TITLE IX—ENERGY

SEC. 9001. DEFINITIONS.

Section 9001 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8101) is amended by—

(1) redesignating paragraphs (9), (10), (11), (12), (13), and (14) as paragraphs (10), (11), (12), (13), (15), and (17);

(2) inserting after paragraph (8), the following new paragraph:

“(9) FOREST PRODUCT.—

“(A) IN GENERAL.—The term ‘forest product’ means a product made from materials derived from the practice of forestry or the management of growing timber.

“(B) INCLUSIONS.—The term ‘forest product’ includes—

“(i) pulp, paper, paperboard, pellets, lumber, and other wood products; and

“(ii) any recycled products derived from forest materials.”;

(3) by inserting after paragraph (13) (as redesignated by paragraph (1) of this section) the following:

“(14) RENEWABLE CHEMICAL.—The term ‘renewable chemical’ means a monomer, polymer, plas-
tic, formulated product, or chemical substance pro-
duced from renewable biomass.”; and

(4) inserting after paragraph (15) (as so redes-
ignated), the following new paragraph:

“(16) RENEWABLE ENERGY SYSTEM.—

“(A) IN GENERAL.—Subject to subpara-
graph (B), the term ‘renewable energy system’
means a system that—

“(i) produces usable energy from a re-
newable energy source; and

“(ii) may include distribution compo-
nents necessary to move energy produced
by such system to the initial point of sale.

“(B) LIMITATION.—A system described in
subparagraph (A) may not include a mechanism
for dispensing energy at retail.”.

SEC. 9002. BIOBASED MARKETS PROGRAM.

(a) IN GENERAL.—Section 9002 of the Farm Secu-

rity and Rural Investment Act of 2002 (7 U.S.C. 8102)
is amended—

(1) in subsection (a)—

(A) in paragraph (2)(A)(i)—

(i) in subclause (I), by striking “and”
at the end;
(ii) in subclause (II)(bb), by striking the period at the end and inserting ‘‘; and’’; and

(iii) by adding at the end the following:

“(III) establish a targeted biobased-only procurement requirement under which the procuring agency shall issue a certain number of biobased-only contracts when the procuring agency is purchasing products, or purchasing services that include the use of products, that are included in a biobased product category designated by the Secretary.”; and

(B) in paragraph (3)—

(i) in subparagraph (B)—

(I) in clause (v), by inserting ‘‘as determined to be necessary by the Secretary based on the availability of data,’’ before ‘‘provide information’’;

(II) by redesignating clauses (v) and (vi) as clauses (vii) and (viii), respectively; and
(III) by inserting after clause (iv) the following:

“(v) require reporting of quantities and types of biobased products purchased by procuring agencies;

“(vi) promote biobased products, including forest products, that apply an innovative approach to growing, harvesting, sourcing, procuring, processing, manufacturing, or application of biobased products regardless of the date of entry into the marketplace;”; and

(ii) by adding at the end the following:

“(F) REQUIRED DESIGNATIONS.—Not later than 1 year after the date of enactment of this subparagraph, the Secretary shall begin to designate intermediate ingredients or feedstocks and assembled and finished biobased products in the guidelines issued under this paragraph.”;

(2) in subsection (b)—

(A) in paragraph (3)—

(i) by striking “The Secretary” and inserting the following:

“(A) IN GENERAL.—The Secretary”; and
(ii) by adding at the end the following:

“(B) AUDITING AND COMPLIANCE.—The Secretary may carry out such auditing and compliance activities as the Secretary determines to be necessary to ensure compliance with subparagraph (A).”; and

(B) by adding at the end the following:

“(4) ASSEMBLED AND FINISHED PRODUCTS.—Not later than 1 year after the date of enactment of this paragraph, the Secretary shall begin issuing criteria for determining which assembled and finished products may qualify to receive the label under paragraph (1).”;

