

113TH CONGRESS
1ST SESSION

S. 860

To amend the Farm Security and Rural Investment Act of 2002 to improve energy programs.

IN THE SENATE OF THE UNITED STATES

MAY 6, 2013

Mr. FRANKEN (for himself, Mr. HARKIN, Mr. BROWN, Mr. DURBIN, Ms. CANTWELL, Mr. JOHNSON of South Dakota, Mr. COWAN, Ms. HIRONO, Ms. BALDWIN, and Mr. SCHATZ) introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To amend the Farm Security and Rural Investment Act of 2002 to improve energy programs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Rural Energy Invest-
5 ment Act of 2013”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) production of energy from domestic sources
9 offers considerable economic and energy security

1 benefits to the United States, including enduring
2 and desirable jobs;

3 (2) the agricultural and forestry sectors of the
4 United States offer significant potential for produc-
5 tion of renewable energy;

6 (3) both renewable energy production and adop-
7 tion of energy efficiency offer considerable environ-
8 mental benefits; and

9 (4) investments in energy efficiency projects
10 and renewable energy systems in rural areas of the
11 United States provide very significant energy secu-
12 rity, economic, and environmental benefits to the en-
13 tire United States in addition to the rural area bene-
14 fits.

15 **SEC. 3. DEFINITIONS.**

16 Section 9001 of the Farm Security and Rural Invest-
17 ment Act of 2002 (7 U.S.C. 8101) is amended—

18 (1) by redesignating paragraphs (5) through
19 (14) as paragraphs (6) through (15), respectively;

20 (2) by inserting after paragraph (4) the fol-
21 lowing:

22 “(5) **BIOCHEMICAL.**—The term ‘biochemical’
23 means a chemical derived from renewable biomass.”;
24 and

1 (3) in paragraph (7)(A), by inserting “, bio-
2 chemicals,” after “biofuels”.

3 **SEC. 4. BIOBASED MARKETS PROGRAM.**

4 Section 9002 of the Farm Security and Rural Invest-
5 ment Act of 2002 (7 U.S.C. 8102) is amended—

6 (1) in subsection (a)—

7 (A) in paragraph (3), by adding at the end
8 the following:

9 “(F) BIOBASED PRODUCT DESIGNA-
10 TIONS.—Not later than 1 year after the date of
11 enactment of this subparagraph, the Secretary
12 shall—

13 “(i) begin to designate intermediate
14 ingredients, feedstocks, and complex prod-
15 ucts in the guidelines issued under this
16 paragraph; and

17 “(ii) develop a recommendation for
18 the designation of complex and finished
19 biobased products in those guidelines.

20 “(G) CHANGES IN PROCUREMENT MECHA-
21 NISMS.—

22 “(i) ELECTRONIC PRODUCT PROCURE-
23 MENT CATALOGS.—The Secretary shall
24 work with relevant officials in agencies
25 that have electronic product procurement

1 catalogs to identify and implement solu-
2 tions to increase the visibility of biobased
3 and other sustainable products.

4 “(ii) AGENCY-SPECIFIC PRODUCT
5 SPECIFICATIONS.—

6 “(I) IN GENERAL.—Not later
7 than 1 year after the date of enact-
8 ment of this subparagraph and every
9 4 years thereafter, the Secretary, in
10 coordination with other appropriate
11 officials, shall work with the senior
12 sustainability officer of each agency
13 that has established agency-specific
14 product specifications to review and
15 revise the product specifications to en-
16 sure that, to the maximum extent
17 practicable, the product specifica-
18 tions—

19 “(aa) require the use of sus-
20 tainable products, including
21 biobased products designated in
22 accordance with this section; and

23 “(bb) do not contain any
24 language prohibiting the use of
25 biobased products.

1 “(II) REPORT.—Results of the
2 reviews conducted under subclause (I)
3 shall be reported annually to the Of-
4 fice of Management and Budget, the
5 Office of Science and Technology Pol-
6 icy, and the appropriate committees of
7 Congress.

8 “(H) REPORTING.—

9 “(i) IN GENERAL.—Not later than 1
10 year after the date of enactment of this
11 subparagraph, the Administrator of Gen-
12 eral Services shall implement a system for
13 service and construction contractors to re-
14 port annual purchases of biobased products
15 under Federal Government contracts.

