

- (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;