

take such action with respect to the commodity program involved.

**(b) Reservation of Secretary's right to reopen or change contracts if producer agrees**

In the announcement of the specific provisions of any commodity program administered by the Secretary of Agriculture, the Secretary shall include a statement setting forth which, if any, of the actions are to be initially included in the program, and a statement that the Secretary reserves the right to initiate at a later date any action not previously included but authorized by this section, including the right to reopen and change a contract entered into by a producer under the program if the producer voluntarily agrees to the change.

**(c) Purchase from other sources of commodities covered by nonrecourse loans**

When a nonrecourse loan program is in effect for a crop of a commodity, the Secretary may enter the commercial market to purchase such commodity if the Secretary determines that the cost of such purchases plus appropriate carrying charges will probably be less than the comparable cost of later acquiring the commodity through defaults on nonrecourse loans under the program.

**(d) Reduction in settlement price of nonrecourse loans**

When the domestic market price of a commodity for which a nonrecourse loan program (including the program authorized by section 1445e of this title) is in effect is insufficient to cover the principal and accumulated interest on a loan made under such program, thereby encouraging default by a producer, the Secretary may provide for settlement of such loan and redemption by the producer of the commodity securing such loan for less than the total of the principal and all interest accumulated thereon if the Secretary determines that such reduction in the settlement price will yield benefits to the Federal Government due to—

- (1) receipt by the Federal Government of a portion rather than none of the accumulated interest;
- (2) avoidance of default; or
- (3) elimination of storage, handling, and carrying charges on the forfeited commodity.

**(e) Reopening of production control or loan programs to allow for payment in kind**

When a production control or loan program is in effect for a crop of a major agricultural commodity, the Secretary may at any time prior to harvest reopen the program to participating producers for the purpose of accepting bids from producers for the conversion of acreage planted to such crop to diverted acres in return for payment in kind from Commodity Credit Corporation surplus stocks of the commodity to which the acreage was planted, if the Secretary determines that (1) changes in domestic or world supply or demand conditions have substantially changed after announcement of the program for that crop, and (2) without action to further adjust production, the Federal Government and producers will be faced with a burdensome and costly surplus. Such payments in kind shall not

be included within the payment limitation per person established under section 1308 of this title, but shall be limited to a total \$20,000 per year per producer for any one commodity.

**(f) Other authorities of Secretary not affected**

The authority provided in this section shall be in addition to, and not in place of, any authority granted to the Secretary under any other provision of law.

(Pub. L. 99-198, title X, §1009, Dec. 23, 1985, 99 Stat. 1453; Pub. L. 101-134, §3, Oct. 30, 1989, 103 Stat. 781; Pub. L. 110-234, title I, §1603(g)(1), May 22, 2008, 122 Stat. 1011; Pub. L. 110-246, §4(a), title I, §1603(g)(1), June 18, 2008, 122 Stat. 1664, 1739.)

**Editorial Notes**

**CODIFICATION**

Pub. L. 110-234 and Pub. L. 110-246 made identical amendments to this section. The amendments by Pub. L. 110-234 were repealed by section 4(a) of Pub. L. 110-246.

Section was enacted as part of the Food Security Act of 1985, and not as part of the Agricultural Adjustment Act of 1938 which comprises this chapter.

**AMENDMENTS**

2008—Subsec. (e). Pub. L. 110-246, §1603(g)(1), struck out “of \$50,000” before “per person” in second sentence.

1989—Subsec. (d). Pub. L. 101-134, in introductory provisions, inserted “(including the program authorized by section 1445e of this title)” after “nonrecourse loan program” and substituted “benefits” for “savings” and struck out concluding provisions which read as follows: “but the Secretary may not reduce the settlement price to less than the principal due on the loan”.

**Statutory Notes and Related Subsidiaries**

**EFFECTIVE DATE OF 2008 AMENDMENT**

Amendment of this section and repeal of Pub. L. 110-234 by Pub. L. 110-246 effective May 22, 2008, the date of enactment of Pub. L. 110-234, see section 4 of Pub. L. 110-246, set out as an Effective Date note under section 8701 of this title.

