



Title I. Producer Income Protection Programs

- Continues the popular 2002 Farm Bill safety-net.
 - Increases target prices for wheat, sorghum, barley, oats, soybeans and oilseeds;
 - Increases loan rates for wheat, barley, oats, oilseeds, wool and honey; and
 - Maintains current direct payment rates.
- Reforms payment limitations:
 - Eliminates three-entity rule;
 - Direct attribution; and
 - Lowers the AGI limit to \$1 million for 2009 and \$750,000 for 2010.
- Continues MILC program: restored to original support levels, increases eligibility cap from 2.4 million pounds to 4.1 million; allows forward contracting for processors of manufactured milk.
- Includes optional revenue-assurance program, Average Crop Revenue (ACR)
 - Allows for one-time signup option; includes \$15 direct payment on 85% base acres, recourse loans and state-level trigger revenue coverage.
 - Allows producers in Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio and Wisconsin to plant up to 10,000 acres per state to fruits and vegetables for processing – ACR payment will be reduced.
- Establishes new programs for specialty crop production, investment totaling over \$2 billion.
- Suspends 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.
- Reforms crop insurance.
 - Requires USDA to develop pilot program to provide crop insurance to camelina producers.
- Continues sugar program, increases loan rate and establishes program to convert surplus sugar into ethanol.

Title II. Conservation

- Increases mandatory spending by approximately \$4 billion.
- Maintains the Conservation Reserve Program (CRP) at 39.2 million acres and provides a priority for local ownership in accepting contract offers.
- Creates a new, umbrella program called the Comprehensive Stewardship Incentives Program (CSIP) to streamline the existing working lands programs- EQIP and CSP.

- CSP- now renamed the Conservation Stewardship Program – is expanded to enroll over 13.2 million acres nationwide each year through 2012; no longer a watershed-based enrollment; \$1.28 billion above existing baseline over 10 years.
- Reauthorizes Environmental Quality Incentives Program (EQIP) program at \$1.27 billion in 2008 and 2009, and \$1.3 billion annually thereafter.
- Promotes eligibility criteria based on local input to address local environmental priorities and concerns.
- Reauthorizes the Wetlands Reserve Program to enroll 250,000 acres per year through 2012.

Title III. Trade

- Increases Market Access Program (MAP) funding by \$94 million through FY 2012 to expand U.S. agricultural exports promote specialty crop exports.
- Increases Foreign Market Development Program (FMDP) funding by \$22 million through FY 2012 to maintain market share for bulk grains and oilseeds.
- Reforms and terminates several Export Credit and Subsidy programs that are no longer effectively utilized- generate \$23 million in savings over five years.
- Food for Peace
 - Establishes a pilot program authorized at \$25 million annually for local or regional procurement of food in emergency situations.
 - Establishes a firm minimum of \$600 million for development assistance programming that cannot be used for emergency assistance. This `safe box` is not subject to waivers, so that aid organizations can guarantee funding and continuity in their development projects.

Title IV. Nutrition

- Increases funding by \$4.3 billion over baseline.
- Ends benefit erosion and increases food stamp benefits for the majority of participating families by increasing the standard deduction and indexing it to inflation.
- Provides an additional \$92 million annually in mandatory commodity purchases for distribution through food banks and The Emergency Food Assistance Program (TEFAP).
- Invests more than \$1.1 billion in the Fruit and Vegetable Program and expands to every state in the country, targeting benefits to low-income children to promote sound nutrition.
- The Senior Farmers Markets Program is extended and funded with an additional \$10 million in mandatory funding.
- Sets minimum spending levels for purchase of foods purchased with Section 32 funds to be distributed to nutrition assistance programs. \$390 million made available in 2008 increasingly annually to \$406 million in 2012. Purchased products may be fresh, frozen, canned or dried fruits, vegetables or nuts.

- Provides \$110 million in mandatory funds for the Community Food Projects (CFP) program.
- Establishes that interchange fees do not apply to EBT transactions.

Title V. Credit

- Numerous provisions to address the challenges beginning and socially disadvantaged farmers face in acquiring credit for land, equipment, etc.
- Establishes a new pilot program to promote matched savings accounts for qualified beginning farmers and ranchers and allows proceeds to be used on capitol expenditures.
- Makes the land contract guaranteed loan pilot program established in the 2002 Farm Bill permanent and nationwide.
- Increases direct farm ownership and operating loan limitations to \$300,000.
- Eliminates term limits on guaranteed loans and allows all farming experience to be considered when applying for a loan.

Title VI. Rural Development

- Provides \$400 million in budget authority for a variety of initiatives that will promote economic growth and create jobs in rural communities.
- Provides mandatory funding for day care construction and rehabilitation for hospitals in small towns.
- Invests in the expansion of rural broadband and requires that highest priority be given to applications that would provide service to the greatest proportion of unserved households.
- Promotes locally grown foods by granting loans to establish and facilitate enterprises that process, distribute, aggregate, store, and market locally produced agricultural food products.
- Provides multi-year Rural Cooperative Development Grants (RCDG) for 1-3 years to centers that have successfully demonstrated a proven track record and previously received funding.
- Changes the definition of rural to exclude: cities of 50,000; urbanized areas contiguous and adjacent to cities of 50,000; and any collection of census blocks contiguous to each other with a housing density of more than 200 housing units per square mile.
 - For the purpose of water and waste disposal grants, definitions are changed to areas with a population of no more than 10,000 inhabitants
 - For the purpose of Community Loans and Grants, definitions are changed to areas of no more than 20,000 inhabitants
 - Requires study (every 2 years) to assess the various definitions of 'rural' and 'rural area' and the effects those definitions have on programs and the amount of rural development funding for each state

Title VII. Research

- Restructures the Cooperative State Research, Education and Extension Service (CSREES) and changes its name to the National Institute of Food and Agriculture (NIFA).
- Formalizes coordination between USDA, the Agricultural Research Service (ARS) and NIFA to enable more efficient use of resources.
- Provides \$80 million for research on specialty crops.
- Provides \$80 million for organic agriculture research and extension to enhance the ability of organic producers and processors to grow and market organic food, feed and fiber.

