

United States Senate Committee on
**AGRICULTURE
NUTRITION
& FORESTRY**

U.S. Senator Debbie Stabenow, Chairwoman

Agriculture Reform, Food and Jobs Act of 2012

In the United States, some 16 million jobs depend on the strength and continued success of American agriculture. Our farmers grow the safest and most abundant supply of food, fiber and energy in the world. Innovations in agriculture allow families to put healthy, nutritious food on their tables at a lower cost than in most other countries. The Agriculture Reform, Food and Jobs Act reforms, eliminates and streamlines numerous programs, saving taxpayers \$23 billion. It does this while strengthening the tools available to producers to help manage risks and conserve natural resources.

Title I: Commodities

Farmers face unique risks unlike those in other professions. Weather and market conditions outside a producer's control can have a devastating effect on producers, especially family farms. This bill ends direct payments, strengthens crop insurance, and encourages an innovative risk management approach that only provides assistance to producers when their businesses are threatened by risks outside their control.

Eliminates Direct Payments

Direct Payments, Counter-Cyclical Payments (CCPs), the Average Crop Revenue Election (ACRE) Program, and the Supplemental Revenue Assistance Payments (SURE) Program are repealed at the end of the 2012 crop year, creating \$15 billion in savings for deficit reduction.

Ends Farm Payments to Millionaires

Any person or entity with an adjusted gross income (AGI) of more than \$750,000 will be ineligible for payments from Title I Farm Bill programs, which are now capped at \$50,000 per entity. This bill also ensures that payments go to those farmers with an active stake in the farming operation.

Simplified Risk Management

Farmers will have access to a single, risk-based coverage program called Ag Risk Coverage (ARC) that complements crop insurance to protect against both price and yield losses. Farmers will make a one-time choice between coverage at the individual farm level or at the county-level. Payments to farmers will be available only when actual losses are experienced off of a benchmark revenue calculated using an Olympic average of the previous five crop years. Payment rates depend on whether the farmer has elected the individual farm level coverage or county-level coverage. Farmers can only receive payments for acres that are actually planted,

and only when there is a drop in price or yields. In order to be eligible for ARC, all farmers must agree to comply with conservation and wetlands requirements.

Marketing Loans

The Marketing Loan Program is continued to help provide farmers operating capital for their farms with a loan rate adjustment for upland cotton that is designed to bring the program into better compliance with World Trade Organization (WTO) requirements in response to Brazil's WTO lawsuit. To receive marketing loans, farmers must agree to comply with conservation and wetlands requirements to the same degree as they do for eligibility in ARC.

Sugar

The Sugar Program is continued without changes through 2017.

Stronger Dairy Programs

Recognizing that dairy is a unique commodity, two new programs replace existing dairy programs. The Dairy Production Market Protection Program (DPMPP) is a voluntary program that protects producer margins equal to the difference between the all-milk price and a national feed cost. For small and medium-sized farms, additional margin protection is offered on the first 4 million pounds of milk marketed (the annual production of approximately 200 cows). The Dairy Market Stabilization Program (DMSP) promotes growth while encouraging producers who participate in DPMPP to scale down production when the market is oversupplied. These programs replace the Dairy Product Price Support Program (DPPSP) and the Milk Income Loss Contract Program (MILC). The USDA is given more authority and resources for transparency measures to make sure reported dairy prices are accurate.

Livestock & Supplemental Disaster Program

The bill continues supplemental disaster assistance for producers whose livestock has been affected by high mortality rates caused by severe weather, disease, or other acts of nature. It also continues assistance for natural disasters that destroy grazing land, honey bees, farm fish, orchard trees, and nursery trees.

Title II: Conservation

Our rapidly growing population demands that America's farmers double their production over the next few decades *and* use fewer acres to do so. Conservation programs ensure we have a safe and abundant food supply, clean water, and thriving wildlife populations. The Agriculture Reform, Food and Jobs Act of 2012 consolidates 23 existing conservation programs into four fundamental program functions, achieving \$6 billion in deficit reduction.

