

112TH CONGRESS
2D SESSION

H. R. _____

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

IN THE HOUSE OF REPRESENTATIVES

Ms. KAPTUR introduced the following bill; which was referred to the Committee on _____

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 2012”.

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) in paragraph (6)—

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

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

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

25 “(E) renewable chemicals.”;

1 (2) in paragraph (7)(A), by striking “and
2 biobased products” and inserting “, renewable
3 chemicals, or biobased products”;

4 (3) in paragraph (11), by inserting “(including
5 a renewable chemical)” after “material or com-
6 pound”;

7 (4) by redesignating paragraphs (13) and (14)
8 as paragraphs (14) and (15), respectively; and

9 (5) by inserting after paragraph (12) the fol-
10 lowing new paragraph:

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

15 **SEC. 4. BIOBASED MARKETS PROGRAM.**

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

18 (1) in subsection (a)—

19 (A) in paragraph (3), by adding at the end
20 the following new subparagraphs:

21 “(F) BIOBASED PRODUCT DESIGNA-
22 TIONS.—Not later than 1 year after the date of
23 enactment of this subparagraph, the Secretary
24 shall—

1 “(i) increase the number of categories
2 of biobased products designated and indi-
3 vidual biobased products eligible for pre-
4 ferred purchasing by 50 percent;

5 “(ii) begin to designate intermediate
6 ingredients or feedstocks in the guidelines
7 issued under this paragraph; and

8 “(iii) develop a recommendation for
9 the designation of complex and finished
10 biobased products in those guidelines.

11 “(G) CHANGES IN PROCUREMENT MECHA-
12 NISMS.—

13 “(i) ELECTRONIC PRODUCT PROCURE-
14 MENT CATALOGS.—The Secretary shall
15 work with relevant officials in agencies
16 that have electronic product procurement
17 catalogs to identify and implement solu-
18 tions to increase the visibility of biobased
19 and other sustainable products.

20 “(ii) AGENCY-SPECIFIC PRODUCT
21 SPECIFICATIONS.—

22 “(I) IN GENERAL.—Not later
23 than 1 year after the date of enact-
24 ment of this subparagraph and every
25 4 years thereafter, the Secretary, in

1 coordination with other appropriate
2 officials, shall work with the senior
3 sustainability officer of each agency
4 that has established agency-specific
5 product specifications to review and
6 revise the product specifications to en-
7 sure that, to the maximum extent
8 practicable, the product specifica-
9 tions—

10 “(aa) require the use of sus-
11 tainable products, including
12 biobased products designated in
13 accordance with this section; and

14 “(bb) do not contain any
15 language prohibiting the use of
16 biobased products.

17 “(II) REPORT.—Results of the
18 reviews conducted under subclause (I)
19 shall be reported annually to the Of-
20 fice of Management and Budget, the
21 Office of Science and Technology Pol-
22 icy, and the appropriate committees of
23 Congress.

24 “(H) REPORTING.—

1 “(i) IN GENERAL.—Not later than 1
2 year after the date of enactment of this
3 subparagraph, the Secretary and the Fed-
4 eral Acquisition Regulatory Council shall
5 jointly propose an amendment to the Fed-
6 eral Acquisition Regulation to require re-
7 porting of biobased product purchases, to
8 be made public on an annual basis.

9 “(ii) REPORTING TEMPLATE.—After
10 the promulgation of the proposed amend-
11 ment described in clause (i), the Secretary,
12 in consultation with the Chief Acquisition
13 Officers Council, shall develop and make
14 available a reporting template to facilitate
15 the annual reporting requirement.”; and

16 (B) by adding at the end the following new
17 paragraph:

18 “(5) COMPLIANCE.—The Secretary may take
19 such action as the Secretary determines to be nec-
20 essary—

21 “(A) to determine the compliance rate
22 among Federal agencies in buying designated
23 biobased products; and

24 “(B) to determine whether vendor and con-
25 tractor claims about biobased products meeting

1 item designation definitions and minimum re-
2 quired biobased content are accurate.”;

3 (2) in subsection (b)—

4 (A) in paragraph (2)(B)—

5 (i) in clause (ii), by striking “and” at
6 the end;

7 (ii) by redesignating clause (iii) as
8 clause (iv); and

9 (iii) by inserting after clause (ii), the
10 following new clause:

11 “(iii) encourage the purchase of prod-
12 ucts that apply an innovative approach to
13 growing, harvesting, procuring, processing,
14 or manufacturing biobased products re-
15 gardless of the date of entry of the prod-
16 ucts into the marketplace.”;

17 (B) in paragraph (3)—

18 (i) by striking “(3) USE OF LABEL—
19 The Secretary” and inserting the following:

20 “(3) USE OF LABEL.—

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

22 (ii) by adding at the end the following
23 new subparagraph:

24 “(B) AUDITING AND COMPLIANCE.—The
25 Secretary may carry out such auditing and

1 compliance activities as the Secretary deter-
2 mines to be necessary to ensure compliance
3 with subparagraph (A), including the imposition
4 of a civil penalty of not more than \$10,000 on
5 a person who misuses the label and, after re-
6 ceiving a notice of violation, fails to take action
7 to correct the misuse described in the notice.”;
8 and

9 (C) by adding at the end the following new
10 paragraphs:

11 “(4) FORESTRY PRODUCTS LABORATORY CO-
12 ORDINATION.—In determining which products may
13 qualify to use a label under paragraph (1), the Sec-
14 retary, in consultation with the Forest Products
15 Laboratory, shall—

16 “(A) review and approve applications for
17 designation as biobased products submitted by
18 vendors or manufacturers of forest-related
19 products;

20 “(B) expedite the approval of applications
21 for designation as biobased products submitted
22 by producers of innovative forest-related prod-
23 ucts resulting from technology developed by the
24 Forest Products Laboratory or partners of the
25 Laboratory; and

1 “(C) provide appropriate technical assist-
2 ance to applicants, as determined by the Sec-
3 retary.

4 “(5) COMPLEX AND FINISHED PRODUCTS.—Not
5 later than 1 year after the date of enactment of this
6 paragraph, the Secretary shall develop a rec-
7 ommendation for labeling complex and finished
8 products.”;

9 (3) by redesignating subsections (d) through (h)
10 as subsections (e) through (i), respectively;

11 (4) by inserting after subsection (c) the fol-
12 lowing new subsection:

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

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

18 “(2) AUTHORIZED ACTIVITIES.—In carrying
19 out this subsection, the Secretary, at a minimum,
20 shall—

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

1 “(B) work cooperatively with the senior
2 sustainability officers and chief acquisition offi-
3 cers of Federal agencies to immediately imple-
4 ment such BioPreferred program agency edu-
5 cation and outreach programs as are necessary
6 to meet the requirements of this section;

7 “(C) work actively with groups that sup-
8 port employment for the blind or disabled, such
9 as the Committee for Purchase From People
10 Who Are Blind or Severely Disabled, to pro-
11 mote education and outreach regarding BioPre-
12 ferred AbilityOne products to—

13 “(i) program, technical, and con-
14 tracting personnel; and

15 “(ii) Federal agency purchase card
16 holders;

17 “(D) conduct consumer education and out-
18 reach (including consumer and awareness sur-
19 veys);

20 “(E) conduct outreach to and support for
21 State and local governments interested in im-
22 plementing biobased purchasing programs;

23 “(F) partner with industry and nonprofit
24 groups to produce educational and outreach

1 materials and conduct educational and outreach
2 events;

3 “(G) sponsor special conferences and
4 events to bring together buyers and sellers of
5 biobased products; and

6 “(H) support pilot and demonstration
7 projects.”;

8 (5) in subsection (h) (as redesignated by para-
9 graph (3)), by adding at the end the following new
10 paragraph:

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

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

22 “(B) the dollar value of the domestic
23 biobased products industry at the time of the
24 report, including intermediates, feedstocks, and
25 finished products, but excluding biofuels;

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

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

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

8 (6) in subsection (i) (as redesignated by para-
9 graph (3))—

10 (A) in paragraph (1)—

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

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

16 (iii) by adding at the end the fol-
17 lowing new subparagraph:

18 “(C) \$4,000,000 for each of fiscal years
19 2013 through 2017.”; and

20 (B) in paragraph (2), by inserting “and
21 \$4,000,000 for each of fiscal years 2013
22 through 2017” before the period at the end.