(3) in subsection (g)—

(A) in paragraph (2)—

(i) in the matter preceding subparagraph (A) by striking “The report” and inserting “Each report under paragraph (1)”;

(ii) in subparagraph (A), by striking “and” at the end;

(iii) in subparagraph (B)(ii), by striking the period at the end and inserting “; and” ; and
(iv) by adding at the end the following new subparagraph:

“(C) the progress made by other Federal agencies in compliance with the biobased procurement requirements, including the quantity of purchases made.”; and

(B) by adding at the end the following:

“(3) ECONOMIC IMPACT STUDY AND REPORT.—

“(A) IN GENERAL.—The Secretary shall conduct a study to assess the economic impact of the biobased products industry, including—

“(i) the quantity of biobased products sold;

“(ii) the value of the biobased products;

“(iii) the quantity of jobs created;

“(iv) the quantity of petroleum displaced;

“(v) other environmental benefits; and

“(vi) areas in which the use or manufacturing of biobased products could be more effectively used, including identifying any technical and economic obstacles and recommending how those obstacles can be overcome.
“(B) REPORT.—Not later than 1 year after the date of enactment of this subpara-
graph, the Secretary shall submit to Congress a report describing the results of the study con-
ducted under subparagraph (A).”;

(4) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively;

(5) by inserting after subsection (f) the fol-
lowing new subsection:

“(g) FOREST PRODUCTS LABORATORY COORDINA-
tion.—In determining whether products are eligible for the ‘USDA Certified Biobased Product’ label, the Sec-
retary (acting through the Forest Products Laboratory) shall provide appropriate technical and other assistance to
the program and applicants for forest products.”; and

(6) in subsection (i) (as redesignated by para-
graph (4)), by striking paragraphs (1) and (2) and inserting the following new paragraphs:

“(1) MANDATORY FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $3,000,000 for each of fiscal years 2014 through 2018.

“(2) DISCRETIONARY FUNDING.—There is au-
thorized to be appropriated to carry out this section
$2,000,000 for each of fiscal years 2014 through 2018.”; and

(7) by adding at the end the following new subsection:

“(j) Biobased Product Inclusion.—In this section, the term ‘biobased product’ (as defined in section 9001) includes, with respect to forestry materials, forest products that meet biobased content requirements, notwithstanding the market share the product holds, the age of the product, or whether the market for the product is new or emerging.”.

(b) Conforming Amendment.—Section 944(c)(2)(A) of the Energy Policy Act of 2005 (42 U.S.C. 16253(c)(2)(A)) is amended by striking “section 9002(h)(1)” and inserting “section 9002(b)”.

SEC. 9003. BIOREFINERY ASSISTANCE.

(a) Program Adjustments.—Section 9003 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103) is amended—

(1) in the section heading, by inserting “, RE-
NEWABLE CHEMICAL, AND BIOBASED PRO-
DUCT MANUFACTURING” after “BIOREFINERY”;

(2) in subsection (a), in the matter preceding paragraph (1), by inserting “renewable chemicals,
and biobased product manufacturing’’ after ‘‘advanced biofuels,’’

(3) in subsection (b)—

(A) by redesignating paragraphs (1) and

(2) as paragraphs (2) and (3), respectively; and

(B) by inserting before paragraph (2) (as

so redesignated) the following:

‘‘(1) BIOBASED PRODUCT MANUFACTURING.—

The term ‘‘biobased product manufacturing’’ means
development, construction, and retrofitting of techn-
ologically new commercial-scale processing and
manufacturing equipment and required facilities that
will be used to convert renewable chemicals and
other biobased outputs of biorefineries into end-user
products on a commercial scale.’’;

(4) in subsection (e), by striking ‘‘to eligible en-
tities’’ and all that follows through ‘‘guarantees for
loans’’ and inserting ‘‘to eligible entities guarantees
for loans’’;

(5) by striking subsection (d);

(6) by redesignating subsections (e), (f), (g),
and (h) as subsections (d), (e), (f), and (g), respec-
tively; and

(7) in subsection (d) (as so redesignated)—
(A) in paragraph (1), by adding at the end the following new subparagraph:

“(D) PROJECT DIVERSITY.—In approving loan guarantee applications, the Secretary shall ensure that, to the extent practicable, there is diversity in the types of projects approved for loan guarantees to ensure that as wide a range as possible of technologies, products, and approaches are assisted.”.