Working Lands

Environmental Quality Incentives Program (EQIP)

EQIP will continue to provide cost-share for certain activities on working lands that help farmers avoid and comply with regulation. Many parts of the Wildlife Habitat Incentive Program (WHIP) have been consolidated into EQIP, focusing the program on farmers and ranchers looking to create or improve areas for wildlife habitat on their working lands.

Conservation Stewardship Program (CSP)

This program continues to encourage higher levels of conservation and the adoption of new and emerging conservation technologies on farms, ranches, and forests. Some changes are made to ease use and implementation of the program. Additionally, the cap on the number of nonindustrial private forestlands that can be enrolled in the program is removed and greater focus is given to identifying resource concerns at the local level. The program also gains flexibility to accept land coming out of the Conservation Reserve Program.

Conservation Innovation Grants (CIG)

Conservation Innovation Grants are provided on a competitive basis to encourage the development of new or improved conservation practices. CIG is geared towards projects that offer new approaches to providing producers environmental and production benefits. A new reporting requirement is added to increase program transparency.

Voluntary Public Access and Habitat Incentive Program

Private landowners are able to realize a value-added benefit by creating wildlife habitats and opening their land up to hunting, fishing, and other kinds of public outdoor recreation. This program is continued and the Secretary is required to report to Congress on the program's effectiveness by 2015.

Conservation Reserve Program

Refocuses the Conservation Reserve Program

The Conservation Reserve Program (CRP) removes highly erodible land from production to benefit soil and water quality as well as wildlife habitats. The program currently has an acreage cap of 32 million acres. Over the next two years, the contracts on over 10 million acres will expire. The bill lowers the acreage cap through a multi-year step-down to 25 million acres, allowing for the re-enrollment and prioritization of the most highly erodible, sensitive acres. There is an added focus on grassland conservation. This program also continues the Transition Incentives Program, which allows retiring farmers and ranchers to transfer their land to a beginning farmer or rancher to begin production while still receiving CRP payments in the final two years of their contracts.

Regional Partnerships

Regional Conservation Partnership Program

Four existing programs are consolidated into one that will support projects that improve soil quality, water quality, or wildlife habitat in a specific area or region. Projects are selected through a competitive, merit-based process, and producers are encouraged to leverage partner resources to achieve common goals. Within the program is a Critical Conservation Area component that funds projects in areas with particularly significant water quality and quantity issues facing natural resource regulatory pressures.

Easements

Simplified Easements Program

All conservation easement programs will be streamlined under one program, the Agricultural Conservation Easement Program, with two parts: Agricultural Land Easements and Wetlands Easements. Agricultural Land Easements protect lands from development and keep them devoted to agricultural use as well as keep land for grazing. Wetland Easements restore, protect, and enhance wetlands, which are important for water quality, quantity and wildlife habitat issues in many areas. The program focuses on long term land protection.

Other

Conservation of Private Grazing Land

The program is reauthorized to improve private grazing land by offering technical assistance and educational activities to landowners looking to better manage their land.

Grassroots Source Water Protection Program

State rural water associations are encouraged to use technical assistance in order to promote conservation activities that protect the quality of our nation's drinking water through this program.

Small Watershed Rehabilitation Program

Many of the flood control structures (mainly dams) in our country are reaching their maximum life expectancy. This program provides for projects to improve their longevity.

Title III: Trade

The United States maintains a significant trade surplus in agriculture, which is one of the few sectors where we export more than we import. The Agriculture Reform, Food and Jobs Act of 2012 continues that leadership with a focus on opening new markets and fighting trade barriers. It also recognizes the importance of America's leadership in times of food emergencies and reforms key policies to reduce waste in the system and provide flexibility to respond to changing food aid needs.

Agricultural Trade Promotion

Export Credit Guarantee Program (GSM-102)

This program provides export credit guarantees to help ensure the availability of credit to finance the exports of U.S. agricultural products to countries where financing might not be available. To address concerns related to the Brazil WTO case, current levels of export credit guarantees are reduced from \$5.5 billion to \$4.5 billion. This works to ensure compliance with the dispute settlement with Brazil, while maintaining United States export competitiveness for agriculture.

Market Access Program

This program provides matching funds to promote U.S. agricultural products in overseas markets.

Foreign Market Development Program

This program provides matching funds to nonprofit commodity or trade associations to aid in the long-term expansion of export markets for U.S. agricultural products.