Title VIII. Forestry

- Establishes National Priorities for Private Forest Conservation.
- Establishes Comprehensive Statewide Forest Plans.
- Establishes a Community Forest and Open Space Conservation Program that provides matching funds to help county or local governments or non-profits organizations acquire private forests that are threatened by conversion to non-forest use and are economically, culturally and environmentally important to communities.
- Strengthens the Forest Service's relations with Indian tribes.

Title IX. Energy

- Provides approximately \$1.3 billion in new funding for energy programs.
- Includes language providing a priority for significant local ownership when awarding grants and loan guarantees for new biomass conversion facilities.
- Provides \$300 million for grants and loan guarantees for biofuel refineries.
- Provides funding to pay producers to transition to growing a variety of bioenergy crops so long as they have a financial commitment from a facility to purchase the eligible crops.
- Provides \$230 million for grants and loan guarantees for farmers, ranchers and rural small businesses to fund energy efficiency improvements or install renewable energy capacity.
- Establishes incentives for bioenergy crop production, funding for incentives to build cellulosic ethanol facilities, funding to increase use of other renewable energy sources including incentives to help facilities convert from use of fossil fuels to renewable sources.
- Increases research funding on biofuels and biobased products.

Title X. Livestock Marketing, Regulatory and Related Programs

- Bans packer ownership of livestock 14 days before slaughter, with exemptions:
 - Cooperative with majority of ownership held by active members;
 - A packer not required to report price and quantity information; and

- Packer that owns 1 livestock processing facility.
- Creates a Special Counsel on Agricultural Competition at USDA for enforcement of the Packers and Stockyards Act and Agricultural Fair Practices Act. Activities relating to investigations and prosecutions will be combined into one office.
- Includes the House compromise on mandatory country of origin labeling (COOL) with minor changes. Adds chicken and macadamia nuts as covered commodities.
- Includes contract reforms, such as voluntary arbitration and requiring 90 day notice for contract termination if producer has made a capital investment of \$100,000 or more for the purposes of the contract.
- Authorizes establishment of a grading program for farm-raised catfish; directs USDA to establish a voluntary grading program for farm-raised catfish and conduct a study on feasibility of establish an inspection program for farm-raised catfish.
- Amends the Animal Health Protection Act to make unauthorized use of information obtained through an animal identification system unlawful. Establishes parameters on the use of such information by the Secretary.
- Reauthorizes the National Sheep and Goat Industry Improvement Center, which provides assistance to sheep and goat producers for infrastructure development, business development, production, resource development, and market and environmental research. Provides \$1 million in mandatory funds.

Title XI. Miscellaneous

- Clarifies the roles of USDA and DHS in inspecting agriculture products and specifies USDA as responsible for agriculture quarantine inspection activities.
- Changes program requirements to provide a stronger focus on improving the participation of socially disadvantaged farmers in existing USDA programs.
- Directs the Secretary to make grants to nonprofit organizations to assist agricultural employers and farm workers with services that help improve the quality of the agricultural labor force.
- Establishes a bipartisan Congressional commission to investigate food safety systems.
- Creates a new, optional program to allow interstate sales and shipment of state-inspected meat and poultry products.
- Prevents the closing of "Critical Access FSA County Offices" for the life of the 2007 Farm Bill (five years) unless Congress approves of the closures.

Tax Title.

- Creates the Agricultural Disaster Relief Trust Fund, providing over \$5 billion to cover a portion of the shallow losses not covered by crop insurance. The fund also provides funds for pest detection and disease prevention for specialty crops and assistance to specialty crop producers who lose vines and trees to natural disaster.

- Allows participants in the Conservation Reserve Program (CRP), the Wetlands Reserve Program and the Grasslands Reserve Program the option to choose between a cash payment and a tax credit.
- Provides that CRP payments to retired or disabled individuals are to be treated as rental payments for tax purposes and therefore excluded from self-employment taxes.
- Establishes 2 new tax credits for taxpayers who take voluntary measures to aid in the recovery of species listed under the Endangered Species Act.
- Creates a new 30% investment tax credit for qualified residential and commercial applications of small wind energy property.
- Creates a new production tax credit for cellulosic biofuels with no per-taxpayer limit on the amount of annual credits that can be claimed.
- Extends for 2 years the 10-cent/gallon tax credit on the first 15 million gallons of ethanol production for producers with annual capacity of not more than 60 million gallons.
- Extends tariff on imported ethanol through 2010.
- Creates a 2-tiered tax incentive to stimulate investment in broadband infrastructure.
- Includes Kansas tornado disaster tax relief assistance.