**§ 1309. Normally planted acreage and target prices**

**(a) Authorized planted acreage for 1982 through 1995 crops of wheat and feed grains as prerequisite for loan, etc.; eligibility; determinations; records**

Notwithstanding any other provision of law, whenever a set-aside program is in effect for one or more of the 1982 through 1995 crops of wheat and feed grains, the Secretary of Agriculture may require, as a condition of eligibility for loans, purchases, and payments for such crops under the Agricultural Act of 1949 [7 U.S.C. 1421 et seq.], that producers not exceed the acreage on the farm normally planted to crops designated by the Secretary, adjusted as deemed necessary by the Secretary to be fair and equitable among producers and reduced by any set-aside or diverted acreage. Such normal crop acreage for any crop year shall be determined as provided by the Secretary. The Secretary may require producers participating in the program to keep such records as the Secretary determines necessary to assist in making such determination.

**(b) Established price payments**

Notwithstanding any other provision of law—

(1) Whenever the Secretary, for one or more of the 1982 through 1995 crops of wheat and feed grains, requires that producers not exceed the acreage on the farm normally planted to crops designated by the Secretary in accordance with subsection (a) of this section, the Secretary may increase the established price payments for any such commodity by such amount (or if there are no such payments in effect for such crop by providing for payments in such amount) as the Secretary determines appropriate to compensate producers for not exceeding the acreage on the farm normally planted to crops designated by the Secretary and participation in any required set-aside with respect to such commodity.

(2) In determining the amount of any payments for any commodity under this subsection, the Secretary shall take into account changes in the costs of production resulting from not exceeding the acreage on the farm normally planted to crops designated by the Secretary and participation in any required set-aside with respect to such commodity.

(3) If payments are provided for any commodity under this subsection, the Secretary may provide for payments for any other commodity in such amount as the Secretary determines necessary for effective operation of the program.

(4) The Secretary shall adjust any payments under this subsection to reflect, in whole or in part, any land diversion payments for the commodity for which an increase is determined.

**(c) Marketing quotas in effect for 1987 through 1995 crops of wheat; reduction in normally planted acreage as condition prerequisite for loan, etc.**

Notwithstanding any other provision of law, whenever marketing quotas are in effect for any of the 1987 through 1995 crops of wheat, the Secretary of Agriculture may require, as a condition of eligibility for loans, purchases, and payments on any commodity under the Agricultural Act of 1949 (7 U.S.C. 1421 et seq.), that the acreage normally planted to crops designated by the Secretary, adjusted as considered necessary by the Secretary to be fair and equitable among producers, shall be reduced by a quantity equal to—

(1) the acreage that the Secretary determines would normally be planted to wheat on a farm; minus

(2) the individual farm program acreage for the farm under section 107B(d)(3)(A)<sup>1</sup> of such Act.

(Pub. L. 95-113, title X, §1001, Sept. 29, 1977, 91 Stat. 950; Pub. L. 95-279, title I, §101, May 15, 1978, 92 Stat. 240; Pub. L. 95-334, title V, §501(a), Aug. 4, 1978, 92 Stat. 434; Pub. L. 96-213, §6, Mar. 18, 1980, 94 Stat. 120; Pub. L. 97-98, title XI, §1106, Dec. 22, 1981, 95 Stat. 1265; Pub. L. 99-198, title X, §1014, Dec. 23, 1985, 99 Stat. 1456; Pub. L. 101-624, title XI, §1141, Nov. 28, 1990, 104 Stat. 3515.)

<sup>1</sup> See References in Text note below.

**Editorial Notes**

REFERENCES IN TEXT

The Agricultural Act of 1949, referred to in subsecs. (a) and (c), is act Oct. 31, 1949, ch. 792, 63 Stat. 1051, which is classified principally to chapter 35A (§1421 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1421 of this title and Tables.

Section 107B(d)(3)(A) of such Act, referred to in subsec. (c)(2), is section 107B(d)(3)(A) of the Agricultural Act of 1949, which was classified to section 1445b-3a(d)(3)(A) of this title prior to repeal by Pub. L. 104-127, title I, §171(b)(2)(D), Apr. 4, 1996, 110 Stat. 938.

