

Bill number	S. 1403
Title	Farm-to-Fuel Investment Act. A bill to amend the Farm Security and Rural Investment Act of 2002 to provide incentives for the production of bioenergy crops.
Sponsor / Co-sponsors	Sponsored by Senator Amy Klobuchar (D-MN) Co-sponsors: Kent Conrad (D-ND), Richard Durbin (D-IL), Tom Harkin (D-IA)
Latest Development	5/15/2007 Referred to Senate committee. Status: Read twice and referred to the Committee on Agriculture, Nutrition, and Forestry.
ACTION NEEDED	ENCOURAGE YOUR SENATORS TO CO-SPONSOR THIS IMPORTANT BILL.

Background to S. 1403 – Farm –to-Fuel Investment Act

As America looks to increase its production of renewable energy, it is critical that it be pursued in a manner that benefits family farmers and rural communities and protects the environment. The conservation of natural resources, including soil, water and air quality, wildlife habitat and native biodiversity, must be a major focus of agriculturally-based energy production systems. Currently, both the federal government and many state governments are setting ambitious corn-ethanol and oilseed-biodiesel production goals with insufficient attention paid to the sustainability and environmental impacts of this biofuel production. At the same time, however, research and development of cellulosic ethanol production is accelerating with the possibility of agriculturally- based energy production using a wide array of plants and cropping systems.

As this new array of energy and fuel production based on agricultural and rural land is emerging, the time is right to ensure that the environmental performance of current agricultural energy systems is improved and that future agriculturally-based energy is produced in sustainable systems that minimize environmental degradation. These systems should also be designed to take advantage of the emerging opportunities to improve soil health, water quality and wildlife habitat by integrating diverse, perennial energy crops into agricultural systems.

- USDA, through NRCS and in consultation with State Technical Committees, would designate bioenergy "cropsheds" within a 75 mile radius around actual or potential bioenergy facilities that would also be targeted to conservation concerns in the region.
- Farmers in one of the designated cropsheds would become eligible for a 3-year Bioenergy Transition Assistance cost-share/incentive payment program. This program would be authorized as part of the Energy Title of the Farm Bill, in what was Section 9003 of the last farm bill. To be qualified for the payments, the producer would need to meet the NRCS quality

criteria (sustainability criteria) for soil, water, and wildlife no later than by the end of the 3-year transition payment. No program commodity crops would be eligible.

- Farmers in one of the cropsheds who qualify for the Conservation Security Program (CSP) would also become eligible for special enhancement payments if they plant a mix of perennial crops, and a slightly higher enhancement payment if they plant mix of native perennial crops.
- The bill also has miscellaneous biomass research provisions, including two programs: a new short term transition payment and the longer-term CSP enhancement for superior biomass systems.