Emerging Markets and Facility Guarantee Loan Program

This program provides funding for technical assistance to promote U.S. agricultural products to emerging markets and supports loan guarantees to establish or improve agriculture-related facilities in emerging markets.

Technical Assistance for Specialty Crops

This program provides financial assistance to producers and exporters of specialty crops in addressing barriers to trade in their products in overseas markets. The bill revises the “Purpose” section of the program slightly to ensure that technical barriers to trade (e.g., burdensome regulatory requirements) can be addressed under the program.

Global Crop Diversity Trust

The Trust provides for storage and maintenance of seed from food crops from all over the world in a facility in the Arctic Circle in northern Norway. The bill authorizes funds through 2017 to fund the Global Crop Diversity Trust. U.S. contributions may not exceed one fourth of the total of funds contributed to the Trust from all sources.

International Food Aid Programs

Speeds Emergency Food Aid Response

The bill increases the amount of Title II funds available to support strategic prepositioning, which brings food aid commodities to at-risk regions before food emergencies strike.

Food for Peace

This is the largest food aid program under the Committee’s jurisdiction. It is comprised of four titles. However, Title II, which provides for emergency aid and non-emergency development projects, contains the title’s primary food aid budget authority. Taken as a whole, the program enables the U.S. to donate food overseas to promote food security.

Farmer to Farmer

This program, which is within Title II, sends American citizens with valuable agricultural skills to areas in developing countries that need technical assistance. This bill slightly raises the percentage of title funds to be used towards this program.

McGovern-Dole

This program facilitates distribution of food commodities through schools in developing countries through partner organizations to improve food security, reduce hunger, and improve literacy. The program has projects in over 40 countries and feeds about 5 million children in need every year.

Local and Regional Food Aid Procurement

Expanding on the success of a pilot program from the 2008 Farm Bill, Local and Regional Food Aid Procurement allows organizations to purchase food through local and regional markets. This promotes stability by supporting local producers and economies. By linking local and regional purchasing with the McGovern-Dole International Food for Education and Child Nutrition Program in the application process, this bill also encourages project graduation for schools participating in McGovern-Dole.

Food Aid Quality

The bill puts into action the recommendations of a study authorized by the 2008 Farm Bill to research U.S. Food Aid quality. The Administrator is given increased flexibility to improve the nutritional profile of food aid for target populations, such as children under five and mothers.

Resiliency Pilot in the Horn of Africa

Since the last Farm Bill, the famine in the Horn of Africa has brought new organizations and governments to the region, all intent on helping reduce hunger and improve food security. This new pilot will help coordinate these efforts on the ground by looking at interactions amongst the many groups doing resiliency work – the work that will help ensure that famine does not occur again.

Bill Emerson Humanitarian Trust

The Trust holds extra resources so that the U.S. can respond quickly to food crises when domestic supplies are short.

Title IV: Nutrition

The Agriculture Reform, Food and Jobs Act of 2012 strengthens the integrity and accountability of federal nutrition programs. The legislation ensures that every dollar be spent responsibly so that those who need help can get it. The bill cracks down on fraud and abuse, while strengthening efforts to get food assistance to those most in need.

Supplemental Nutrition Assistance Program

Cracks Down on Trafficking

The Department of Agriculture will receive additional funds to prevent trafficking of food assistance benefits and to strengthen retailer program integrity.

Prevents Lottery Winners from Receiving Food Assistance

Anyone with substantial lottery or gambling winnings will lose benefits immediately after receiving winnings. Winners will be prevented from receiving new benefits if they do not meet the financial requirements of SNAP.

Prevents College Students from Misusing Benefits

Limits SNAP eligibility for college students based on Perkins program criteria. This focuses eligibility on those participating technical and vocational education programs, primarily 2 year colleges, trade studies, remedial course work, basic adult literacy, or English as a second language.

Improves the Quality of Participating Retail Stores

Requires participating retailers to stock more staple foods like fruits and vegetables and bans stores from participating if their sales of prohibited items like liquor and tobacco is higher than 45 percent of the store's total sales.