16 “(ii) RELATIONSHIP TO OTHER RE-
17 PORTING SYSTEMS.—The system under
18 clause (i) may be incorporated as an ele-
19 ment of 1 or more other contractor report-
20 ing systems.”; and

21 (B) by adding at the end the following:

22 “(5) COMPLIANCE.—The Secretary may take
23 such action as the Secretary determines to be nec-
24 essary—

1 “(A) to determine the compliance rate
2 among Federal agencies in buying designated
3 biobased products; and

4 “(B) to determine whether vendor and con-
5 tractor claims about biobased products meeting
6 item designation definitions and minimum re-
7 quired biobased content are accurate.”;

8 (2) in subsection (b)(3)—

9 (A) by striking “The Secretary” and in-
10 sserting the following:

11 “(A) IN GENERAL.—The Secretary”; and

12 (B) by adding at the end the following:

13 “(B) AUDITING AND COMPLIANCE.—The
14 Secretary may carry out such auditing and
15 compliance activities as the Secretary deter-
16 mines to be necessary to ensure compliance
17 with subparagraph (A), including the imposition
18 of a civil penalty of not more than \$10,000 on
19 a person who misuses the label and, after re-
20 ceiving a notice of violation, fails to take action
21 to correct the misuse described in the notice.”;

22 (3) by redesignating subsections (d) through (h)
23 as subsections (f) through (j), respectively;

24 (4) by inserting after subsection (c) the fol-
25 lowing:

1 “(d) OUTREACH, EDUCATION, AND PROMOTION.—

2 “(1) IN GENERAL.—The Secretary shall carry
3 out a program of outreach, education, and pro-
4 motion activities intended to increase knowledge,
5 awareness, and benefits of biobased products.

6 “(2) AUTHORIZED ACTIVITIES.—In carrying
7 out this subsection, the Secretary, at a minimum,
8 shall—

9 “(A) not later than 1 year after the date
10 of enactment of this paragraph, update all ex-
11 isting BioPreferred and related sustainable ac-
12 quisition training materials of the Department;

13 “(B) work cooperatively with the senior
14 sustainability officers and chief acquisition offi-
15 cers of Federal agencies to immediately imple-
16 ment such BioPreferred program agency edu-
17 cation and outreach programs as are necessary
18 to meet the requirements of this section;

19 “(C) work actively with groups that sup-
20 port employment for the blind or disabled, such
21 as the Committee for Purchase From People
22 Who Are Blind or Severely Disabled, to pro-
23 mote education and outreach regarding BioPre-
24 ferred AbilityOne products to—

1 “(i) program, technical, and con-
2 tracting personnel; and

3 “(ii) Federal agency purchase card
4 holders;

5 “(D) conduct consumer education and out-
6 reach (including consumer and awareness sur-
7 veys);

8 “(E) conduct outreach to and support for
9 State and local governments interested in im-
10 plementing biobased purchasing programs;

11 “(F) partner with industry and nonprofit
12 groups to produce educational and outreach
13 materials and conduct educational and outreach
14 events;

15 “(G) sponsor special conferences and
16 events to bring together buyers and sellers of
17 biobased products; and

18 “(H) support pilot and demonstration
19 projects.

20 “(e) FOREST PRODUCTS LABORATORY COORDINA-
21 TION.—In determining whether products are eligible for
22 the ‘USDA Certified Biobased Product’ label, the Sec-
23 retary (acting through the Forest Products Laboratory)
24 shall—

1 “(1) review and approve forest-related products
2 for which an application is submitted for the pro-
3 gram;

4 “(2) expedite the approval of innovative prod-
5 ucts resulting from technology developed by the For-
6 est Products Laboratory or partners of the Labora-
7 tory; and

8 “(3) provide appropriate technical assistance to
9 applicants, as determined by the Secretary.”;

10 (5) in subsection (i) (as redesignated by para-
11 graph (3)), by adding at the end the following:

12 “(3) JOBS CREATION RESEARCH AND RE-
13 PORT.—Not later than 2 years after the date of en-
14 actment of this paragraph, the Secretary shall carry
15 out a study, and submit to the President and the ap-
16 propriate committees of Congress a report, on job
17 creation and the economic impact associated with
18 the biobased product industry, including—

