

115TH CONGRESS
1ST SESSION

H. R. 2722

To encourage the development, certification, and adoption of environmentally sustainable swine waste disposal technologies, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 25, 2017

Mr. PRICE of North Carolina introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To encourage the development, certification, and adoption of environmentally sustainable swine waste disposal technologies, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Swine Waste Infra-
5 structure and Natural Environment Act” or the “SWINE
6 Act”.

7 **SEC. 2. FINDINGS; SENSE OF CONGRESS.**

8 (a) FINDINGS.—Congress finds the following:

1 (1) Animal agricultural production represents
2 an important part of our Nation’s economy and a
3 critical source of income for hundreds of thousands
4 of American families.

5 (2) Animal agricultural production facilities, in-
6 cluding combined animal feeding operations
7 (CAFOs), produce millions of tons of animal waste
8 annually, the management and disposal of which
9 represents an integral part of the animal agricul-
10 tural production process.

11 (3) Traditional methods of animal waste dis-
12 posal, especially those associated with “lagoon and
13 spray-field” systems, have been shown by federally
14 funded research to result in negative environmental
15 and social externalities, including contamination of
16 soil, groundwater, and surface water with nitrogen,
17 contamination of air with ammonia, and other
18 threats to animal and human health.

19 (4) During severe weather events, the risk of
20 negative externalities can become particularly acute,
21 as “lagoons” have the potential to overflow or
22 breach their walls and flood surrounding commu-
23 nities and waterways with unprocessed animal waste.

24 (5) In the Southeastern United States, com-
25 bined animal feeding operations dedicated to the

1 production of swine are disproportionately located in
2 low-income communities.

3 (6) In recent decades, collaborative research
4 and development efforts by industry, academia, and
5 the public sector have produced numerous superior
6 waste management and disposal technologies that
7 have been shown to significantly reduce the negative
8 environmental and social externalities associated
9 with “lagoon and spray-field” systems and, in some
10 cases, produce value-added byproducts that can gen-
11 erate new revenue for producers.

12 (7) The widespread adoption of superior waste
13 management and disposal technologies has been in-
14 hibited by various social and economic factors, in-
15 cluding the cost to producers of installing and oper-
16 ating such systems.

17 (b) SENSE OF CONGRESS.—It is the sense of Con-
18 gress that—

19 (1) the conversion of existing “lagoon and
20 spray-field” systems into superior waste manage-
21 ment and disposal systems would produce significant
22 benefits to the environment and public health, in-
23 cluding more sustainable agricultural operations, im-
24 proved animal health, and improved resilience

1 against severe weather events, and should thus be a
2 goal of national policy; and

3 (2) the approval of new animal agricultural pro-
4 duction facilities by Federal or State authorities
5 should be made contingent on the adoption of supe-
6 rior waste management and disposal systems, as has
7 already occurred in some States.

8 **SEC. 3. ENVIRONMENTALLY SUSTAINABLE SWINE WASTE**
9 **DISPOSAL TECHNOLOGIES.**

10 (a) IN GENERAL.—Not later than 6 months after the
11 date of enactment of this Act, the Secretary of Agriculture
12 shall establish a program for certifying environmentally
13 sustainable swine waste disposal technologies in accord-
14 ance with this section.

15 (b) STANDARDS.—

16 (1) REQUIREMENTS.—In establishing the pro-
17 gram under this section, the Secretary shall estab-
18 lish standards requiring that a swine waste disposal
19 technology, in order to be certified under this sec-
20 tion—

21 (A) eliminate animal discharge into surface
22 waters and groundwater through direct dis-
23 charge, seepage, or runoff;

24 (B) substantially eliminate atmospheric
25 emissions of ammonia from swine waste;

1 (C) substantially eliminate the emission of
2 odor from swine waste that is detectable beyond
3 the boundaries of the parcel or tract of land on
4 which the swine farm is located;

5 (D) substantially eliminate the release of
6 disease-transmitting vectors and airborne
7 pathogens from swine waste;

8 (E) substantially eliminate nutrient and
9 heavy metal contamination of soil and ground-
10 water from swine waste; and

11 (F) be cost-effective.