(B) by striking “subsection (c)(2)” each place it appears and inserting “subsection (c)”;

and

(C) in paragraph (2)(C), by striking “subsection (h)” and inserting “subsection (g)”.

(b) FUNDING.—Subsection (g) of section 9003 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103) (as redesignated by paragraph (6)) is amended—

(1) by striking paragraph (1) and inserting the following:

“(1) MANDATORY FUNDING.—

“(A) IN GENERAL.—Subject to subparagraph (B), of the funds of the Commodity Credit Corporation, the Secretary shall use for
the cost of loan guarantees under this section, to remain available until expended—

“(i) $100,000,000 for fiscal year 2014; and

“(ii) $50,000,000 for each of fiscal years 2015 and 2016.

“(B) Biobased product manufacturing.—Of the total amount of funds made available for fiscal years 2014 and 2015 under subparagraph (A), the Secretary may use for the cost of loan guarantees under this section not more than 15 percent of such funds to promote biobased product manufacturing.”; and

(2) in paragraph (2), by striking “$150,000,000 for each of fiscal years 2009 through 2013” and inserting “$75,000,000 for each of fiscal years 2014 through 2018”.

SEC. 9004. REPOWERING ASSISTANCE PROGRAM.

Section 9004(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8104(d)) is amended—

(1) in paragraph (1), by striking “$35,000,000 for fiscal year 2009” and inserting “$12,000,000 for fiscal year 2014”; and

(2) in paragraph (2), by striking “$15,000,000 for each of fiscal years 2009 through 2013” and in-
serting "$10,000,000 for each of fiscal years 2014 through 2018".

SEC. 9005. BIOENERGY PROGRAM FOR ADVANCED BIOFUELS.

Section 9005(g) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8105(g)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (C), by striking "; and" and inserting a semicolon;

(B) in subparagraph (D), by striking the period and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(E) $15,000,000 for each of fiscal years 2014 through 2018."; and

(2) in paragraph (2), by striking "$25,000,000 for each of fiscal years 2009 through 2013" and inserting "$20,000,000 for each of fiscal years 2014 through 2018".

SEC. 9006. BIODIESEL FUEL EDUCATION PROGRAM.

Section 9006(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8106(d)) is amended—

(1) in paragraph (1)—
(A) in the heading, by striking “FISCAL YEARS 2009 THROUGH 2012” and inserting “MANDATORY FUNDING”; and

(B) by striking “2012” and inserting “2018”; and

(2) in paragraph (2)—

(A) in the heading, by striking “AUTHORIZATION OF APPROPRIATIONS” and inserting “DISCRETIONARY FUNDING”; and

(B) by striking “fiscal year 2013” and inserting “each of fiscal years 2014 through 2018”.

SEC. 9007. RURAL ENERGY FOR AMERICA PROGRAM.

(a) PROGRAM ADJUSTMENTS.—Section 9007 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107) is amended—

(1) in subsection (b)(2)—

(A) in subparagraph (C), by striking “and” at the end;

(B) by redesignating subparagraph (D) as subparagraph (E); and

(C) by inserting after subparagraph (C) the following:
“(D) a council (as defined in section 1528 of the Agriculture and Food Act of 1981 (16 U.S.C. 3451)); and”; and

(2) in subsection (c)—

(A) by striking paragraph (3);

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

(C) by adding at the end the following:

“(4) TIERED APPLICATION PROCESS.—

“(A) IN GENERAL.—In providing loan guarantees and grants under this subsection, the Secretary shall use a 3-tiered application process that reflects the size of proposed projects in accordance with this paragraph.