19 “(A) the number of jobs in the United
20 States originating from the biobased product in-
21 dustry annually over the preceding 10 years, in-
22 cluding the job changes in specific sectors;

23 “(B) the dollar value of the domestic
24 biobased products industry at the time of the

1 report, including intermediates, feedstocks, and
2 finished products, but excluding biofuels;

3 “(C) a forecast for biobased job creation
4 potential over the next 10 years;

5 “(D) a forecast for growth in the biobased
6 industry over the next 10 years; and

7 “(E) jobs data for both biofuels and
8 biobased products, with data generated sepa-
9 rately for each category.”; and

10 (6) in subsection (j) (as redesignated by para-
11 graph (3))—

12 (A) in paragraph (1)—

13 (i) in subparagraph (A), by striking
14 “and” at the end;

15 (ii) in subparagraph (B), by striking
16 the period at the end and inserting “;
17 and”; and

18 (iii) by adding at the end the fol-
19 lowing:

20 “(C) \$4,000,000 for each of fiscal years
21 2014 through 2018.”; and

22 (B) in paragraph (2), by inserting “and
23 \$4,000,000 for each of fiscal years 2014
24 through 2018” before the period at the end.

1 **SEC. 5. BIOREFINERY ASSISTANCE.**

2 Section 9003 of the Farm Security and Rural Invest-
3 ment Act of 2002 (7 U.S.C. 8103) is amended—

4 (1) in subsection (a), in the matter preceding
5 paragraph (1), by inserting “, biochemicals, or
6 biobased products” after “biofuels”;

7 (2) in subsection (b)(2), by inserting “, a bio-
8 chemical, or a biobased product” after “biofuel”
9 each place it appears in subparagraphs (A) and (B);

10 (3) in subsection (c)(1), by inserting “, bio-
11 chemicals, or biobased products” after “biofuels”;

12 (4) in subsection (d)(2)(C)—

13 (A) in clause (i), by inserting “, bio-
14 chemical, or biobased product” after “biofuel”;
15 and

16 (B) in clause (iii), by inserting “, bio-
17 chemicals, or biobased products” after
18 “biofuels”;

19 (5) in subsection (e)(1)(C)—

20 (A) in clause (i), by inserting “, bio-
21 chemical, or biobased product” after “biofuel”;
22 and

23 (B) in clauses (iii) and (vii), by inserting
24 “, biochemicals, or biobased products” after
25 “biofuels” each place it appears; and

26 (6) in subsection (h)—

1 (A) in paragraph (1)—

2 (i) in subparagraph (A), by striking
3 “and” at the end;

4 (ii) in subparagraph (B), by striking
5 the period at the end and inserting “;
6 and”; and

7 (iii) by adding at the end the fol-
8 lowing:

9 “(C) \$75,000,000 for each of fiscal years
10 2014 through 2018.”;

11 (B) in paragraph (2), by inserting “and
12 \$75,000,000 for each of fiscal years 2014
13 through 2018” before the period at the end;
14 and

15 (C) by adding at the end the following:

16 “(3) LIMITATION.—Of the funds made available
17 under this subsection, at least 75 percent for each
18 fiscal year shall be made available for the manufac-
19 ture of advanced biofuels.”.

20 **SEC. 6. BIODIESEL FUEL EDUCATION PROGRAM.**

21 Section 9006 of the Farm Security and Rural Invest-
22 ment Act of 2002 (7 U.S.C. 8106) is amended by striking
23 subsection (d) and inserting the following:

24 “(d) FUNDING.—

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

6 “(2) DISCRETIONARY FUNDING.—In addition to
7 any other funds made available to carry out this sec-
8 tion, there is authorized to be appropriated to carry
9 out this section \$1,000,000 for each of fiscal years
10 2014 through 2018.”.