Closes Gap in Standards for Utility Allowance

Benefits allocations are determined using both income and expenses. The Standard Utility Allowance is used by many states to estimate average utility costs in order to make benefits determinations. This provision will stop states from issuing extremely low LIHEAP benefits to qualify households to receive Standard Utility Allowances for the sole purpose of increasing their SNAP benefits. This provision will not affect any households receiving traditional LIHEAP assistance or any household that can demonstrate a utility cost.

Preserves SNAP Nutrition Education

This program supports projects that improve the likelihood that individuals eligible to receive SNAP will choose physically active lifestyles and make healthy food choices within a limited budget, consistent with the current Dietary Guidelines for Americans. The bill adds physical activity as an eligible use of the program, and maintains current funding levels.

Continues Employment and Training Program

Continues Employment and Training to provide for employment through work-related education and training activities.

Additional Nutrition Programs

Gives Seniors Access to Healthy Fruits and Vegetables

The bill maintains funding authorizations at current levels for the Commodity Supplemental Food Program (CSFP). Transitions CSFP to a program for senior citizen populations while allowing the small percentage of women and children currently enrolled in CSFP to continue to receive services through the program until they have exceeded the age of eligibility. Women, infants and children will all be served by the Women, Infants, and Children (WIC) program, which is more suited to meet their needs.

Increases Assistance for Food Banks

Local food banks are struggling to provide enough food to needy families in their area. The Emergency Food Assistance Program (TEFAP) helps supplement the diets of low-income individuals by providing emergency food and nutrition assistance, largely through food banks.

Department of Defense Fresh Program

The bill maintains current funding for the Department of Defense Fresh Program, which distributes fresh fruits and vegetables to schools and service institutions. It also continues to allow the Agriculture Marketing Service to conduct pilots to allow states to source locally.

Senior Farmers Market Nutrition Program

Maintains current funding levels for the Senior Farmers Market Nutrition Program, which provides low-income seniors with coupons that can be exchanged for eligible foods (fruits, vegetables, honey, and fresh-cut herbs) at farmers' markets, roadside stands, and community supported agriculture programs.

Whole Grain Products

The bill continues the whole grain products program that encourages sampling of a variety of whole grains and whole-grain foods for use in school meal programs. Requires an evaluation to determine whether whole-grain consumption increased and which products were most acceptable to schoolchildren.

Healthy Food Financing Initiative

In both urban and rural low-income communities, many people lack reasonable access to nutritious and affordable food. The bill authorizes the Healthy Food Financing Initiative to administer loans and grants to improve access to healthy foods in these “food deserts,” improving the health of families and creating and preserving jobs.

Technology Modernization

The bill directs the Food and Nutrition Services to conduct demonstration projects to test new technologies like smart phones and online payments for retailers to improve access through the Supplemental Nutrition Assistance Program.

Promotes Better Health for School Children

The bill maintains current funding levels for the Fresh Fruit and Vegetables Program, which provides free fresh fruits and vegetables to elementary school children throughout the school day in school districts with a high proportion of low-income students.

Community Food Projects

The bill provides for grants to eligible nonprofit organizations to improve community access to food through the development of innovative projects such as school-to-garden programs and urban greenhouse initiatives.

Encourages Healthy Food Choices

The bill provides grants to incentivize the purchase of fruits and vegetables by SNAP participants. Eligible entities conducting programs like “Double Up Food Bucks” will be able to access federal matching funds to expand efforts into additional communities.

Title V: Credit

The average American farmer is over 60 years old, and a shortage of beginning farmers is threatening the long-term economic success of American agriculture. The Agriculture Reform, Food and Jobs Act of 2012 continues the work of the 2008 Farm Bill to assist beginning farmers and family farms.

Helps Farmers Get Started with Conservation

The Conservation Loan and Loan Guarantee Program provides loans to borrowers to build conservation structures or establish conservation practices.

Support for Beginning Farmers

The Beginning Farmer and Rancher Individual Development Accounts Pilot Program authorizes matching-funds for savings accounts specifically to be used for farming-related expenses for beginning farmers and ranchers.

Loan Fund Set-Asides

The credit title maintains higher loan funds reserved for direct farm ownership loans and also maintains the strengthened down payment loan program. It continues to reserve a portion of the guaranteed farm ownership loan funds and direct operating loan funds for beginning farmers and ranchers.

