SEC. ___. PROMOTION OF INTERAGENCY COOPERATION TO CONSERVE LAND AND NATURAL RESOURCES AND SUSTAIN MILITARY READINESS.

Section 2684a(d)(4) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

"(F) Notwithstanding any other provision of law relating to matching funds or cost-share requirements, funds provided by the Secretary of Defense or the Secretary of a military department pursuant to an agreement under this section may, with regard to the lands or waters within the scope the agreement, be used by the recipient of such funds to satisfy any matching funds or cost-share requirement of any program administered by the Department of Agriculture for the purpose of protecting or enhancing habitat, forests, agricultural lands, or wetlands.".

Section-by-Section Analysis

This proposal would add a new subparagraph to subsection (d)(4) of section 2684a of title 10, United States Code, to permit funds provided to non-federal entities by the Department of Defense pursuant to agreements under section 2684a to be used by those non-federal entities to meet or assist in meeting the matching funds and cost-share requirements of conservation and land protection programs administered by the Department of Agriculture (USDA) where the lands or waters to be protected under USDA programs are within the geographical scope of the agreements.

Prior to the enactment of the 2008 Farm Bill (the "Food, Conservation, and Energy Act of 2008," enacted May 22, 2008), the Department of Defense had provided funds under section 2684a to help satisfy the matching funds requirements of the Farm and Ranch Lands Protection Program (FRPP) and to establish conservation easements both to preserve agricultural lands and protect military installations from incompatible development. That cooperative relationship proved very effective at advancing both the the purposes of the FRPP and the protection of military readiness at a number of military installations. The 2008 Farm Bill changed the Department of Agriculture's role in the FRPP from directly acquiring easements to providing funds to cooperating entities for those entities to acquire easements. This change converted the FRPP to a financial assistance program subject to the requirements of the Uniform Financial Assistance Regulations (7 CFR Part 3015). Those regulations provide that, absent specific authorizing legislation, the matching funds or cost-share requirements for a financial assistance program such as the modified FRPP may not be met by funds provided through another Federal grant or cooperative agreement.

This proposal would provide specific authority to promote cooperative efforts between the Department of Defense and the Department of Agriculture to preserve or enhance habitat, forests, agricultural lands, or wetlands when such efforts would also prevent incompatible development or address other conditions that could restrict, impede, or otherwise interfere with current or anticipated military activities.

While overcoming an inadvertent effect of the 2008 U.S. Farm Bill on the FRPP provides the immediate impetus, this proposal has been more broadly drafted to similarly create new opportunities for cooperation between the Departments of Defense and Agriculture concerning other programs, such as the Forest Legacy Program, the Environmental Quality Incentives Program, the Wetlands Reserve Program, and the Wildlife Habitat Incentive Program. The Department has indicated its interest in such a proposal in several previous reports to Congress submitted pursuant to section 2684a(g). The Association of Fish & Wildlife Agencies, which represents fish and wildlife agencies in North America, the National Conference of States Legislatures, and the National Association of Counties have all expressed support for restoring and expanding the authority that would be provided by this section.

Budget Implications: There are no resource requirements associated with this proposal. The proposal enhances the Department's ability to cost-share agreements. Funding is included in the Department's FY14 O&M, DW budget request. All DoD budgeted funds are multiplied by partner cost share to increase outcomes and benefits. The Department of Agriculture allocates millions towards land conservation. The ability to cost share with those dollars can direct those resources towards DoD priorities for greater benefit to both agencies.

Changes to Existing Law: This proposal would add a new subparagraph (F) at the end of section 2684a(d)(4) of title 10, United States Code, as follows:

§2684a. Agreements to limit encroachments and other constraints on military training, testing, and operations

(a) AGREEMENTS AUTHORIZED.—***

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(d) ACQUISITION AND ACCEPTANCE OF PROPERTY AND INTERESTS.—(1) ***

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(4)(A) ***

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(F) Notwithstanding any other provision of law relating to matching funds or cost-share requirements, funds provided by the Secretary of Defense or the Secretary of a military department pursuant to an agreement under this section may, with regard to the lands or waters within the scope the agreement, be used by the recipient of such funds to satisfy any matching

funds or cost-share requirement of any program administered by the Department of Agriculture for the purpose of protecting or enhancing habitat, forests, agricultural lands, or wetlands.