11 **SEC. 7. RURAL ENERGY FOR AMERICA PROGRAM.**

12 Section 9007 of the Farm Security and Rural Invest-
13 ment Act of 2002 (7 U.S.C. 8107) is amended—

14 (1) in subsection (b)(2)—

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

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

19 (C) by inserting after subparagraph (C)
20 the following:

21 “(D) a nonprofit organization; and”;

22 (2) in subsection (c)—

23 (A) by striking paragraph (1) and insert-
24 ing the following:

1 “(1) LOAN GUARANTEE AND GRANT PRO-
2 GRAM.—

3 “(A) IN GENERAL.—In addition to any
4 similar authority, the Secretary shall provide
5 loan guarantees and grants to agricultural pro-
6 ducers and rural small businesses—

7 “(i) to purchase renewable energy sys-
8 tems, including—

9 “(I) systems that may be used to
10 produce and sell electricity, such as
11 for agricultural, and associated resi-
12 dential, purposes; and

13 “(II) unique components of re-
14 newable energy systems; and

15 “(ii) to make energy efficiency im-
16 provements.

17 “(B) APPLICATION PROCESS.—

18 “(i) IN GENERAL.—In carrying out
19 this subsection, the Secretary shall estab-
20 lish a multi-tiered application process that
21 varies based on the cost of the proposed
22 project.

23 “(ii) SIMPLIFICATION.—The multi-
24 tiered process shall ensure that applica-

1 tions are most simplified for the projects
2 with the lowest project costs.”;

3 (B) in paragraph (2)—

4 (i) in the matter preceding subpara-
5 graph (A)—

6 (I) by striking “amount” and in-
7 serting “priority”; and

8 (II) by striking “section” and in-
9 serting “subsection”;

10 (ii) in subparagraph (A), by inserting
11 “and the type of energy efficiency improve-
12 ment to be made so as to ensure that the
13 program supports a diversity of tech-
14 nologies across the United States” before
15 the semicolon at the end;

16 (iii) in subparagraph (C)—

17 (I) by inserting “and public
18 health” before “benefits”; and

19 (II) by inserting “and energy ef-
20 ficiency improvements” before the
21 semicolon at the end; and

22 (iv) by striking paragraph (F) and in-
23 serting the following:

24 “(F) the natural resource conservation
25 benefits of the renewable energy system;”;

1 (C) in paragraph (3)—

2 (i) in subparagraph (B), by striking
3 “The Secretary” and inserting the fol-
4 lowing:

5 “(i) IN GENERAL.—The Secretary”;

6 (ii) by adding at the end the fol-
7 lowing:

8 “(ii) MAXIMUM GRANT AMOUNT.—

9 “(I) IN GENERAL.—Except as
10 provided in subclause (II), the amount
11 of a grant under this paragraph shall
12 not exceed the lesser of \$100,000 or
13 50 percent of the cost of the activity
14 carried out using funds from the
15 grant.

16 “(II) SOCIALLY DISADVANTAGED
17 FARMER OR RANCHER.—In the case
18 of an agricultural producer who is a
19 socially disadvantaged farmer or
20 rancher (as defined in section 2501(e)
21 of the Food, Agriculture, Conserva-
22 tion, and Trade Act of 1990 (7
23 U.S.C. 2279(e))), the amount of a
24 grant under this paragraph shall not
25 exceed the lesser of \$100,000 or 75

1 percent of the cost of the activity car-
 2 ried out using funds from the grant.”;

3 and

4 (iii) by striking subparagraph (C);

5 (D) in paragraph (4)—

6 (i) by striking subparagraph (A) and
 7 inserting the following:

8 “(A) GRANTS.—Subject to subparagraph
 9 (B), the amount of a grant under this sub-
 10 section shall not exceed the lesser of—

11 “(i) 25 percent of the cost of the ac-
 12 tivity carried out using funds from the
 13 grant; or

14 “(ii) as applicable—

15 “(I) if the project is for energy
 16 efficiency improvements, \$250,000; or

17 “(II) if the project is for a re-
 18 newable energy system, \$500,000.”;

19 and

20 (ii) in subparagraph (C), by striking

21 “75 percent of the cost” and inserting “all
 22 eligible costs”; and

23 (E) by adding at the end the following:

24 “(5) REQUIREMENT.—In carrying out this sec-
 25 tion, the Secretary shall not require a second meter

1 for on-farm residential portions of rural projects
2 connected to the grid.”;

3 (3) in subsection (e)(2), strike “June 30 of
4 each fiscal year” and insert “a date to be deter-
5 mined each fiscal year by the Secretary”;

