicants and the Secretary in any par-
8 ticular region of the United States, as deter-
9 mined by the Secretary.

10 “(C) FUNDING.—The Secretary shall pro-
11 vide each qualified organization selected under
12 paragraph (1) not more than \$300,000 to carry
13 out this paragraph.

14 “(2) CONSULTATION WITH QUALIFIED ORGANI-
15 ZATION.—An eligible applicant may consult with and
16 submit to a qualified organization a written proposal
17 that—

18 “(A) identifies the eligible cropland that
19 will be a part of the proposed BER project
20 area; and

21 “(B) indicates a strong likelihood that the
22 proposed BER project area will generate a suf-
23 ficient quantity of biomass from eligible dedi-
24 cated energy crops and acres or other sources
25 to supply an existing bioenergy facility.

1 “(3) MINIMUM REQUIREMENTS.—The written
2 proposal for a proposed BER project area shall in-
3 clude—

4 “(A) a description of the eligible cropland
5 of each eligible participant that will participate
6 in the proposed BER project area, including—

7 “(i) the quantity of eligible cropland
8 of each eligible participant;

9 “(ii) the physical location of the eligi-
10 ble cropland;

11 “(iii) the 1 or more eligible dedicated
12 energy crops that will be produced on the
13 eligible cropland; and

14 “(iv) the type of land use or crop that
15 will be displaced by the eligible dedicated
16 energy crop;

17 “(B)(i) the name, if available, and type, lo-
18 cation, and description of the bioenergy facility
19 that will use the eligible dedicated energy crops
20 to be produced in the proposed BER project
21 area; and

22 “(ii) a letter of commitment from a
23 bioenergy facility that the facility will use
24 the eligible dedicated energy crops in-

1 tended to be produced in the proposed
2 BER project area;

3 “(C) a general analysis of the anticipated
4 local economic impact of the proposed BER
5 project; and

6 “(D) any additional information needed to
7 determine the eligibility for, and ranking of, the
8 proposal, as determined by the Secretary.

9 “(4) INDIVIDUAL OWNERS AND OPERATORS.—A
10 project area proposal may not submit an individual
11 proposal to participate in the BER.

12 “(5) ELIGIBILITY CRITERIA FOR BER PROJECT
13 AREAS.—The Secretary shall establish a system for
14 ranking BER project areas based on the following
15 criteria:

16 “(A) The probability that the eligible dedi-
17 cated energy crops proposed to be produced in
18 the proposed BER project area will be used for
19 the purposes of the BER.

20 “(B) The inclusion of adequate potential
21 feedstocks and suitable placement with respect
22 to the bioenergy facility.

23 “(C) The potential for a positive economic
24 impact in the proposed BER project area.

1 “(D) The availability of the ownership of
2 the bioenergy facility in the proposed BER
3 project area to producers and local investors.

4 “(E) The participation rate by beginning
5 farmers or ranchers or socially disadvantaged
6 farmers or ranchers.

7 “(F) The potential to improve soil con-
8 servation and water quality, and enhance wild-
9 life habitat, when compared to existing land
10 uses.

11 “(G) The variety of agronomic conditions
12 the proposed eligible dedicated energy crops will
13 be grown within a project area.

14 “(H) The variety of harvest and post har-
15 vest practices, including stubble height,
16 unharvested strips (including strips for wildlife
17 habitat), and varying harvest dates.

18 “(I) The variety of monoculture and
19 polyculture crop mixes, as appropriate, by
20 project area.

21 “(6) SELECTION OF PROJECTS.—

22 “(A) RANKING; SUBMISSION TO SEC-
23 RETARY.—Each qualified organization selected
24 by the Secretary under paragraph (1) shall
25 rank proposals submitted to such qualified or-

1 organization under paragraph (2) using the sys-
2 tem for ranking established by the Secretary
3 under paragraph (6) and shall submit to the
4 Secretary up to five of the highest ranked appli-
5 cations.

6 “(B) SECRETARY SELECTION.—The Sec-
7 retary shall authorize not less than one pro-
8 posal submitted to the Secretary from each
9 qualified organization under subparagraph (A).

10 “(e) FOREST BIOMASS PLANNING GRANTS.—

11 “(1) IN GENERAL.—The Secretary shall provide
12 forest biomass planning assistance grants to private
13 landowners to develop forest stewardship plans that
14 involve sustainable management of biomass from
15 forest land of the private landowners that will pre-
16 serve diversity, soil, water, or wildlife values of the
17 land, while ensuring a steady supply of biomass ma-
18 terial, through—

19 “(A) State forestry agencies, in consulta-
20 tion with State wildlife agencies; and

21 “(B) technical service provider arrange-
22 ments with third-parties.

23 “(2) LIMITATION.—The total amount of funds
24 used to carry out this subsection shall not exceed
25 \$5,000,000.

1 “(f) DURATION OF CONTRACT.—

2 “(1) IN GENERAL.—Subject to paragraph (2),
3 for purposes of carrying out the BER, the Secretary
4 shall enter into contracts of 5 years.