“(B) TIER 1.—The Secretary shall establish a separate application process for projects for which the cost of the activity funded under this subsection is not more than $80,000.

“(C) TIER 2.—The Secretary shall establish a separate application process for projects for which the cost of the activity funded under this subsection is greater than $80,000 but less than $200,000.

“(D) TIER 3.—The Secretary shall establish a separate application process for projects
for which the cost of the activity funded under this subsection is equal to or greater than $200,000.

“(E) APPLICATION PROCESS.—The Secretary shall establish an application, evaluation, and oversight process that is the most simplified for tier I projects and more comprehensive for each subsequent tier.”.

(b) FUNDING.—Section 9007(g) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8107(g)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (C), by striking “; and” and inserting a semicolon;

(B) in subparagraph (D), by striking the period and inserting “; and”; and

(C) by adding at the end the following new subparagraph:

“(E) $50,000,000 for fiscal year 2014 and each fiscal year thereafter.”; and

(2) in paragraph (3), by striking “$25,000,000 for each of fiscal years 2009 through 2013” and inserting “$20,000,000 for each of fiscal years 2014 through 2018”.

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SEC. 9008. BIOMASS RESEARCH AND DEVELOPMENT.

Section 9008(h) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8108(h)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (C), by striking ‘‘; and’’ and inserting a semicolon;

(B) in subparagraph (D), by striking the period and inserting ‘‘; and’’; and

(C) by adding at the end the following new subparagraph:

‘‘(E) $3,000,000 for each of fiscal years 2014 through 2017.’’;

(2) in paragraph (2), by striking ‘‘$35,000,000 for each of fiscal years 2009 through 2013’’ and inserting ‘‘$20,000,000 for each of fiscal years 2014 through 2018’’.

SEC. 9009. FEEDSTOCK FLEXIBILITY PROGRAM FOR BIOENERGY PRODUCERS.

Section 9010(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8110(b)) is amended—

(1) in paragraph (1)(A), by striking ‘‘2013’’ and inserting ‘‘2018’’; and

(2) in paragraph (2)(A), by striking ‘‘2013’’ and inserting ‘‘2018’’.
SEC. 9010. BIOMASS CROP ASSISTANCE PROGRAM.

Section 9011 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8111) is amended to read as follows:

“SEC. 9011. BIOMASS CROP ASSISTANCE PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) BCAP.—The term ‘BCAP’ means the Biomass Crop Assistance Program established under this section.

“(2) BCAP project area.—The term ‘BCAP project area’ means an area that—

“(A) has specified boundaries that are submitted to the Secretary by the project sponsor and subsequently approved by the Secretary;

“(B) includes producers with contract acreage that will supply a portion of the renewable biomass needed by a biomass conversion facility; and

“(C) is physically located within an economically practicable distance from the biomass conversion facility.

“(3) CONTRACT ACREAGE.—The term ‘contract acreage’ means eligible land that is covered by a BCAP contract entered into with the Secretary.

“(4) ELIGIBLE CROP.—
“(A) In general.—The term ‘eligible crop’ means a crop of renewable biomass.

“(B) Exclusions.—The term ‘eligible crop’ does not include—

“(i) any crop that is eligible to receive payments under title I of the Agricultural Act of 2014 or an amendment made by that title; or

“(ii) any plant that is invasive or noxious or species or varieties of plants that credible risk assessment tools or other credible sources determine are potentially invasive, as determined by the Secretary in consultation with other appropriate Federal or State departments and agencies.

“(5) Eligible land.—

“(A) In general.—The term ‘eligible land’ includes—

“(i) agricultural and nonindustrial private forest lands (as defined in section 5(c) of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103a(c))); and

“(ii) land enrolled in the conservation reserve program established under subchapter B of chapter I of subtitle D of title
XII of the Food Security Act of 1985 (16
U.S.C. 3831 et seq.), or the Agricultural
Conservation Easement Program estab-
lished under subtitle H of title XII of that
Act, under a contract that will expire at
the end of the current fiscal year.