12 (2) COST-EFFECTIVENESS.—In determining
13 whether a technology is cost-effective under this sec-
14 tion, the Secretary—

15 (A) shall consider the full range of sub-
16 sidies available under this Act and other Fed-
17 eral programs, and available State and private-
18 sector support;

19 (B) in considering the costs of a tech-
20 nology, may include costs associated with adop-
21 tion of the technology and the estimated oper-
22 ation and maintenance costs of the technology
23 through the life of technology; and

1 (C) may not require parity with the cost of
2 existing swine waste disposal technologies and
3 systems.

4 (3) CONSULTATION.—In establishing standards
5 under this paragraph, the Secretary shall consult
6 with the Administrator of the Environmental Protec-
7 tion Agency, the relevant task force established
8 under section 1672A of the Food, Agriculture, Con-
9 servation, and Trade Act of 1990, and States that
10 have a history of widespread use of lagoon and spray
11 technology on swine farms.

12 (c) CERTIFICATION.—

13 (1) IN GENERAL.—The Secretary, in consulta-
14 tion with the Administrator of the Environmental
15 Protection Agency and the relevant task force estab-
16 lished under section 1672A of the Food, Agriculture,
17 Conservation, and Trade Act of 1990, shall certify
18 a swine waste disposal technology as being environ-
19 mentally sustainable if it meets the standards estab-
20 lished under subsection (b).

21 (2) ELIGIBLE TECHNOLOGIES.—Swine waste
22 disposal technologies that are eligible for certifi-
23 cation under this subsection include stand-alone
24 waste disposal technology platforms and multi-part
25 systems, which may incorporate in-ground tech-

1 nology, that meet or exceed, in combination, the
 2 standards established under this section, as deter-
 3 mined by the Secretary.

4 **SEC. 4. STATE PERMITTING AND CERTIFICATION REQUIRE-**
 5 **MENTS.**

6 Beginning on the effective date of the standards es-
 7 tablished under section 2, no State may issue a permit
 8 pursuant to any Federal law to a swine farm that is a
 9 concentrated animal feeding operation (as defined in sec-
 10 tion 122.23 of title 40, Code of Federal Regulations) un-
 11 less the swine farm disposes of swine waste only through
 12 use of swine waste disposal technology certified under sec-
 13 tion 3(c).

14 **SEC. 5. SWINE WASTE MANAGEMENT RESEARCH AND EX-**
 15 **TENSION INITIATIVE.**

16 (a) IN GENERAL.—Title XVI of the Food, Agri-
 17 culture, Conservation, and Trade Act of 1990 (7 U.S.C.
 18 5801 et seq.) is amended by inserting after section 1672
 19 (7 U.S.C. 5925) the following new section:

20 **“SEC. 1672A. SWINE WASTE MANAGEMENT RESEARCH AND**
 21 **EXTENSION INITIATIVE.**

22 “(a) COMPETITIVE RESEARCH AND EXTENSION
 23 GRANTS AUTHORIZED.—The Secretary shall make com-
 24 petitive grants to support research and extension activities
 25 specified in subsection (c). The Secretary shall make the

1 grants in consultation with the National Agricultural Re-
2 search, Extension, Education, and Economics Advisory
3 Board and the task force appointed under subsection
4 (b)(2)(A).

5 “(b) ADMINISTRATION.—

6 “(1) IN GENERAL.—Paragraphs (4) and (7) of
7 subsection (b) of the Competitive, Special, and Fa-
8 cilities Research Grant Act (7 U.S.C. 450i) shall
9 apply with respect to the making of grants under
10 this section.

11 “(2) USE OF TASK FORCES.—

12 “(A) IN GENERAL.—To facilitate the mak-
13 ing of research and extension grants under this
14 section for the purpose specified in subsection
15 (c), the Secretary shall appoint a task force to
16 make recommendations to the Secretary.

17 “(B) COMPOSITION.—A task force estab-
18 lished under subparagraph (A) shall be com-
19 posed of representatives of each of the following
20 entities:

21 “(i) Colleges and universities.

22 “(ii) The Department of Agriculture.

23 “(iii) The Environmental Protection
24 Agency.

25 “(iv) The swine production industry.

1 “(v) A nonprofit organization focused
2 on the environmental effects of swine farm
3 operations.

4 “(vi) A nonprofit organization focused
5 on the social effects of swine farm oper-
6 ations.