23 **SEC. 5. BIOREFINERY ASSISTANCE.**

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

1 (1) in subsection (b)(2), by inserting “or a re-
2 newable chemical” after “biofuel” each place it ap-
3 pears in subparagraphs (A) and (B);

4 (2) in subsection (c)(1), by inserting “or renew-
5 able chemicals” after “biofuels”;

6 (3) in subsection (d)(2)(C)—

7 (A) in clause (i), by inserting “or renew-
8 able chemical” after “biofuel”; and

9 (B) in clause (iii), by inserting “or renew-
10 able chemicals” after “biofuels”;

11 (4) in subsection (e)(1)(C)—

12 (A) in clause (i), by inserting “or renew-
13 able chemical” after “biofuel”; and

14 (B) in clauses (iii) and (vii), by inserting
15 “or renewable chemicals” after “biofuels” each
16 place it appears; and

17 (5) in subsection (h)—

18 (A) in paragraph (1)—

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

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

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

1 “(C) \$75,000,000 for each of fiscal years
2 2013 through 2017.”; and

3 (B) in paragraph (2), by inserting “and
4 \$75,000,000 for each of fiscal years 2013
5 through 2017” before the period at the end.

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

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

10 “(d) FUNDING.—

11 “(1) MANDATORY FUNDING.—Of the funds of
12 the Commodity Credit Corporation, the Secretary
13 shall use to carry out this section \$1,000,000 for
14 each of fiscal years 2013 through 2017, to remain
15 available until expended.

16 “(2) DISCRETIONARY FUNDING.—In addition to
17 any other funds made available to carry out this sec-
18 tion, there is authorized to be appropriated to carry
19 out this section \$1,000,000 for each of fiscal years
20 2013 through 2017.”.

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

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

24 (1) by redesignating subsections (a) through (g)
25 as subsections (b) through (h), respectively;

1 (2) by inserting before subsection (b) (as so re-
2 designated), the following new subsection:

3 “(a) AGRICULTURAL PRODUCER DEFINED.—In this
4 section, the term ‘agricultural producer’ includes rural and
5 non-rural agricultural producers.”;

6 (3) in subsection (d) (as redesignated by para-
7 graph (1))—

8 (A) by striking paragraph (1) and insert-
9 ing the following new paragraph:

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

12 “(A) IN GENERAL.—In addition to any
13 similar authority, the Secretary shall provide
14 loan guarantees and grants to agricultural pro-
15 ducers and rural small businesses—

16 “(i) to purchase renewable energy sys-
17 tems, including—

18 “(I) systems that may be used to
19 produce and sell electricity, such as
20 for agricultural, and associated resi-
21 dential, purposes; and

22 “(II) unique components of re-
23 newable energy systems; and

24 “(ii) to make energy efficiency im-
25 provements.

1 “(B) TIERED APPLICATION PROCESS.—

2 “(i) IN GENERAL.—In providing loan
3 guarantees and grants under this sub-
4 section, the Secretary shall use a 3-tiered
5 application process that reflects the sizes
6 of proposed projects in accordance with
7 this subparagraph.

8 “(ii) TIER 1.—The Secretary shall es-
9 tablish a separate application process for
10 projects for which the cost of the activity
11 funded under this subsection is not more
12 than \$80,000.

13 “(iii) TIER 2.—The Secretary shall es-
14 tablish a separate application process for
15 projects for which the cost of the activity
16 funded under this subsection is greater
17 than \$80,000 but less than \$200,000.

18 “(iv) TIER 3.—The Secretary shall es-
19 tablish a separate application process for
20 projects for which the cost of the activity
21 funded under this subsection is equal to or
22 greater than \$200,000.

23 “(v) APPLICATION PROCESS.—The
24 Secretary shall establish an application,
25 evaluation, and oversight process that is

1 most simplified for tier I projects and more
2 comprehensive for each subsequent tier.”;

3 (B) in paragraph (3)—

4 (i) in subparagraph (A), by inserting
5 “in an amount not to exceed \$100,000 per
6 grant” after “in the form of grants”; and

7 (ii) by striking subparagraph (C);

8 (C) in paragraph (4)(C), by striking “75
9 percent of the cost” and inserting “all eligible
10 costs”; and

11 (D) by adding at the end the following new
12 paragraph:

13 “(5) REQUIREMENT.—In carrying out this sec-
14 tion, the Secretary shall not require a second meter
15 for on-farm residential portions of rural projects
16 connected to the grid.”;

17 (4) in subsection (g) (as redesignated by para-
18 graph (1))—

19 (A) by striking “Not later” and inserting
20 the following:

21 “(1) IN GENERAL.—Not later”; and

22 (B) by adding at the end the following new
23 paragraph:

24 “(2) SUBSEQUENT REPORT.—Not later than 4
25 years after the date of enactment of this paragraph,

1 the Secretary shall submit to Congress a report on
2 activities carried out under this section, including
3 the outcomes achieved by projects funded under this
4 section.”; and

5 (5) in subsection (h) (as redesignated by para-
6 graph (1))—

7 (A) in paragraph (1)(D), by striking “fis-
8 cal year 2012” and inserting “each of fiscal
9 years 2012 through 2017”; and

10 (B) in paragraph (3), by inserting “and
11 \$70,000,000 for each of fiscal years 2013
12 through 2017” before the period at the end.

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

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

16 (1) by striking “biofuels and” each place it ap-
17 pears in subsections (b), (c)(3), (d)(2)(A), (e), and
18 (g)(2) and inserting “biofuels, renewable chemicals,
19 and”;

20 (2) in subsection (e)—

21 (A) in paragraph (2)—

22 (i) in subparagraph (A)—

23 (I) by striking “at prices com-
24 petitive with fossil fuels” and insert-
25 ing “and biobased products”; and

- 1 (II) by inserting “and” after the
2 semicolon at the end;
- 3 (ii) by striking subparagraph (B);
- 4 (iii) by redesignating subparagraph
5 (C) as subparagraph (B); and
- 6 (iv) in subparagraph (B) (as so reded-
7 icated), by inserting “renewable chemi-
8 cals,” after “bioenergy,”;
- 9 (B) in paragraph (3)—
- 10 (i) in subparagraph (B), in the sub-
11 paragraph heading, by inserting “, RENEW-
12 ABLE CHEMICALS,” after “BIOFUELS”; and
- 13 (ii) by striking subparagraph (C);
- 14 (C) by striking paragraph (4); and
- 15 (D) by redesignating paragraphs (5) and
16 (6) as paragraphs (4) and (5), respectively; and
- 17 (3) in subsection (h)—
- 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 new subparagraph:

1 “(E) \$30,000,000 for each of fiscal years
2 2013 through 2017.”; and

3 (B) in paragraph (2), by inserting “and
4 \$30,000,000 for each of fiscal years 2013
5 through 2017” before the period at the end.

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

7 Section 9009(d) of the Farm Security and Rural In-
8 vestment Act of 2002 (7 U.S.C. 8109(d)) is amended by
9 inserting “and \$10,000,000 for each of fiscal years 2013
10 through 2017” before the period at the end.

11 **SEC. 10. BIOMASS CROP ASSISTANCE PROGRAM.**

12 (a) DEFINITIONS.—Section 9011(a) of the Farm Se-
13 curity and Rural Investment Act of 2002 (7 U.S.C.
14 8111(a)) is amended—

15 (1) in paragraph (4)(B)—

16 (A) in clause (i), by striking “or” at the
17 end;

18 (B) in clause (ii)—

19 (i) by striking “has the potential to
20 become invasive or noxious” and inserting
21 “species or varieties of plants that credible
22 risk assessment tools or other credible
23 sources determine are potentially invasive”;
24 and

1 (ii) by striking the period at the end
2 and inserting “; or”; and

3 (C) by adding at the end the following new
4 clause:

5 “(iii) algae.”;

6 (2) in paragraph (5)(B), by striking clauses (iv)
7 and (v) and inserting the following new clauses:

8 “(iv) land enrolled in the environ-
9 mental easement program established
10 under chapter 3 of subtitle D of such title
11 (16 U.S.C. 3839 et seq.); or

12 “(v) land enrolled in the programs de-
13 scribed in clauses (iii) and (iv) under a
14 contract that expires at the end of fiscal
15 year [_____].”;

16 (3) in paragraph (6)—

17 (A) by striking subparagraph (A) and in-
18 sserting the following new subparagraph:

19 “(A) IN GENERAL.—The term ‘eligible ma-
20 terial’ means the following materials:

21 “(i) Renewable biomass material har-
22 vested directly from the land, including
23 crop residue from any crop that is eligible
24 to receive payments under title I of the

1 Food, Conservation, and Energy Act of
2 2008 (7 U.S.C. 8701 et seq.).

3 “(ii) Material that is collected or har-
4 vested by the owner of such material—