6 (4) in subsection (f)—

7 (A) by striking “Not later” and inserting
8 the following:

9 “(1) IN GENERAL.—Not later”; and

10 (B) by adding at the end the following:

11 “(2) SUBSEQUENT REPORT.—Not later than 4
12 years after the date of enactment of this paragraph,
13 the Secretary shall submit to Congress a report on
14 activities carried out under this section, including
15 the outcomes achieved by projects funded under this
16 section.”; and

17 (5) in subsection (g)—

18 (A) in paragraph (1)—

19 (i) in subparagraph (C), by striking
20 “and” at the end;

21 (ii) in subparagraph (D), by striking
22 the period at the end and inserting “;
23 and”; and

24 (iii) by adding at the end the fol-
25 lowing:

1 “(E) \$70,000,000 for each of fiscal years
2 2014 through 2018;”;

3 (B) in paragraph (2)(B), strike “April 1 of
4 each fiscal year” and insert “the date deter-
5 mined each fiscal year by the Secretary”; and

6 (C) in paragraph (3), by inserting “and
7 \$70,000,000 for each of fiscal years 2014
8 through 2018” before the period at the end.

9 **SEC. 8. BIOMASS RESEARCH AND DEVELOPMENT.**

10 Section 9008 of the Farm Security and Rural Invest-
11 ment Act of 2002 (7 U.S.C. 8108) is amended—

12 (1) by striking “biofuels and” each place it ap-
13 pears in subsections (b), (c)(3), (d)(2)(A), (e), and
14 (g)(2) and inserting “biofuels, biochemicals, and”;

15 (2) in subsection (e)—

16 (A) in paragraph (2)—

17 (i) in subparagraph (A)—

18 (I) by striking “at prices com-
19 petitive with fossil fuels” and insert-
20 ing “, biochemicals, and biobased
21 products”; and

22 (II) by inserting “and” after the
23 semicolon at the end;

24 (ii) by striking subparagraph (B);

- 1 (iii) by redesignating subparagraph
2 (C) as subparagraph (B); and
- 3 (iv) in subparagraph (B) (as so reded-
4 igned), by inserting “biochemicals,” after
5 “bioenergy,”;
6 (B) in paragraph (3)—
- 7 (i) in subparagraph (B)—
- 8 (I) in the subparagraph heading,
9 by inserting “, BIOCHEMICALS,” after
10 “BIOFUELS”; and
- 11 (II) in clause (i), by striking
12 “cellulosic”; and
- 13 (ii) in subparagraph (C)—
- 14 (I) in the heading, by striking
15 “BIOFUELS DEVELOPMENT”; and
- 16 (II) in clause (ii), by inserting “,
17 biochemical, or biobased product”
18 after “biofuel”;
- 19 (C) by striking paragraph (4);
- 20 (D) by redesignating paragraphs (5) and
21 (6) as paragraphs (4) and (5), respectively; and
- 22 (E) in paragraph (4) (as redesignated by
23 subparagraph (D))—

1 (i) by redesignating subparagraphs
2 (F) and (G) as subparagraphs (G) and
3 (H), respectively; and

4 (ii) by inserting after subparagraph
5 (E) the following:

6 “(G) a tribal organization (as defined in
7 section 4 of the Indian Self-Determination and
8 Education Assistance Act (25 U.S.C. 450b));”;
9 and

10 (3) in subsection (h)—

11 (A) in paragraph (1)—

12 (i) in subparagraph (C), by striking
13 “and” at the end;

14 (ii) in subparagraph (D), by striking
15 the period at the end and inserting “;
16 and”; and

17 (iii) by adding at the end the fol-
18 lowing:

19 “(E) \$30,000,000 for each of fiscal years
20 2014 through 2018.”; and

21 (B) in paragraph (2), by inserting “and
22 \$30,000,000 for each of fiscal years 2014
23 through 2018” before the period at the end.

1 **SEC. 9. RURAL ENERGY SELF-SUFFICIENCY INITIATIVE.**

2 Section 9009(d) of the Farm Security and Rural In-
3 vestment Act of 2002 (7 U.S.C. 8109(d)) is amended by
4 inserting “and \$10,000,000 for each of fiscal years 2014
5 through 2018” before the period at the end.