Maintains Loan Authorization Levels

The credit title recognizes the importance and success of Department of Agriculture loan programs. All Farm Service Agency (FSA) loan authorization levels are reauthorized until 2017.

State-Mediation Program

This program recognizes the importance of state mediation programs in resolving agriculture and USDA-related disputes. This program has been incorporated in the Farm Bill by extending the 2010 reauthorization of the USDA's State Agricultural Mediation Program until 2017.

Title VI: Rural Development

Rural communities reflect the indomitable spirit of America and have always been a symbol of our national values. Today, rural communities face serious economic threats and an erosion of a way of life that stretches back many generations. The Agriculture Reform, Food and Jobs Act of 2012 helps rebuild those communities and invest in the future, especially broadband and business development, to help rural communities thrive in the 21st century economy.

Rural Business Development Programs

Continues Support for Rural Business Development

The Rural Business Development Grants program will award competitive grants to public agencies and non-profit community development organizations for business development, planning, technical assistance, or job training in rural areas.

Supports Rural Cooperative Development

The Rural Cooperative Development Grants program provides competitive grants to non-profit organizations for the establishment and operation of centers for rural cooperative development.

Encourages Rural Entrepreneurship

The Rural Microenterprise Assistance Program awards grants to microenterprise development organizations to provide training, business planning assistance, market development assistance, and other services to rural microenterprises. This program also awards funding for the establishment of rural microloan programs designed to support microentrepreneurs in rural areas.

Supports Rural Food Processing

The Value-Added Agricultural Market Development Program Grants program is designed to encourage independent producers of agricultural commodities to process their raw products into marketable goods, thereby increasing farm income. Grants may be used for planning activities, for working capital for marketing value-added agricultural products, and for farm-based renewable energy. The program will prioritize funding for projects benefiting beginning farmers and ranchers.

Continues Business Loan Support

The Business and Industry Direct and Guaranteed Loan Program improves, develops, or finances business, industry, and employment in rural communities by bolstering the existing private credit structure through the guarantee of quality loans. The bill reserves funds made available through the program for projects that include the processing, distribution, storage, and marketing of locally produced agricultural food products.

Infrastructure Improvement Programs

Access to Broadband Services in Rural Areas

Through USDA's Broadband Program, the Department provides funds for the construction, improvement, and acquisition of facilities and equipment needed to provide broadband service in rural communities. The bill authorizes USDA to begin providing combinations of grants and loans for the expansion of broadband service. The program will target funds to rural communities isolated from significant population centers.

Distance Learning and Telemedicine

This program provides competitive grant and loan funding that supports equipment and infrastructure improvements that enhance telecommunications capabilities at educational and medical facilities.

Water, Waste Disposal and Wastewater Facility Grants and Loans

This program provides grants, loans and loan guarantees to public agencies for projects that support the development, storage, treatment, purification, or distribution of water or the collection, treatment, or disposal of waste in rural areas. Rural communities with populations of less than 5,500 are prioritized for funding.

Rural Water and Wastewater Circuit Rider Program

This program provides competitive grants to non-profit organizations that give technical assistance to rural public water systems. This technical assistance helps the water systems to comply with state and federal environmental regulations. The program is authorized to receive \$25 million annually.

Rural Energy Savings Program

The bill authorizes a new loan program, administered by the Department of Agriculture, which will issue zero-interest loans to any electric cooperative or coordinated group of electric cooperatives for the purpose of lending the funds to their customers to make energy saving retrofit and structural improvements.

Community Development Programs

Strategic Economic and Community Development

The bill authorizes the Secretary to give priority to applications submitted for funds through Rural Development programs that support regional approaches to community and economic development. These applications should reflect the participation of multiple stakeholders in the service area of the proposal. The applications should also have clear objectives and an explanation of performance measures that will be used to determine progress in meeting those objectives.

Technical Assistance for Community Facilities Projects

The bill authorizes the Secretary to make up to 3 percent of funds provided through the Community Facilities Loan and Grant Program available to applicants for technical assistance. Many rural communities do not have full-time staff to assist in the preparation of funding applications. This provision will help smaller communities in the development of their applications to the Community Facilities program, which supports projects related to economic development, public safety, and health care delivery.