5 “(I) directly from the National
6 Forest System, Bureau of Land Man-
7 agement land, non-Federal land, or
8 land owned by an individual Indian or
9 Indian tribe that is held in trust by
10 the United States for the benefit of
11 the individual Indian or Indian tribe
12 or subject to a restriction against
13 alienation imposed by the United
14 States; or

15 “(II) in a manner that is con-
16 sistent with a conservation plan, a for-
17 est stewardship plan, or a plan that
18 the Secretary determines is equivalent
19 to a conservation plan or a forest
20 stewardship plan and consistent with
21 Executive Order 13112 (64 Fed. Reg.
22 6183; relating to invasive species).

23 “(iii) In the case of woody material,
24 material that is produced on land other
25 than contract acreage that—

1 “(I) is a byproduct of a preventa-
2 tive treatment that is removed to re-
3 duce hazardous fuel or to reduce or
4 contain disease or insect infestation;
5 and

6 “(II) if harvested from Federal
7 land, is harvested in accordance with
8 section 102(e) of the Healthy Forests
9 Restoration Act of 2003 (16 U.S.C.
10 6512(e)).

11 “(iv) Material that is delivered to a
12 qualified biomass conversion facility to be
13 used for heat, power, biobased products,
14 research, or advanced biofuels.”; and

15 (B) in subparagraph (B)—

16 (i) in clause (iii), by striking “or” at
17 the end;

18 (ii) in clause (iv), by striking the pe-
19 riod at the end and inserting “; or”; and

20 (iii) by adding at the end the fol-
21 lowing new clause:

22 “(v) bagasse.”; and

23 (4) by adding at the end the following new
24 paragraph:

1 “(9) SOCIALLY DISADVANTAGED FARMER OR
2 RANCHER.—The term ‘socially disadvantaged farmer
3 or rancher’ has the meaning given such term in sec-
4 tion 2501(e) of the Food, Conservation, and Trade
5 Act of 1990 (7 U.S.C. 2279(e)).”.

6 (b) BCAP PROJECT AREA.—Section 9011(c) of the
7 Farm Security and Rural Investment Act of 2002 (7
8 U.S.C. 8111(c)) is amended—

9 (1) in paragraph (2)—

10 (A) in subparagraph (A), by striking
11 clause (iv) and inserting the following new
12 clause:

13 “(iv) any other information about the
14 biomass conversion facility or proposed bio-
15 mass conversion facility that the Secretary
16 determines necessary for the Secretary to
17 be reasonably assured that the plant will
18 be in operation by the date on which the
19 eligible crops are ready for harvest.”; and

20 (B) in subparagraph (B)(ix), by striking
21 “information” and all that follows through the
22 period and inserting “information that the Sec-
23 retary determines to be necessary.”;

24 (2) in paragraph (3)—

25 (A) in subparagraph (B)—

- 1 (i) in clause (iii)—
- 2 (I) in subclause (I), by striking
- 3 “or” at the end;
- 4 (II) in subclause (II), by striking
- 5 “or an equivalent; and” at the end
- 6 and inserting “; or”; and
- 7 (III) by adding at the end the
- 8 following new subclause:
- 9 “(III) a plan that is equivalent to
- 10 a conservation plan or a forest stew-
- 11 ardship plan; and”; and
- 12 (ii) in clause (iv), by striking “the
- 13 Secretary” and all that follows through the
- 14 period and inserting “that the Secretary
- 15 determines to be necessary.”; and
- 16 (B) in subparagraph (C), in the matter
- 17 preceding clause (i), by striking “up to” and in-
- 18 serting “not more than”; and
- 19 (3) in paragraph (5)—
- 20 (A) in subparagraph (B)—
- 21 (i) by redesignating clauses (i), (ii),
- 22 and (iii) as subclauses (I), (II), and (III),
- 23 respectively, and moving the margins of
- 24 such subclauses two ems to the right;

1 (ii) by striking “(B) AMOUNT OF ES-
2 TABLISHMENT PAYMENTS—The amount
3 of” and inserting the following:

4 “(B) AMOUNT OF ESTABLISHMENT PAY-
5 MENTS.—

6 “(i) IN GENERAL.—Except as pro-
7 vided in clause (ii), the amount of”;