7 “(vii) A nonprofit organization fo-
8 cused on the interests of swine growers
9 and farmers.

10 “(c) ENVIRONMENTALLY SUPERIOR SWINE WASTE
11 MANAGEMENT TECHNOLOGIES RESEARCH AND EXTEN-
12 SION.—Research and extension grants may be made under
13 this section, with respect to swine waste management tech-
14 nologies certified under section 3(c) of the SWINE Act,
15 for the purpose of identifying, evaluating, and dem-
16 onstrating environmentally superior waste management
17 technologies for the processing of swine waste.

18 “(d) PRIORITY.—Following the completion of a peer
19 review process for grant proposals received under this sec-
20 tion, the Secretary shall give priority to those grant pro-
21 posals that involve one or more of the following:

22 “(1) The cooperation of multiple entities.

23 “(2) States or regions with a high concentration
24 of spray field and lagoon operations.

25 “(3) A reduction in water usage.

1 “(4) The reduction of ammonia and odor emis-
2 sions, disease-transmitting vectors, airborne patho-
3 gens, and nutrient and heavy metal contamination
4 that exceed the standards established for swine
5 waste management technologies certified under sec-
6 tion 3(c) of the SWINE Act with respect to such re-
7 duction.

8 “(5) Significant improvement of the health of
9 swine.

10 “(6) The generation of electricity.

11 “(7) Significant increases in nutrient recovery
12 and fertilizer production.

13 “(8) Alternative uses of swine waste and the
14 generation of renewable energy using such waste, in-
15 cluding innovative methods and technologies to allow
16 agricultural operators to make use of swine waste,
17 such as use as fertilizer, methane digestion,
18 composting, and other useful byproducts.

19 “(9) Maximizing nutrition management for
20 swine while limiting the risks associated with swine
21 feeding practices (such as mineral bypass).

22 “(10) Improvements to water quality and
23 aquatic ecosystems, including with respect to miti-
24 gating the impact of microorganisms of the genus
25 Pfiesteria and other microorganisms that are a

1 threat to human or animal health on aquatic food
2 webs, especially commercially important aquatic spe-
3 cies and their habitats.

4 “(11) The advancement of efforts of the De-
5 partment of Agriculture to reduce and eliminate
6 antibiotics in livestock.

7 “(e) AUTHORIZATION OF APPROPRIATIONS.—There
8 are authorized to be appropriated to carry out this section
9 such sums as may be necessary for each of fiscal years
10 2018 through 2028.”.

11 (b) CONFIRMING AVAILABILITY OF PORK PRO-
12 MOTION FUNDING.—Section 1620(c)(3)(B)(i) of the Pork
13 Promotion, Research, and Consumer Information Act of
14 1985 (7 U.S.C. 4809(c)(3)(B)(i)) is amended by inserting
15 before the semicolon the following: “, including grants
16 awarded under section 1672A of the Food, Agriculture,
17 Conservation, and Trade Act of 1990”.

18 **SEC. 6. ELIGIBILITY OF ENVIRONMENTALLY SUSTAINABLE**
19 **SWINE WASTE DISPOSAL TECHNOLOGIES**
20 **UNDER EQUIP.**

21 For purposes of section 1240A(4) of the Food Secu-
22 rity Act of 1985 (16 U.S.C. 3839aa–1(4)), the installation
23 and maintenance on a swine farm of a swine waste dis-
24 posal technology certified under section 3(c) of this Act
25 shall be considered an improvement to eligible land of a

1 producer that is consistent with the purposes of the envi-
 2 ronmental quality incentives program established under
 3 chapter 4 of subtitle D of title XII of the Food Security
 4 Act of 1985 (16 U.S.C. 3839aa–1 et seq.).

5 **SEC. 7. SWINE WASTE DISPOSAL CREDITS.**

6 (a) IN GENERAL.—Subpart D of part IV of sub-
 7 chapter A of chapter 1 of the Internal Revenue Code of
 8 1986 is amended by adding at the end the following new
 9 sections:

10 **“SEC. 45S. SWINE WASTE DISPOSAL TECHNOLOGY INSTAL-**
 11 **LATION CREDIT.**

12 “(a) ALLOWANCE OF CREDIT.—For purposes of sec-
 13 tion 38, the swine waste disposal technology installation
 14 credit determined under this section with respect to a tax-
 15 payer for any taxable year is an amount equal to the sum
 16 of—

17 “(1) 4 percent of the qualified installation costs
 18 paid or incurred by the taxpayer during the taxable
 19 year, and

20 “(2) 4 percent of such costs paid or incurred by
 21 the taxpayer during any of the prior four taxable
 22 years.