CODIFICATION

Section was enacted as part of the Food and Agriculture Act of 1977, and not as part of the Agricultural Adjustment Act of 1938 which comprises this chapter.

AMENDMENTS

1990—Subsecs. (a), (b)(1), (c). Pub. L. 101-624, §1141(1), substituted “1995” for “1990”.

Subsec. (c)(2). Pub. L. 101-624, §1141(2), substituted “section 107B(d)(3)(A)” for “section 107D(d)(3)(A)”.

1985—Subsecs. (a), (b)(1). Pub. L. 99-198 substituted “1982 through 1990” for “1982 through 1985”.

Subsec. (c). Pub. L. 99-198 added subsec. (c).

1981—Subsec. (a). Pub. L. 97-98 substituted provision authorizing the Secretary, whenever a set-aside program is in effect for one or more of the 1982 through 1985 crops of wheat and feed grains, to require as a condition of eligibility for loans, purchases, and payments for such crops that the producers not exceed the acreage on the farm normally planted to crops designated by the Secretary and permitting the Secretary to require producers participating in the program to keep records necessary to assist the Secretary in determining normal crop acreage for any crop year for provision authorizing the Secretary, effective for one or more of the 1980 and 1981 crops of wheat, feed grains, upland cotton, and rice, to require as a condition of eligibility for loans, purchases, and payments that the producers not exceed the acreage on the farm normally planted to crops designated by the Secretary.

Subsec. (b). Pub. L. 97-98 substituted provision relating to established price increase for one or more of the 1982 through 1985 crops of wheat and feed grains for provision relating to established price increase for one or more of the 1980 and 1981 crops of wheat, feed grains, upland cotton, and rice.

Subsec. (c). Pub. L. 97-98 struck out subsec. (c) which related to loans, purchases, and payments for producers of the 1980 crop of any commodity who exceeded the authorized acreage.

1980—Subsec. (a). Pub. L. 96-213 amended subsec. (a) generally, temporarily substituting provisions relating to requiring producers not to exceed the acreage on the farm normally planted to designated crops, as reduced, for the 1980 and 1981 crops of wheat, feed grains, upland cotton, and rice, for provisions relating to reduction of acreage normally planted to designated crops by the acreage set-aside or diversion for the 1978 through 1981 crops of wheat, feed grains, upland cotton, and rice. See Effective and Termination Dates of 1980 Amendment note below.

Subsec. (b). Pub. L. 96-213 amended subsec. (b) generally, temporarily substituting provisions relating to increases of the established price as compensation to producers for not exceeding the acreage in accordance with subsection (a) and participating in set-asides for 1980 and 1980 crops for provisions relating to increases of the established prices to compensate producers for participation in set-asides for 1978 through 1981 crops. See Effective and Termination Dates of 1980 Amendment note below.

Subsec. (c). Pub. L. 96-213, in amending section generally, temporarily added subsec. (c). See Effective and Termination Dates of 1980 Amendment note below.

1978—Subsec. (b). Pub. L. 95-334 added applicability to rice.

Pub. L. 95-279 designated existing provisions as subsec. (a) and added subsec. (b).

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101-624 effective beginning with 1991 crop of an agricultural commodity, with provision for prior crops, see section 1171 of Pub. L. 101-624, set out as a note under section 1421 of this title.

##### EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97-98 effective Dec. 22, 1981, see section 1801 of Pub. L. 97-98, set out as an Effective Date note under section 4301 of this title.

##### EFFECTIVE AND TERMINATION DATES OF 1980 AMENDMENT

Pub. L. 96-213, § 6, Mar. 18, 1980, 94 Stat. 120, provided that the amendment made by that section is effective for the 1980 and 1981 crops.

##### EFFECTIVE DATE OF 1978 AMENDMENTS

Pub. L. 95-334, title V, § 501(b), Aug. 4, 1978, 92 Stat. 434, provided that: "This section [amending this section] shall become effective October 1, 1978, and any producers who, prior to such date, receive payments on the 1978 crop of rice as computed under the Agricultural Act of 1949 [see Short Title note set out under section 1421 of this title], as amended by the Food and Agriculture Act of 1977 [see Short Title of 1977 Amendment note set out under section 1281 of this title], may elect after September 30, 1978, to receive payments as computed under section 1001(b) of the Food and Agriculture Act of 1977, as amended by this section."