8 (iii) in clause (i) (as designated by
9 clause (ii)), by striking “up to 75 percent”
10 and inserting “not more than the lesser of
11 \$500 per acre or 75 percent”; and

12 (iv) by adding at the end the following
13 new clause:

14 “(ii) SOCIALLY DISADVANTAGED
15 FARMERS OR RANCHERS.—The limitation
16 on the amount of an establishment pay-
17 ment under clause (i) shall apply in the
18 case of a socially disadvantaged farmer or
19 rancher in the same manner as such limi-
20 tation applies to any farmer or rancher
21 under such clause except that the limita-
22 tion on the costs of establishment applica-
23 ble to a socially disadvantaged farmer or
24 rancher shall be not more than the lesser

1 of \$750 per acre or 85 percent of such
2 costs.”; and

3 (B) in subparagraph (C)(ii), by striking
4 subclause (V) and inserting the following new
5 subclause:

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

9 (c) ASSISTANCE WITH COLLECTION, HARVEST,
10 STORAGE, AND TRANSPORTATION.—Section 9011(d) of
11 the Farm Security and Rural Investment Act of 2002 (7
12 U.S.C. 8111(d)) is amended—

13 (1) in paragraph (1)(B), by inserting before the
14 period at the end “, regardless of whether the eligi-
15 ble material is produced on contract acreage”; and

16 (2) in paragraph (2)(B)—

17 (A) by striking “rate of \$1” and inserting
18 “rate of not more than \$1”; and

19 (B) by striking “\$45 per ton” and all that
20 follows through the period and inserting “\$20
21 per dry ton for a period of 4 years.”.

22 (d) FUNDING.—Section 9011(f) of the Farm Security
23 and Rural Investment Act of 2002 (7 U.S.C. 8111(f)) is
24 amended to read as follows:

25 “(f) FUNDING.—

1 “(1) MANDATORY FUNDING.—Of the funds of
2 the Commodity Credit Corporation, the Secretary
3 shall use to carry out this section \$75,000,000 for
4 each of fiscal years 2013 through 2017, of which not
5 more than \$15,000,000 for each fiscal year may be
6 used for providing assistance with collection, harvest,
7 storage, and transportation under subsection (d).

8 “(2) DISCRETIONARY FUNDING.—In addition to
9 any other funds made available to carry out this sec-
10 tion, there are authorized to be appropriated to
11 carry out this section \$75,000,000 for each of fiscal
12 years 2013 through 2017.”.

13 (e) CONFORMING AMENDMENTS; TECHNICAL COR-
14 RECTIONS.—

15 (1) DEFINITION OF ELIGIBLE LAND.—Section
16 9011(a)(5)(B)(ii) of the Farm Security and Rural
17 Investmenr Act of 2002 (7 U.S.C.
18 8111(a)(5)(B)(ii)) is amended by inserting “(7
19 U.S.C. 8701 et seq.)” after “2008”.

20 (2) ESTABLISHMENT AND PURPOSE.—Section
21 9011(b)(2) of the Farm Security and Rural Invest-
22 ment Act of 2002 (7 U.S.C. 8111(b)(2)) is amended
23 by inserting “the” before “collection”.

24 (3) SOCIALLY DISADVANTAGED FARMERS AND
25 RANCHERS.—Section 9011(c)(2)(B)(v)(II) of the

1 Farm Security and Rural Investment Act of 2002 (7
2 U.S.C. 8111(c)(2)(B)(v)(II)) is amended by striking
3 “ranchers” and all that follows through the semi-
4 colon and inserting “ranchers;”.

5 (4) LIMITATION ON ASSISTANCE FOR BCAP
6 CONTRACT ACREAGE.—Section 9011(d)(3) of the
7 Farm Security and Rural Investment Act of 2002 (7
8 U.S.C. 8111(d)(3)) is amended by inserting “an”
9 before “annual”.

10 **SEC. 11. FOREST BIOMASS FOR ENERGY.**

11 Section 9012(d) of the Farm Security and Rural In-
12 vestment Act of 2002 (7 U.S.C. 8112(d)) is amended by
13 striking “2012” and inserting “2017”.

14 **SEC. 12. COMMUNITY WOOD ENERGY PROGRAM.**

15 Section 9013(e) of the Farm Security and Rural In-
16 vestment Act of 2002 (7 U.S.C. 8113(e)) is amended by
17 striking “2012” and inserting “2017”.