23 “(b) QUALIFIED INSTALLATION COST.—For pur-
 24 poses of this section, the term ‘qualified installation cost’
 25 means, with respect to a taxpayer, amounts which are paid

1 or incurred in the ordinary course of the taxpayer’s trade
 2 or business to install certified swine waste disposal tech-
 3 nology.

4 “(c) CERTIFIED SWINE WASTE DISPOSAL TECH-
 5 NOLOGY.—The term ‘certified swine waste disposal tech-
 6 nology’ means environmentally sustainable technology cer-
 7 tified under section 3(c) of the Swine Waste Infrastruc-
 8 ture and Natural Environment Act.

9 **“SEC. 45T. SWINE WASTE DISPOSAL CREDIT.**

10 “(a) IN GENERAL.—For purposes of section 38, the
 11 swine waste disposal credit determined under this section
 12 with respect to a taxpayer for any taxable year is an
 13 amount equal to \$100 for each 1,000 pounds of steady
 14 state live weight of swine waste disposed of in the ordinary
 15 course of the taxpayer’s trade or business using certified
 16 swine waste disposal technology (as such term is defined
 17 in section 45S) by the taxpayer during the taxable year.

18 “(b) MAXIMUM CREDIT.—

19 “(1) IN GENERAL.—The aggregate credit deter-
 20 mined under subsection (a) for any taxable year with
 21 respect to any taxpayer shall not exceed the qualified
 22 costs of the taxpayer for such taxable year.

23 “(2) QUALIFIED COSTS DEFINED.—For pur-
 24 poses of this section, the term ‘qualified costs’
 25 means costs paid or incurred by a taxpayer to main-

1 tain or operate certified swine waste disposal tech-
2 nology.”.

3 (b) TREATMENT AS GENERAL BUSINESS CREDIT.—

4 Subsection (b) of section 38 of such Code is amended by
5 striking “plus” at the end of paragraph (35), by striking
6 the period at the end of paragraph (36) and inserting a
7 comma, and by adding at the end the following new para-
8 graphs:

9 “(37) the swine waste disposal technology in-
10 stallation credit determined under section 45S(a),
11 plus

12 “(38) the swine waste disposal credit deter-
13 mined under section 45T(a).”.

14 (c) DEDUCTION FOR UNUSED CREDIT.—Subsection
15 (c) of section 196 of such Code is amended by striking
16 “and” at the end of paragraph (13), by striking the period
17 at the end of paragraph (14) and inserting a comma, and
18 by adding at the end the following new paragraphs:

19 “(15) the swine waste disposal technology in-
20 stallation credit determined under section 45S(a),
21 and

22 “(16) the swine waste disposal credit deter-
23 mined under section 45T(a).”.

24 (d) DEDUCTION AGAINST AMT.—Subparagraph (B)
25 of section 38(c)(4) of such Code is amended by striking

1 “and” at the end of clause (viii), by striking the period
 2 at the end of clause (ix) and inserting a comma, and by
 3 adding at the end the following new clauses:

4 “(x) the credit determined under sec-
 5 tion 45S, and

6 “(xi) the credit determined under sec-
 7 tion 45T.”.

8 (e) CLERICAL AMENDMENT.—The table of sections
 9 for subpart D of part IV of subchapter A of chapter 1
 10 of the such Code is amended by adding at the end the
 11 following new items:

“Sec. 45S. Swine waste disposal technology installation credit.

“Sec. 45T. Swine waste disposal credit.”.

12 (f) EFFECTIVE DATE.—The amendments made by
 13 this section shall apply to amounts paid or incurred and
 14 swine waste disposed of after December 31, 2017.

15 **SEC. 8. SWINE FARM DEFINED.**

16 In this Act, the term “swine farm” means a tract
 17 of land devoted to raising 250 or more animals of the por-
 18 cine species.