5 “(2) EARLY TERMINATION.—The Secretary
6 may terminate a contract early if the Secretary de-
7 termines that—

8 “(A) contract acreage will not be used to
9 produce an eligible dedicated energy crop;

10 “(B) a material breach of the contract has
11 occurred;

12 “(C) the owner or operator has died; or

13 “(D) continuation of the contract will
14 cause undue economic hardship.

15 “(g) CONTRACT ACREAGE REQUIREMENTS.—

16 “(1) IN GENERAL.—On approval of a BER
17 project area by the Secretary, each eligible partici-
18 pant in the BER project area shall enter into a con-
19 tract with the Secretary that is consistent with the
20 BER.

21 “(2) ADDITIONAL ELIGIBLE PARTICIPANTS.—
22 The Secretary may add eligible participants to a
23 BER project area after approval of the BER project
24 area.

1 “(3) CONSERVATION PRACTICES.—To ensure
2 the sustainability of farm operations and the protec-
3 tion of soil, air, water and wildlife, the Secretary
4 shall include such terms and conditions in a contract
5 entered into under paragraph (1) as the Secretary
6 considers necessary.

7 “(4) PURPOSES.—

8 “(A) IN GENERAL.—Except as provided in
9 subparagraph (B), to be eligible to participate
10 in the BER, an eligible participant may use eli-
11 gible dedicated energy crops produced on con-
12 tract acreage only for the purposes described in
13 subsection (a).

14 “(B) PERSONAL USE.—During the period
15 before the commercial viability of a bioenergy
16 facility, an eligible participant may use eligible
17 dedicated energy crops produced by the eligible
18 participant on contract acreage for personal
19 use.

20 “(C) SEED PRODUCTION.—During the pe-
21 riod before the commercial viability of a bio-
22 energy facility, an eligible participant may har-
23 vest and sell seed produced on contract acreage.

1 “(5) REQUIREMENTS.—To be eligible to partici-
2 pate in the BER, during the term of the BER con-
3 tract, an eligible participant shall comply with—

4 “(A) the highly erodible land conservation
5 requirements of subtitle B of title XII of the
6 Food Security Act of 1985 (16 U.S.C. 3811 et
7 seq.); and

8 “(B) the wetland conservation require-
9 ments of subtitle C of title XII of that Act (16
10 U.S.C. 3821 et seq.).

11 “(h) ADDITIONAL ELIGIBLE BIOMASS.—

12 “(1) IN GENERAL.—The Secretary may allow
13 on land that is enrolled in the conservation reserve
14 program and located within the BER project area
15 the harvesting of biomass—

16 “(A) in exchange for a reduction of an ap-
17 plicable annual payment in an amount to be de-
18 termined by the Secretary;

19 “(B) in accordance with an approved con-
20 servation reserve program plan, including mid-
21 contract management and forestry maintenance
22 activities; and

23 “(C) in a manner that ensures that bio-
24 mass harvest activities occur outside the official

1 nesting and brood rearing season for those
2 plans.

3 “(i) DUTIES OF SECRETARY.—The Secretary shall—

4 “(1) establish and administer the BER;

5 “(2) authorize establishment of BER project
6 areas for the purposes of the BER described in sub-
7 section (a);

8 “(3) develop procedures—

9 “(A) to monitor the compliance of eligible
10 participants that have land enrolled in the BER
11 with the requirements of the BER;

12 “(B) to measure the performance of the
13 BER; and

14 “(C) to demonstrate whether the long-term
15 eligible dedicated energy crop production goals
16 are being achieved.

17 “(4) enter into a written contract with each eli-
18 gible participant that elects to participate in the
19 BER in a BER project area;

20 “(5) not enter into a contract under the BER
21 with an individual owner or operator unless the land
22 of the eligible participant is physically located in an
23 approved BER project area; and

24 “(6) provide all payments under the contract
25 directly to the eligible participant.

1 “(j) CONTRACTS.—A contract entered into between
2 the Secretary and an eligible participant under the BER
3 shall include, at a minimum, terms that cover—

4 “(1) requirements for the eligible participant in
5 carrying out the contract, including requirements de-
6 scribed in subsections (f), (g), and (l);

7 “(2) termination provisions;

8 “(3) payment terms and amounts to be pro-
9 vided on an annual basis;

10 “(4) the sales or transfer of contract acreage;

11 “(5) the modification of the contract;

12 “(6) the maximum quantity of contract acreage
13 and an estimated schedule for how much eligible
14 cropland will be enrolled each contract year; and

15 “(7) any additional terms the Secretary con-
16 siders appropriate.

17 “(k) PAYMENTS.—

18 “(1) IN GENERAL.—The Secretary shall provide
19 payments directly to eligible participants who enter
20 into contracts described in subsection (j) in accord-
21 ance with such subsection.