“(B) EXCLUSIONS.—The term ‘eligible
land’ does not include—

“(i) Federal- or State-owned land;

“(ii) land that is native sod, as of the
date of enactment of the Food, Conserva-
tion, and Energy Act of 2008 (7 U.S.C.
8701 et seq.);

“(iii) land enrolled in the conservation
reserve program established under sub-
chapter B of chapter 1 of subtitle D of
title XII of the Food Security Act of 1985
(16 U.S.C. 3831 et seq.), other than land
described in subparagraph (A)(ii); or

“(iv) land enrolled in the Agricultural
Conservation Easement Program estab-
lished under subtitle H of title XII of that
Act, other than land described in subpara-
graph (A)(ii).

“(6) ELIGIBLE MATERIAL.—
“(A) IN GENERAL.—The term ‘eligible material’ means renewable biomass harvested directly from the land, including crop residue from any crop that is eligible to receive payments under title I of the Agricultural Act of 2014 or an amendment made by that title.

“(B) INCLUSIONS.—The term ‘eligible material’ shall only include—

“(i) eligible material that is collected or harvested by the eligible material owner—

“(I) directly from—

“(aa) National Forest System;

“(bb) Bureau of Land Management land;

“(cc) non-Federal land; or

“(dd) land owned by an individual Indian or Indian tribe that is held in trust by the United States for the benefit of the individual Indian or Indian tribe or subject to a restriction against alienation imposed by the United States;
“(II) in a manner that is consistent with—

“(aa) a conservation plan;
“(bb) a forest stewardship plan; or
“(cc) a plan that the Secretary determines is equivalent to a plan described in item (aa) or (bb) and consistent with Executive Order 13112 (42 U.S.C. 4321 note; relating to invasive species);
“(ii) if woody eligible material, woody eligible material that is produced on land other than contract acreage that—
“(I) is a byproduct of a preventative treatment that is removed to reduce hazardous fuel or to reduce or contain disease or insect infestation; and
“(II) if harvested from Federal land, is harvested in accordance with section 102(e) of the Healthy Forests Restoration Act of 2003 (16 U.S.C. 6512(e)); and
“(iii) eligible material that is delivered
to a qualified biomass conversion facility to
be used for heat, power, biobased products,
research, or advanced biofuels.

“(C) EXCLUSIONS.—The term ‘eligible ma-
terial’ does not include—

“(i) material that is whole grain from
any crop that is eligible to receive pay-
ments under title I of the Agricultural Act
of 2014 or an amendment made by that
title, including—

“(I) barley, corn, grain sorghum,
oats, rice, or wheat;

“(II) honey;

“(III) mohair;

“(IV) oilseeds, including canola,
crambe, flaxseed, mustard seed,
rapeseed, safflower seed, soybeans,
sesame seed, and sunflower seed;

“(V) peanuts;

“(VI) pulse;

“(VII) chickpeas, lentils, and dry
peas;

“(VIII) dairy products;

“(IX) sugar; and
“(X) wool and cotton boll fiber;
“(ii) animal waste and byproducts, including fat, oil, grease, and manure;
“(iii) food waste and yard waste;
“(iv) algae;
“(v) woody eligible material that—
“(I) is removed outside contract acreage; and
“(II) is not a byproduct of a preventative treatment to reduce hazardous fuel or to reduce or contain disease or insect infestation;
“(vi) any woody eligible material collected or harvested outside contract acreage that would otherwise be used for existing market products; or
“(vii) bagasse.

“(7) PRODUCER.—The term ‘producer’ means an owner or operator of contract acreage that is physically located within a BCAP project area.

“(8) PROJECT SPONSOR.—The term ‘project sponsor’ means—
“(A) a group of producers; or
“(B) a biomass conversion facility.
“(9) Socially disadvantaged farmer or rancher.—The term ‘socially disadvantaged farmer or rancher’ has the meaning given the term in section 2501(e) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(e)).