Appropriate Technology Transfer for Rural Areas

This program awards competitive grant funding to national non-profit organizations that provide agricultural producers information pertaining to the reduction of input costs, conservation of energy resources, and expansion of markets through the use of sustainable farming practices.

Title VII: Research

Decades of research have allowed American producers to consistently outperform producers in other countries by being more efficient, more innovative, and more productive with limited resources. The Agriculture Reform, Food and Jobs Act of 2012 continues that leadership by continuing critical research initiatives and creates a new nonprofit research foundation to bring public and private dollars together to support cutting-edge research.

Foundation for Food and Agriculture Research

The bill creates a new non-profit foundation, the Foundation for Food and Agriculture Research, to leverage private funding, matched with federal dollars, to support agricultural research. This innovative approach will foster continued innovation in agricultural research.

Continues Critical Agricultural Research

The Agriculture and Food Research Initiative (AFRI) program provides competitive grants for basic and applied research. The bill does not include policy changes to the additional program.

University Research

The bill reauthorizes agricultural research activities at 1862, 1890 and 1994 land-grant institutions.

Extension Service

The bill reauthorizes funds for extension service activities.

National Agricultural Research, Extension, Education and Economics (NAREEE) Advisory Board

The bill reauthorizes the NAREEE advisory board, which provides consultation to USDA, industry and Congress on agricultural research priorities. The NAREEE advisory board is directed to consult with industry groups on agricultural research, extension, education, and economics, and to make recommendations to the Secretary based on that consultation.

Policy Research Centers

This program provides competitive grants for cooperative agreements with policy research centers to conduct research and education programs concerning the effect of policies on the farm and agricultural sectors; the environment; rural families and economies; and consumers, food and nutrition.

Capacity Building Grants for Non-Land Grant Colleges of Agriculture (NLGCA) Institutions

This program provides competitive grants to assist NLGCA institutions in maintaining and expanding the capacity to conduct education, research, and outreach activities related to agriculture, renewable resources, and other similar disciplines.

Beginning Farmer and Rancher Development Program

The bill continues the Beginning Farmer program, which develops and offers education, training, outreach and mentoring programs to ensure the success of the next generation of farmers. The bill expands eligibility to include military veterans who wish to begin a career in agriculture.

Addresses Critical Shortages of Veterinarians

The bill would help address the shortage of veterinarians in rural agricultural areas by supporting veterinary education and rural recruitment.

Increased Transparency for Budget Submissions

In order to increase transparency and reduce duplication across agencies, the bill requires the Department of Agriculture to provide more detailed information regarding expected research expenditures when submitting its annual budget request to Congress.

Title VIII: Forestry

The health of America's forests is critical to the future of our economy and our way of life. Forests provide clean drinking water, critical wildlife habitats, and recreational opportunities for our families. While the conservation title gives many tools to foresters to manage their land, additional efforts to preserve and improve our nation's forests are included here.

Improves the Health of America's Forests

The bill reauthorizes the Healthy Forest Reserve Program (HFRP), a voluntary program that enhances forest ecosystems to promote the recovery of threatened and endangered species, improve biodiversity, and enhance carbon sequestration.

Forest Legacy Program

This program protects water quality, provides habitat, recreational opportunities and other public benefits on our working forests making sure that we keep our forests in forests.

Supports Community Forestry

The Community Forest and Open Space Conservation Program is reauthorized. This program leverages federal dollars to help communities, including tribes, to protect forests in threat of conversion to non-forest use.

Forest Stewardship Program

Private forest landowners benefit from the landscape level information that Forest Stewardship Plans developed through this program provide. This makes sure that landowners have the resources necessary to manage their forests in an economically and environmentally effective manner.

International Forestry

The trade of illegal forests products is threatening our domestic markets, where honest dealers are trying to sell their wood products. This program encourages the trade of legally harvested timber. It also supports domestic production by working to prevent invasive species from entering the country.

Urban and Community Forestry

This program helps communities develop and maintain urban forestry programs, which protect urban trees and forests.

