

(E) conduct an assessment of the project's effects; and

(F) at the conclusion of the project, report to the Secretary on its results and funds leveraged.

**(2) Contribution**

An eligible partner shall provide a significant portion of the overall costs of the scope of the project that is the subject of the agreement entered into under subsection (a), as determined by the Secretary.

**(d) Applications**

**(1) Competitive process**

The Secretary shall conduct a competitive process to select applications for partnership agreements and may assess and rank applications with similar conservation purposes as a group.

**(2) Criteria used**

In carrying out the process described in paragraph (1), the Secretary shall make public the criteria used in evaluating applications.

**(3) Content**

An application to the Secretary shall include a description of—

(A) the scope of the project, as described in subsection (c)(1)(A);

(B) the plan for monitoring, evaluating, and reporting on progress made toward achieving the project's objectives;

(C) the program resources requested for the project, including the covered programs to be used and estimated funding needed from the Secretary;

(D) each eligible partner collaborating to achieve project objectives, including their roles, responsibilities, capabilities, and financial contribution; and

(E) any other elements the Secretary considers necessary to adequately evaluate and competitively select applications for funding under the program.

**(4) Priority to certain applications**

The Secretary may give a higher priority to applications that—

(A) assist producers in meeting or avoiding the need for a natural resource regulatory requirement;

(B) have a high percentage of producers in the area to be covered by the agreement;

(C) significantly leverage non-Federal financial and technical resources and coordinate with other local, State, or national efforts;

(D) deliver high percentages of applied conservation to address conservation priorities or regional, State, or national conservation initiatives;

(E) provide innovation in conservation methods and delivery, including outcome-based performance measures and methods; or

(F) meet other factors that are important for achieving the purposes of the program, as determined by the Secretary.

(Pub. L. 99-198, title XII, §1271B, as added Pub. L. 113-79, title II, §2401, Feb. 7, 2014, 128 Stat. 746.)

**§ 3871c. Assistance to producers**

**(a) In general**

The Secretary shall enter into contracts with producers to provide financial and technical assistance to—

(1) producers participating in a project with an eligible partner; or

(2) producers that fit within the scope of a project described in section 3871b of this title or a critical conservation area designated under section 3871f of this title, but who are seeking to implement an eligible activity on eligible land independent of an eligible partner.

**(b) Terms and conditions**

**(1) Consistency with program rules**

**(A) In general**

Except as provided in subparagraph (B) and paragraph (2), the Secretary shall ensure that the terms and conditions of a contract under this section are consistent with the applicable rules of the covered programs to be used as part of the partnership agreement, as described in the application under section 3871b(d)(3)(C) of this title.

**(B) Adjustments**

**(i) In general**

The Secretary may adjust the rules of a covered program, including—

(I) operational guidance and requirements for a covered program at the discretion of the Secretary so as to provide a simplified application and evaluation process; and

(II) nonstatutory, regulatory rules or provisions to better reflect unique local circumstances and purposes if the Secretary determines such adjustments are necessary to achieve the purposes of the covered program.

**(ii) Limitation**

The Secretary shall not adjust the application of statutory requirements for a covered program, including requirements governing appeals, payment limits, and conservation compliance.

**(iii) Irrigation**

In States where irrigation has not been used significantly for agricultural purposes, as determined by the Secretary, the Secretary shall not limit eligibility under section 3871b of this title or this section on the basis of prior irrigation history.

**(2) Alternative funding arrangements**

**(A) In general**

For the purposes of providing assistance for land described in subsection (a) and section 3871f of this title, the Secretary may enter into alternative funding arrangements with a multistate water resource agency or authority if—

(i) the Secretary determines that the goals and objectives of the program will be met by the alternative funding arrangements;

- (ii) the agency or authority certifies that the limitations established under this section on agreements with individual producers will not be exceeded; and
- (iii) all participating producers meet applicable payment eligibility provisions.

**(B) Conditions**

As a condition of receiving funding under subparagraph (A), the multistate water resource agency or authority shall agree—

- (i) to submit an annual independent audit to the Secretary that describes the use of funds under this paragraph;
- (ii) to provide any data necessary for the Secretary to issue a report on the use of funds under this paragraph; and
- (iii) not to use any of the funds provided pursuant to subparagraph (A) for administration or to provide for administrative costs through contracts with another entity.

**(C) Limitation**

The Secretary may enter into not more than 20 alternative funding arrangements under this paragraph.

**(c) Payments**

**(1) In general**

In accordance with statutory requirements of the covered programs involved, the Secretary may make payments to a producer in an amount determined by the Secretary to be necessary to achieve the purposes of the program.

**(2) Payments to certain producers**

The Secretary may provide payments for a period of 5 years—

- (A) to producers participating in a project that addresses water quantity concerns and in an amount sufficient to encourage conversion from irrigated to dryland farming; and
- (B) to producers participating in a project that addresses water quality concerns and in an amount sufficient to encourage adoption of conservation practices and systems that improve nutrient management.

**(3) Waiver authority**

To assist in the implementation of the program, the Secretary may waive the applicability of the limitation in section 1308-3a(b)(2) of title 7 for participating producers if the Secretary determines that the waiver is necessary to fulfill the objectives of the program.

(Pub. L. 99-198, title XII, §1271C, as added Pub. L. 113-79, title II, §2401, Feb. 7, 2014, 128 Stat. 747.)

**§ 3871d. Funding**

**(a) Availability of funds**

The Secretary shall use \$100,000,000 of the funds of the Commodity Credit Corporation for each of fiscal years 2014 through 2018 to carry out the program.

**(b) Duration of availability**

Funds made available under subsection (a) shall remain available until expended.

**(c) Additional funding and acres**

**(1) In general**

In addition to the funds made available under subsection (a), the Secretary shall reserve 7 percent of the funds and acres made available for a covered program for each of fiscal years 2014 through 2018 in order to ensure additional resources are available to carry out this program.

**(2) Unused funds and acres**

Any funds or acres reserved under paragraph (1) for a fiscal year from a covered program that are not committed under this program by April 1 of that fiscal year shall be returned for use under the covered program.

**(d) Allocation of funding**

Of the funds and acres made available for the program under subsection (a) and reserved for the program under subsection (c), the Secretary shall allocate—

- (1) 25 percent of the funds and acres to projects based on a State competitive process administered by the State Conservationist, with the advice of the State technical committee established under subchapter VI;
- (2) 40 percent of the funds and acres to projects based on a national competitive process to be established by the Secretary; and
- (3) 35 percent of the funds and acres to projects for critical conservation areas designated under section 3871f of this title.

**(e) Limitation on administrative expenses**

None of the funds made available or reserved for the program may be used to pay for the administrative expenses of eligible partners.

(Pub. L. 99-198, title XII, §1271D, as added Pub. L. 113-79, title II, §2401, Feb. 7, 2014, 128 Stat. 749.)

**§ 3871e. Administration**

**(a) Disclosure**

In addition to the criteria used in evaluating applications as described in section 3871b(d)(2) of this title, the Secretary shall make publicly available information on projects selected through the competitive process described in section 3871b(d)(1) of this title.

**(b) Reporting**

Not later than December 31, 2014, and every two years thereafter, 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 status of projects funded under the program, including—

- (1) the number and types of eligible partners and producers participating in the partnership agreements selected;
- (2) the number of producers receiving assistance;
- (3) total funding committed to projects, including from Federal and non-Federal resources; and
- (4) a description of how the funds under section 3871c(b)(2) of this title are being administered, including—

- (A) any oversight mechanisms that the Secretary has implemented;