“(b) Establishment and purpose.—The Secretary shall establish and administer a Biomass Crop Assistance Program to—

“(1) support the establishment and production of eligible crops for conversion to bioenergy in selected BCAP project areas; and

“(2) assist agricultural and forest land owners and operators with the collection, harvest, storage, and transportation of eligible material for use in a biomass conversion facility.

“(c) BCAP project area.—

“(1) In general.—The Secretary shall provide financial assistance to a producer of an eligible crop in a BCAP project area.

“(2) Selection of project areas.—

“(A) In general.—To be considered for selection as a BCAP project area, a project sponsor shall submit to the Secretary a proposal that, at a minimum, includes—
“(i) a description of the eligible land and eligible crops of each producer that will participate in the proposed BCAP project area;

“(ii) a letter of commitment from a biomass conversion facility that the facility will use the eligible crops intended to be produced in the proposed BCAP project area;

“(iii) evidence that the biomass conversion facility has sufficient equity available, as determined by the Secretary, if the biomass conversion facility is not operational at the time the proposal is submitted to the Secretary; and

“(iv) any other information about the biomass conversion facility or proposed biomass conversion facility that the Secretary determines necessary for the Secretary to be reasonably assured that the plant will be in operation by the date on which the eligible crops are ready for harvest.

“(B) BCAP PROJECT AREA SELECTION CRITERIA.—In selecting BCAP project areas, the Secretary shall consider—
“(i) the volume of the eligible crops
proposed to be produced in the proposed
BCAP project area and the probability
that those crops will be used for the pur-
poses of the BCAP;
“(ii) the volume of renewable biomass
projected to be available from sources
other than the eligible crops grown on con-
tract acres;
“(iii) the anticipated economic impact
in the proposed BCAP project area;
“(iv) the opportunity for producers
and local investors to participate in the
ownership of the biomass conversion facil-
ity in the proposed BCAP project area;
“(v) the participation rate by—
“(I) beginning farmers or ranch-
ers (as defined in accordance with sec-
tion 343(a) of the Consolidated Farm
and Rural Development Act (7 U.S.C.
1991(a))); or
“(II) socially disadvantaged
farmers or ranchers;
“(vi) the impact on soil, water, and
related resources;
“(vii) the variety in biomass production approaches within a project area, including (as appropriate)—

“(I) agronomic conditions;

“(II) harvest and postharvest practices; and

“(III) monoculture and polyculture crop mixes;

“(viii) the range of eligible crops among project areas;

“(ix) existing project areas that have received funding under this section and the continuation of funding of such project areas to advance the maturity of such project areas; and

“(x) any additional information that the Secretary determines to be necessary.

“(3) CONTRACT.—

“(A) IN GENERAL.—On approval of a BCAP project area by the Secretary, each producer in the BCAP project area shall enter into a contract directly with the Secretary.

“(B) MINIMUM TERMS.—At a minimum, a contract under this subsection shall include terms that cover—
“(i) an agreement to make available to the Secretary, or to an institution of higher education or other entity designated by the Secretary, such information as the Secretary considers to be appropriate to promote the production of eligible crops and the development of biomass conversion technology;

“(ii) compliance with the highly erodible land conservation requirements of subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.) and the wetland conservation requirements of subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.);

“(iii) the implementation of (as determined by the Secretary)—

“(I) a conservation plan;

“(II) a forest stewardship plan;

or

“(III) a plan that is equivalent to a conservation or forest stewardship plan; and

“(iv) any additional requirements that Secretary determines to be necessary.
“(C) DURATION.—A contract under this subsection shall have a term of not more than—

“(i) 5 years for annual and perennial crops; or

“(ii) 15 years for woody biomass.

“(4) RELATIONSHIP TO OTHER PROGRAMS.—In carrying out this subsection, the Secretary shall provide for the preservation of cropland base and yield history applicable to the land enrolled in a BCAP contract.