6 **SEC. 10. FEEDSTOCK FLEXIBILITY PROGRAM FOR BIO-
7 ENERGY PRODUCERS.**

8 Section 9010(b) of the Farm Security and Rural In-
9 vestment Act of 2002 (7 U.S.C. 8110(b)) is amended—

10 (1) in paragraph (1)(A), by striking “2013”
11 and inserting “2018”; and

12 (2) in paragraph (2)(A), by striking “2013”
13 and inserting “2018”.

14 **SEC. 11. BIOMASS CROP ASSISTANCE PROGRAM.**

15 Section 9011 of the Farm Security and Rural Invest-
16 ment Act of 2002 (7 U.S.C. 8111) is amended—

17 (1) in subsection (a)—

18 (A) in paragraph (4)(B)(ii), by striking
19 “or has the potential to become invasive or nox-
20 ious”;

21 (B) in paragraph (5)—

22 (i) in subparagraph (B), in the matter
23 preceding clause (i), by striking “The
24 term” and inserting “Except as provided
25 in subparagraph (C), the term”; and

1 (ii) by adding at the end the fol-
 2 lowing:

3 “(C) CERTAIN CONSERVATION PRO-
 4 GRAMS.—Land described in clause (iii), (iv), or
 5 (v) of subparagraph (B) may be prepared for
 6 biomass production before October 1 of the cur-
 7 rent fiscal year, as determined by the Secretary,
 8 if a contract described in that clause that cov-
 9 ers the land will expire at the end of the cur-
 10 rent fiscal year.”; and

11 (C) by adding at the end the following:

12 “(9) QUALIFYING ELIGIBLE MATERIAL.—The
 13 term ‘qualifying eligible material’ means an eligible
 14 material, including residue from crops described in
 15 paragraph (6)(B)(i), that before transport and deliv-
 16 ery to the biomass conversion facility—

17 “(A) is collected or harvested by the eligi-
 18 ble material owner—

19 “(i) directly from—

20 “(I) National Forest System
 21 land;

22 “(II) Bureau of Land Manage-
 23 ment land;

24 “(III) non-Federal land; or

1 “(IV) land belonging to an In-
2 dian or Indian tribe that is held in
3 trust by the United States or subject
4 to a restriction against alienation im-
5 posed by the United States; and

6 “(ii) in accordance with—

7 “(I) applicable law and land
8 management plans;

9 “(II) a conservation, forest stew-
10 ardship, or equivalent plan, as deter-
11 mined by the Secretary;

12 “(III) Executive Order 13112
13 (42 U.S.C. 4321 note; relating to
14 invasive species); and

15 “(IV) if harvested from Federal
16 land, the requirements for old growth
17 forest maintenance, restoration, and
18 management direction provided by
19 section 102 of the Healthy Forests
20 Restoration Act of 2003 (16 U.S.C.
21 6512) for Federal land; and

22 “(B) if woody, is removed as a byproduct
23 of preventive treatments to—

24 “(i) reduce hazardous fire fuels;

1 “(ii) reduce or contain disease or in-
2 sect infestation;

3 “(iii) reduce or contain invasive spe-
4 cies; or

5 “(iv) improve ecosystem health in ac-
6 cordance with a landscape scale strategy,
7 as determined by the Secretary.”;

8 (2) in subsection (c)—

9 (A) in paragraph (2)(B)—

10 (i) in clause (vii)—

11 (I) in subclause (II), by striking
12 “and” at the end;

13 (II) in subclause (III), by adding
14 “and” at the end; and

15 (III) by adding at the end the
16 following:

17 “(IV) geographic and feedstock
18 diversity of the proposed BCAP
19 project area as compared with existing
20 BCAP project areas;”;

21 (ii) in clause (viii), by striking “and”
22 at the end;

23 (iii) by redesignating clause (ix) as
24 clause (x); and

1 (iv) by inserting after clause (viii) the
 2 following:

3 “(ix) the prospects for significant pro-
 4 ducer participation; and”;