Pub. L. 95-279, title I, § 103, May 15, 1978, 92 Stat. 241, provided that: "Sections 101 and 102 [amending this section and section 1444 of this title] of this title shall become effective October 1, 1978, and any producers who, prior to such date, receive loans and payments on the 1978 crop of the commodity as computed under the Agricultural Act of 1949 [see Short Title note set out under section 1421 of this title], as amended by the Food and Agriculture Act of 1977 [see Short Title of 1977 Amendment note set out under section 1281 of this title] may elect after September 30, 1978, to receive loans and payments as computed under this title."

##### EFFECTIVE DATE

Section effective Oct. 1, 1977, see section 1901 of Pub. L. 95-113, set out as an Effective Date of 1977 Amendment note under section 1307 of this title.

#### § 1310. American agriculture protection program

##### (a) Determination of short supply; suspension of commercial export sales; parity price

Notwithstanding any other provision of law, whenever the President or any other member of the executive branch of the Federal Government causes to be suspended, based upon a determination of short supply, the commercial export sales of any commodity, as defined in subsection (c) of this section, to any country or area with which the United States otherwise continues commercial trade, the Secretary of Agriculture shall, on the day the suspension is initiated, set the loan level for such commodity under the Agricultural Act of 1949, as amended [7 U.S.C. 1421 et seq.], if a loan program is in effect for the commodity, at 90 per centum of the parity price for the commodity, as such parity price is determined on the day the suspension is initiated.

##### (b) Duration of loan level

Any loan level established pursuant to subsection (a) of this section shall remain in effect

as long as the suspension of commercial export sales described in subsection (a) remains in effect.

##### (c) "Commodity" defined

For purposes of this section, the term "commodity" shall include any of the following: wheat, corn, grain sorghum, soybeans, oats, rye, barley, rice, flaxseed, and cotton.

(Pub. L. 95-113, title X, § 1002, Sept. 29, 1977, 91 Stat. 950.)

#### Editorial Notes

##### REFERENCES IN TEXT

The Agricultural Act of 1949, referred to in subsec. (a), is act Oct. 31, 1949, ch. 792, 63 Stat. 1051, which is classified principally to chapter 35A (§ 1421 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1421 of this title and Tables.

##### CODIFICATION

Section was enacted as part of the Food and Agriculture Act of 1977, and not as part of the Agricultural Adjustment Act of 1938 which comprises this chapter.

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE

Section effective Oct. 1, 1977, see section 1901 of Pub. L. 95-113, set out as an Effective Date of 1977 Amendment note under section 1307 of this title.

#### § 1310a. Normal supply of commodity for 1986 through 1995 crops

Notwithstanding any other provision of law, if the Secretary of Agriculture determines that the supply of wheat, corn, upland cotton, or rice for the marketing year for any of the 1986 through 1995 crops of such commodity is not likely to be excessive and that program measures to reduce or control the planted acreage of the crop are not necessary, such a decision shall constitute a determination that the total supply of the commodity does not exceed the normal supply and no determination to the contrary shall be made by the Secretary with respect to such commodity for such marketing year.

(Pub. L. 99-198, title X, § 1019, Dec. 23, 1985, 99 Stat. 1459; Pub. L. 101-624, title XI, § 1142, Nov. 28, 1990, 104 Stat. 3515.)

#### Editorial Notes

##### CODIFICATION

Section was enacted as part of the Food Security Act of 1985, and not as part of the Agricultural Adjustment Act of 1938 which comprises this chapter.

##### PRIOR PROVISIONS

A prior section 1310a, Pub. L. 97-98, title XI, § 1107, Dec. 22, 1981, 95 Stat. 1266, provided for a normal supply of commodities for the 1982 through 1985 crops.

##### AMENDMENTS

1990—Pub. L. 101-624 substituted "1995" for "1990".

#### Statutory Notes and Related Subsidiaries

##### EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101-624 effective beginning with 1991 crop of an agricultural commodity, with pro-