“(5) PAYMENTS.—

“(A) IN GENERAL.—The Secretary shall make establishment and annual payments directly to producers to support the establishment and production of eligible crops on contract acreage.

“(B) AMOUNT OF ESTABLISHMENT PAYMENTS.—

“(i) IN GENERAL.—Subject to clause (ii), the amount of an establishment payment under this subsection shall be not more than 50 percent of the costs of establishing an eligible perennial crop covered
by the contract but not to exceed $500 per acre, including—

“(I) the cost of seeds and stock for perennials;

“(II) the cost of planting the perennial crop, as determined by the Secretary; and

“(III) in the case of nonindustrial private forestland, the costs of site preparation and tree planting.

“(ii) Socially Disadvantaged Farmers or Ranchers.—In the case of socially disadvantaged farmers or ranchers, the costs of establishment may not exceed $750 per acre.

“(C) Amount of Annual Payments.—

“(i) In General.—Subject to clause (ii), the amount of an annual payment under this subsection shall be determined by the Secretary.

“(ii) Reduction.—The Secretary shall reduce an annual payment by an amount determined to be appropriate by the Secretary, if—
“(I) an eligible crop is used for purposes other than the production of energy at the biomass conversion facility;

“(II) an eligible crop is delivered to the biomass conversion facility;

“(III) the producer receives a payment under subsection (d);

“(IV) the producer violates a term of the contract; or

“(V) the Secretary determines a reduction is necessary to carry out this section.

“(D) EXCLUSION.—The Secretary shall not make any BCAP payments on land for which payments are received under the conservation reserve program established under subchapter B of chapter 1 of subtitle D of title XII of the Food Security Act of 1985 (16 U.S.C. 3831 et seq.) or the agricultural conservation easement program established under subtitle H of title XII of that Act.

“(d) ASSISTANCE WITH COLLECTION, HARVEST, STORAGE, AND TRANSPORTATION.—
“(1) IN GENERAL.—The Secretary shall make a payment for the delivery of eligible material to a biomass conversion facility to—

“(A) a producer of an eligible crop that is produced on BCAP contract acreage; or

“(B) a person with the right to collect or harvest eligible material, regardless of whether the eligible material is produced on contract acreage.

“(2) PAYMENTS.—

“(A) COSTS COVERED.—A payment under this subsection shall be in an amount described in subparagraph (B) for—

“(i) collection;

“(ii) harvest;

“(iii) storage; and

“(iv) transportation to a biomass conversion facility.

“(B) AMOUNT.—Subject to paragraph (3), the Secretary may provide matching payments at a rate of up to $1 for each $1 per ton provided by the biomass conversion facility, in an amount not to exceed $20 per dry ton for a period of 2 years.
“(3) LIMITATION ON ASSISTANCE FOR BCAP CONTRACT ACREAGE.—As a condition of the receipt of an annual payment under subsection (c), a producer receiving a payment under this subsection for collection, harvest, storage, or transportation of an eligible crop produced on BCAP acreage shall agree to a reduction in the annual payment.

“(e) REPORT.—Not later than 4 years after the date of enactment of the Agricultural Act of 2014, the Secretary shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on the dissemination by the Secretary of the best practice data and information gathered from participants receiving assistance under this section.

“(f) FUNDING.—

“(1) IN GENERAL.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section $25,000,000 for each of fiscal years 2014 through 2018.

“(2) COLLECTION, HARVEST, STORAGE, AND TRANSPORTATION PAYMENTS.—Of the amount made available under paragraph (1) for each fiscal year, the Secretary shall use not less than 10 percent, nor more than 50 percent, of the amount to make collec-
tion, harvest, transportation, and storage payments under subsection (d)(2).

“(3) TECHNICAL ASSISTANCE.—

“(A) IN GENERAL.—Effective for fiscal year 2014 and each subsequent fiscal year, funds made available under this subsection shall be available for the provision of technical assistance with respect to activities authorized under this section.