Stewardship Contracting

This is an effective tool for land management that allows the Forest Service to conduct important restoration work to improve the health of our nation's forests.

Title IX: Energy

With new opportunities in bio-based manufacturing, advanced biofuels, and renewable energy, the Agriculture Reform, Food and Jobs Act of 2012 continues programs that are helping to create jobs while simultaneously reducing our nation's dependence on foreign oil.

Rural Energy for America Program

The popular Rural Energy for America (REAP) program has helped nearly 4,000 farmers, ranchers and rural business owners lower their energy bills by installing renewable and energy efficient systems. The bill will provide a streamlined application process for farmers and rural businesses applying for small and medium sized projects.

Promotes Advanced Bioenergy Production

The Biomass Crop Assistance Program (BCAP) program provides support for farmers and ranchers who wish to plant energy crops to produce and use biomass crops for conversion to advanced biofuels or bioenergy. Agricultural producers in BCAP project areas may contract with the Department of Agriculture to receive biomass crop establishment payments up to 50 percent of costs, plus annual payments in amounts determined by the Secretary in subsequent years to help to compensate for lost opportunity costs until crops are established.

Supports the Growing Bio-Based Economy

The bill will reauthorize and modify USDA's BioPreferred Program and the Federal Government Procurement Preference Program. Many of the modifications are adopted from the "Make it Here, Grow it Here" initiative which includes reporting of biobased purchases by the federal agencies, auditing and enforcement of the biobased and education/outreach activities.

Biorefinery Assistance Program

This program provides loan guarantees for renewable energy projects. Eligibility for the program has been expanded to include biobased manufacturing, which uses agricultural products to make value-added products.

Bioenergy Program for Advanced Biofuels

This program provides production payments for advanced bioenergy sources such as methane digesters, advanced biofuels and biopower.

Biodiesel Fuel Education Program

The Biodiesel Fuel Education Program provides competitive grants to non-profit entities to provide information about the benefits of biodiesel fuel use to government and private organizations.

Biomass Research and Development Initiative (BRDI)

The bill would reauthorize funding for research on biomass feedstock development for bioenergy and biobased products.

Feedstock Flexibility Program for Bioenergy Producers

The Feedstock Flexibility Program assures that sugar imports do not result in increased forfeitures of U.S. sugar.

Community Wood Energy Program

This program provides competitive, cost-share grants for communities to supply public buildings with energy from sustainably-harvested wood from the local area.

Title X: Specialty Crops & Horticulture

The Agriculture Reform, Food and Jobs Act of 2012 recognizes the diversity of American agriculture and the importance of specialty crops and organics, including fruits, vegetables, nuts, horticulture, and nursery crops. Sales of specialty crops total nearly \$65 billion per year, making them a critical part of the U.S. economy and an important job creator.

Supports Farmers Markets and Local Foods

The Farmers Market and Local Food Promotion Program continues successful efforts from the Farmers Market Promotion Program by providing competitive grants to improve and expand farmers markets, roadside stands, community-supported agriculture programs, and other direct producer-to-consumer market opportunities. The program authority is expanded to also provide assistance in developing local food system infrastructure and central regional food development centers like food hubs and terminal markets that help producers with training, aggregating, distributing and other market activities.

Local Food Data and Evaluation

The bill expands collection of data related to local and regional food systems and directs the Department of Agriculture to evaluate the success of and recommend improvements to current programs designed to strengthen access to local foods.

Continues Specialty Crop Research

Provides mandatory funding over 10 years for the Specialty Crop Research Initiative, ensuring funding will be available for key research projects for fruits, vegetables and other specialty crops. This funding also ensures funding will be available for this program in the next farm bill.

Specialty Crop Block Grants

The bill adjusts the grant allocation formula from solely the value of specialty crop production in a state to the average of both the value of specialty crop production and acres of specialty crops planted in a state. This change ensures that states receive credit for both high value crops as well as the number of acres devoted to specialty crop production in a state. The bill also allows funding for multistate projects related to pest and disease, food safety, and commodity-specific projects.

Continues Data Collection on Organics

The bill improves coordination between the Agriculture Marketing Service and the Risk Management Agency to ensure risk management tools are sufficient.

