

“(2) PAYMENTS.—

“(A) COSTS COVERED.—A payment under this subsection shall be in an amount described in subparagraph (B) for—

- “(i) collection;
- “(ii) harvest;
- “(iii) storage; and
- “(iv) transportation to a biomass conversion facility.

“(B) AMOUNT.—Subject to paragraph (3), the Secretary may provide matching payments at a rate of \$1 for each \$1 per ton provided by the biomass conversion facility, in an amount equal to not more than \$45 per ton for a period of 2 years.

“(3) LIMITATION ON ASSISTANCE FOR BCAP CONTRACT ACREAGE.—As a condition of the receipt of annual payment under subsection (c), a producer receiving a payment under this subsection for collection, harvest, storage or transportation of an eligible crop produced on BCAP acreage shall agree to a reduction in the annual payment.

“(e) REPORT.—Not later than 4 years after the date of enactment of the Food, Conservation, and Energy Act of 2008, 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 dissemination by the Secretary of the best practice data and information gathered from participants receiving assistance under this section.

“(f) FUNDING.—Of the funds of the Commodity Credit Corporation, the Secretary shall use to carry out this section such sums as are necessary for each of fiscal years 2008 through 2012.

“SEC. 9012. FOREST BIOMASS FOR ENERGY.

7 USC 8112.

“(a) IN GENERAL.—The Secretary, acting through the Forest Service, shall conduct a competitive research and development program to encourage use of forest biomass for energy.

“(b) ELIGIBLE ENTITIES.—Entities eligible to compete under the program under this section include—

- “(1) the Forest Service (acting through Research and Development);
- “(2) other Federal agencies;
- “(3) State and local governments;
- “(4) Indian tribes;
- “(5) land-grant colleges and universities; and
- “(6) private entities.

“(c) PRIORITY FOR PROJECT SELECTION.—In carrying out this section, the Secretary shall give priority to projects that—

- “(1) develop technology and techniques to use low-value forest biomass, such as byproducts of forest health treatments and hazardous fuels reduction, for the production of energy;
- “(2) develop processes that integrate production of energy from forest biomass into biorefineries or other existing manufacturing streams;
- “(3) develop new transportation fuels from forest biomass; and
- “(4) improve the growth and yield of trees intended for renewable energy production.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$15,000,000 for each of fiscal years 2009 through 2012.

7 USC 8113.

“SEC. 9013. COMMUNITY WOOD ENERGY PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) COMMUNITY WOOD ENERGY PLAN.—The term ‘community wood energy plan’ means an assessment of—

“(A) available feedstocks necessary to supply a community wood energy system; and

“(B) the long-term feasibility of supplying and operating a community wood energy system.

“(2) COMMUNITY WOOD ENERGY SYSTEM.—

“(A) IN GENERAL.—The term ‘community wood energy system’ means an energy system that—

“(i) primarily services public facilities owned or operated by State or local governments, including schools, town halls, libraries, and other public buildings; and

“(ii) uses woody biomass as the primary fuel.

“(B) INCLUSIONS.—The term ‘community wood energy system’ includes single facility central heating, district heating, combined heat and energy systems, and other related biomass energy systems.

“(b) GRANT PROGRAM.—

“(1) IN GENERAL.—The Secretary, acting through the Chief of the Forest Service, shall establish a program to be known as the ‘Community Wood Energy Program’ to provide—

“(A) grants of up to \$50,000 to State and local governments (or designees) to develop community wood energy plans; and

“(B) competitive grants to State and local governments to acquire or upgrade community wood energy systems.

“(2) CONSIDERATIONS.—In selecting applicants for grants under paragraph (1)(B), the Secretary shall consider—

“(A) the energy efficiency of the proposed system;

“(B) the cost effectiveness of the proposed system; and

“(C) other conservation and environmental criteria that the Secretary considers appropriate.

“(3) USE OF PLAN.—A State or local government applying to receive a competitive grant described in paragraph (1)(B) shall submit to the Secretary as part of the grant application the applicable community wood energy plan.

“(c) LIMITATION.—A community wood energy system acquired with grant funds provided under subsection (b)(1)(B) shall not exceed an output of—

“(1) 50,000,000 Btu per hour for heating; and

“(2) 2 megawatts for electric power production.

“(d) MATCHING FUNDS.—A State or local government that receives a grant under subsection (b) shall contribute an amount of non-Federal funds towards the development of the community wood energy plan, or acquisition of the community wood energy systems that is at least equal to the amount of grant funds received by the State or local government under that subsection.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section \$5,000,000 for each of fiscal years 2009 through 2012.”.