“(B) RELATIONSHIP TO OTHER LAWS.—To the extent funds obligated or expended under subparagraph (A) include funds of the Commodity Credit Corporation, such funds shall not be considered an allotment or fund transfer from the Commodity Credit Corporation for purposes of the limit on expenditures for technical assistance imposed by section 11 of the Commodity Credit Corporation Charter Act (15 U.S.C. 714i).”.

SEC. 9011. REPEAL OF FOREST BIOMASS FOR ENERGY.

Section 9012 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8112) is repealed.
SEC. 9012. COMMUNITY WOOD ENERGY PROGRAM.

(a) DEFINITION OF BIOMASS CONSUMER COOPERATIVE.—Section 9013(a) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113(a)) is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively; and

(2) by inserting before paragraph (2) (as so redesignated) the following:

“(1) BIOMASS CONSUMER COOPERATIVE.—The term ‘biomass consumer cooperative’ means a consumer membership organization the purpose of which is to provide members with services or discounts relating to the purchase of biomass heating products or biomass heating systems.”.

(b) GRANT PROGRAM.—Section 9013(b)(1) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113(b)(1)) is amended—

(1) in subparagraph (A), by striking “and” after the semicolon at the end;

(2) in subparagraph (B), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(C) grants of up to $50,000 to biomass consumer cooperatives for the purpose of establishing or expanding biomass consumer coopera-
tives that will provide consumers with services or discounts relating to—

“(i) the purchase of biomass heating systems;

“(ii) biomass heating products, including wood chips, wood pellets, and advanced biofuels; or

“(iii) the delivery and storage of biomass of heating products.”.

(c) MATCHING FUNDS.—Section 9013(d) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113(d)) is amended—

(1) by striking “A State or local government that receives a grant under subsection (b)” and inserting the following:

“(1) STATE AND LOCAL GOVERNMENTS.—A State or local government that receives a grant under subparagraph (A) or (B) of subsection (b)(1)”;

and

(2) by adding at the end the following:

“(2) BIOMASS CONSUMER COOPERATIVES.—A biomass consumer cooperative that receives a grant under subsection (b)(1)(C) shall contribute an amount of non-Federal funds (which may include State, local, and nonprofit funds and membership
dues) toward the establishment or expansion of a biomass consumer cooperative that is at least equal to 50 percent of the amount of Federal funds received for that purpose.’’.

(d) AUTHORIZATION OF APPROPRIATIONS.—Section 9013(e) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8113(e)) is amended by striking ‘‘2013’’ and inserting ‘‘2018’’.

SEC. 9013. REPEAL OF BIOFUELS INFRASTRUCTURE STUDY.

Section 9002 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2095) is repealed.

SEC. 9014. REPEAL OF RENEWABLE FERTILIZER STUDY.

Section 9003 of the Food, Conservation, and Energy Act of 2008 (Public Law 110–246; 122 Stat. 2096) is repealed.

SEC. 9015. ENERGY EFFICIENCY REPORT FOR USDA FACILITIES.

(a) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Agriculture shall submit to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report on energy use and energy efficiency projects at the Washington, District
of Columbia, headquarters and the major regional facilities of the Department of Agriculture.

(b) CONTENTS.—The report required by subsection (a) shall include the following:

(1) An analysis of energy use by the Department of Agriculture headquarters and major regional facilities.

(2) A list of energy audits that have been conducted at such facilities.

(3) A list of energy efficiency projects that have been conducted at such facilities.

(4) A list of energy savings projects that could be achieved with enacting a consistent, timely, and proper mechanical insulation maintenance program and upgrading mechanical insulation at such facilities.

**TITLE X—HORTICULTURE**

**SEC. 10001. SPECIALTY CROPS MARKET NEWS ALLOCATION.**

Section 10107(b) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 1622b(b)) is amended by striking “2012” and inserting “2018”.

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