National Organic Program

The National Organic Program is reauthorized. One time mandatory funding is provided for technology upgrades to improve program performance.

Organic Research Initiative

Funding for the Organic Research and Extension Initiative is provided at \$80 million over 5 years.

Helps Farmers Achieve Organic Certification

The bill continues to provide assistance to organic producers seeking certification under the National Organic Program. This program will provide up to 75% of the cost of certification, but no more than \$750.

Organic Promotion

The bill directs the Secretary to assess the feasibility of creating an organic promotion program.

Fights Pests and Diseases

The bill consolidates the National Clean Plant Network and the Pest and Disease Management and Disaster Prevention Program. These programs focus on early detection and surveillance of invasive pests, interventions to prevent crop damage and supplies clean pathogen free plant material for producers.

Title XI: Crop Insurance

Responding to the concerns of farmers across America, the Agriculture Reform, Food and Jobs Act of 2012 strengthens and improves coverage for all commodities and underserved crops like fruit and vegetables without making budget cuts to the crop insurance title. The bill also addresses the declining Actual Production History (APH) yield problem by increasing the county transitional yield.

Creates the Supplemental Coverage Option

The Supplemental Coverage Option allows producers to purchase additional coverage on an area yield and loss basis. The coverage option establishes a trigger on coverage offered only if losses exceed 21 percent for producers enrolled in ARC and 10 percent for all other producers.

Expands Crop Insurance for Fruit and Vegetable Producers

Crop insurance coverage is expanded for underserved crops and regions, including fruit and vegetable producers. The bill provides additional assistance for underserved producers to partner with private developers of crop insurance to create improved insurance products. The bill also allows the Risk Management Agency (RMA) to conduct research and development on new or improved crop insurance products. It also creates a new partnership to expand access of index-based weather insurance products for fruit and vegetable growers who don't have sufficient price or yield data for traditional insurance.

Provides Revenue Crop Insurance for Cotton and Peanut Producers

The bill creates a stand-alone revenue protection coverage program for cotton growers. It also creates a separate peanut revenue insurance with an effective price for peanut growers.

Improves Crop Insurance for Beginning Farmers and Ranchers

Beginning farmers and ranchers are given a 10 percentage point discount for all crop insurance premiums. The bill also provides beginning farmers and ranchers with an improved production history when they have previous farming experience or when they face natural disasters.

Title XII: Miscellaneous

The Agriculture Reform, Food and Jobs Act of 2012 covers a broad range of areas. A number of programs, including those that assist socially disadvantaged farmers, those that assist livestock producers, and those that focus on workforce development, do not fit into other titles and are included here.

Outreach for Socially Disadvantaged Farmers

The bill continues grants to organizations that work with minority farmers to help them acquire, own, operate, and retain farms and ranches and equally participate in all USDA programs.

Continues Advocacy and Outreach Efforts

The bill reauthorizes the Office of Advocacy and Outreach, which was created by the 2008 Farm Bill to increase the viability and profitability of small farms and ranches, beginning farmers or ranchers, and socially disadvantaged farmers or ranchers.

Wildlife Reservoir Zoonotic Disease Initiative

To ensure continued research to combat devastating livestock diseases, the Wildlife Reservoir Zoonotic Disease Initiative is created to improve diagnostic testing and vaccines for bovine tuberculosis, brucellosis, and other zoonotic diseases.

Ensures Health of American Livestock

The bill reauthorizes the Trichinae Certification Program and the National Aquatic Health Plan.

Sheep Production and Marketing Grant Program

The bill establishes a competitive grant program to enhance production and marketing of the sheep industry.

Pilot Program to Eradicate Feral Swine

Over half the states have problems with feral swine, which can transmit dangerous diseases to humans and livestock. The bill creates a pilot project that directs the Natural Resources Conservation Service and the Animal and Plant Health Inspection Service to work together on eradication methods that can be used throughout the country.

Grants to Improve Agricultural Labor Supply, Stability, Safety, and Training

The bill reauthorizes the Agricultural Career and Employment Grants Program. Funds may be used to assist agricultural employers and farmworkers to develop skills, the provision of agricultural labor market information, transportation and short-term housing.