22 “(2) ESTABLISHMENT PAYMENTS.—

23 “(A) IN GENERAL.—The Secretary shall
24 provide to an eligible participant who enters
25 into a BER contract an establishment payment

1 in an amount equal to the costs of establishing
2 an eligible dedicated energy crop on the con-
3 tract acreage covered by the contract.

4 “(B) ELIGIBLE ESTABLISHMENT PAY-
5 MENTS.—The costs for which an eligible owner
6 may receive an establishment payment under
7 this paragraph include—

8 “(i) the cost of seeds and stock; and

9 “(ii) the cost of planting the crop.

10 “(3) RENTAL PAYMENTS.—

11 “(A) IN GENERAL.—The Secretary shall
12 make annual rental payments to an eligible par-
13 ticipant who enters into a BER contract.

14 “(B) PERIOD.—An eligible participant
15 shall receive rental payments for a period of not
16 more than 5 years after entering into a BER
17 contract with the Secretary on contract acreage.

18 “(C) REDUCTION.—The Secretary shall re-
19 duce rental payments under (A) by an amount
20 determined to be appropriate by the Secretary,
21 if an eligible dedicated energy crop is harvested
22 in accordance with subsection (g)(4).

23 “(1) INFORMATION SHARING.—

24 “(1) IN GENERAL.—Owners and operators of a
25 farm entering into a contract with the Secretary

1 under this section shall agree to make available to
2 the Secretary, or to an institution of higher edu-
3 cation or other entity designated by the Secretary,
4 such information as the Secretary considers to be
5 appropriate to promote the production of bioenergy
6 crops and the development of biorefinery technology;
7 and

8 “(2) BEST PRACTICES DATABASE.—Subject to
9 section 1770 of the Food Security Act of 1985 (7
10 U.S.C. 2276), the Secretary shall make available to
11 the public in a database format the best practices in-
12 formation developed by the Secretary in providing
13 bioenergy assistance under this section.

14 “(m) PAYMENTS FOR COLLECTING, HARVESTING,
15 STORING, AND TRANSPORTING BIOMASS PRODUCED ON
16 BER CONTRACT ACREAGE, AGRICULTURAL WASTE BIO-
17 MASS, AND SUSTAINABLY-HARVESTED AGRICULTURAL
18 AND FOREST RESIDUES.—

19 “(1) IN GENERAL.—Subject to paragraph (2),
20 the Secretary may provide matching payments at a
21 rate of \$1 for every \$1 per ton provided by the bio-
22 energy facility, in an amount equal to not more than
23 \$45 per ton for a period of two years—

24 “(A) to eligible participants for biomass
25 produced on BER contract acreage in exchange

1 for a reduction of the annual payment issued
2 under subsection (k)(3), as determined by the
3 Secretary;

4 “(B) to any producer of agricultural waste
5 biomass or sustainably-harvested agricultural
6 and forest residues in the United States for the
7 agricultural waste or residue; and

8 “(C) for residue collected as a result of the
9 removal of noxious and invasive species, in ac-
10 cordance with methods approved by the Sec-
11 retary.

12 “(2) FOREST LAND OWNER ELIGIBILITY.—
13 Owners of forest land shall be eligible to receive pay-
14 ments under this subsection only if such owners are
15 acting pursuant to a forest stewardship plan.

16 “(n) FUNDING.—Of the funds of the Commodity
17 Credit Corporation, the Secretary shall use to carry out
18 this section such sums as are necessary for each of fiscal
19 years 2008 through 2012.”.

20 **SEC. 9020. FOREST BIOMASS FOR ENERGY.**

21 Title IX of the Farm Security and Rural Investment
22 Act of 2002 (7 U.S.C. 8101 et seq.) is further amended
23 by adding at the end the following new section:

1 **“SEC. 9018. FOREST BIOMASS FOR ENERGY.**

2 “(a) IN GENERAL.—The Secretary of Agriculture,
3 through the Forest Service, shall conduct a competitive
4 research and development program to encourage use of
5 forest biomass for energy.

6 “(b) ELIGIBLE ENTITIES.—Entities eligible to com-
7 pete under this program include the Forest Service
8 (through Research and Development), other Federal agen-
9 cies, State and local governments, federally recognized In-
10 dian tribes, land grant colleges and universities, and pri-
11 vate entities.

12 “(c) PRIORITY FOR PROJECT SELECTION.—The Sec-
13 retary shall give priority to projects that—

14 “(1) develop technology and techniques to use
15 low value forest biomass, such as byproducts of for-
16 est health treatments and hazardous fuels reduction,
17 for the production of energy;

18 “(2) develop processes that integrate production
19 of energy from forest biomass into biorefineries or
20 other existing manufacturing streams;

21 “(3) develop new transportation fuels from for-
22 est biomass; and

23 “(4) improve the growth and yield of trees in-
24 tended for renewable energy production.

25 “(d) FUNDING.—Of the funds of the Commodity
26 Credit Corporation, the Secretary shall make available to

- 1 carry out this section \$15,000,000 for each of fiscal years
- 2 2008 through 2012.”.