5 (B) in paragraph (3)(C)(ii), by striking
 6 “15” and inserting “7”; and

7 (C) in paragraph (5)—

8 (i) in subparagraph (B)—

9 (I) in the matter preceding clause
 10 (i), by striking “the amount” and in-
 11 sserting “Except as provided in sub-
 12 paragraph (D), the amount”; and

13 (II) by striking “75 percent” and
 14 inserting “50 percent”; and

15 (ii) by adding at the end the fol-
 16 lowing:

17 “(D) BEGINNING, SOCIALLY DISADVAN-
 18 TAGED, AND GEOGRAPHICALLY DISADVANTAGED
 19 FARMERS OR RANCHERS.—In the case of a be-
 20 ginning, socially disadvantaged, or geographi-
 21 cally disadvantaged farmer or rancher (as de-
 22 termined by the Secretary), the amount of an
 23 establishment payment under this subsection
 24 shall be up to 75 percent of the costs of estab-
 25 lishing an eligible perennial crop covered by the

1 contract, including the costs described in
2 clauses (i) through (iii) of subparagraph (B).”;
3 (3) in subsection (d)—

4 (A) in paragraph (1), by inserting “quali-
5 fying” before “eligible material” both places it
6 appears;

7 (B) in paragraph (2)(B)—

8 (i) by striking “paragraph (3)” and
9 inserting “paragraph (4)”; and

10 (ii) by striking “\$45 per ton for a pe-
11 riod of 2 years” and inserting “\$25 per
12 ton for a period of up to 3 years”;

13 (C) by redesignating paragraph (3) as
14 paragraph (4); and

15 (D) by inserting after paragraph (2) the
16 following:

17 “(3) LIMITATION ON ASSISTANCE WITH COL-
18 LECTION, HARVEST, STORAGE, AND TRANSPOR-
19 TATION.—To ensure effective administration of this
20 subsection, the Secretary may—

21 “(A) require such documentation from pro-
22 ducers or persons seeking payments as the Sec-
23 retary considers necessary;

1 “(B) establish limits on the total number
2 and amounts of payments received by any pro-
3 ducer or person under this subsection; and

4 “(C) implement any additional require-
5 ments the Secretary determines necessary.”;
6 and

7 (4) by striking subsection (f) and inserting the
8 following:

9 “(f) FUNDING.—

10 “(1) MANDATORY FUNDING.—Of the funds of
11 the Commodity Credit Corporation, the Secretary
12 shall use to carry out this section \$75,000,000 for
13 each of fiscal years 2014 through 2018, of which not
14 more than \$15,000,000 for each fiscal year may be
15 used for collection, harvest, storage, and transpor-
16 tation.

17 “(2) DISCRETIONARY FUNDING.—In addition to
18 any other funds made available to carry out this sec-
19 tion, there is authorized to be appropriated to carry
20 out this section \$75,000,000 for each of fiscal years
21 2014 through 2018”.

22 **SEC. 12. FOREST BIOMASS FOR ENERGY.**

23 Section 9012(d) of the Farm Security and Rural In-
24 vestment Act of 2002 (7 U.S.C. 8112(d)) is amended by
25 striking “2012” and inserting “2018”.

1 **SEC. 13. COMMUNITY WOOD ENERGY PROGRAM.**

2 Section 9013 of the Farm Security and Rural Invest-
3 ment Act of 2002 (7 U.S.C. 8113) is amended—

4 (1) by redesignating subsection (e) as sub-
5 section (f);

6 (2) by inserting after subsection (d) the fol-
7 lowing:

8 “(e) MANDATORY FUNDING.—Of the funds of the
9 Commodity Credit Corporation, the Secretary shall use to
10 carry out this section \$10,000,000 for each of fiscal years
11 2014 through 2018.”; and

12 (3) in subsection (f) (as redesignated by para-
13 graph (1)), by striking “2013” and inserting
14 “2018”.

15 **SEC. 14. BUDGETARY EFFECTS.**

16 The budgetary effects of this Act, for the purpose of
17 complying with the Statutory Pay-As-You-Go Act of 2010,
18 shall be determined by reference to the latest statement
19 titled “Budgetary Effects of PAYGO Legislation” for this
20 Act, submitted for printing in the Congressional Record
21 by the Chairman of the Senate Budget Committee, pro-
22 vided that such statement has been submitted prior to the
23 vote on passage.

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