

age in each State equal to the acreage allotted in such State which the Secretary determines will not be planted, placed in the acreage reserve or conservation reserve, or considered as planted under section 377 of the Agricultural Adjustment Act of 1938, as amended [7 U.S.C. 1377], may be apportioned by the Secretary among farms in such State having allotments of less than the smaller of the following: (1) four acres, or (2) the highest number of acres planted to cotton in any of the years 1953, 1954, and 1955."

EFFECTIVE DATE OF 1954 AMENDMENT

Act Jan. 30, 1954, ch. 2, §3, 68 Stat. 6, provided that the amendments made by section 3 are effective beginning with the 1955 crop.

SAVINGS PROVISION

Transfer or reassignment of allotment as remaining in effect and ineligibility of displaced farm owner for additional allotment notwithstanding repeal of subsec. (h), see note set out under section 1378 of this title.

INAPPLICABILITY OF SECTION

Section inapplicable to 1984 and subsequent crops of extra long staple cotton, see section 3 of Pub. L. 98-88, set out as a note under section 1342 of this title.

Section inapplicable to 2014 through 2018 crops of covered commodities, cotton, and sugar and inapplicable to milk during period beginning Feb. 7, 2014, through Dec. 31, 2018, see section 9092(a)(1) of this title.

Section inapplicable to 2008 through 2012 crops of covered commodities, peanuts, and sugar and inapplicable to milk during period beginning June 18, 2008, through Dec. 31, 2012, see section 8782(a)(1) of this title.

Section inapplicable to 2002 through 2007 crops of covered commodities, peanuts, and sugar and inapplicable to milk during period beginning May 13, 2002, through Dec. 31, 2007, see section 7992(a)(1) of this title.

Section inapplicable to 1996 through 2001 crops of loan commodities, peanuts, and sugar and inapplicable to milk during period beginning Apr. 4, 1996, and ending Dec. 31, 2002, see section 7301(a)(1)(A) of this title.

Section inapplicable to 1991 through 1995 crops of upland cotton, see section 502 of Pub. L. 101-624, set out as a note under section 1342 of this title.

Section inapplicable to 1986 through 1990 crops of upland cotton, see section 502 of Pub. L. 99-198, set out as a note under section 1342 of this title.

Section inapplicable to 1982 through 1985 crops of upland cotton, see section 501 of Pub. L. 97-98, set out as a note under section 1342 of this title.

Section inapplicable to 1978 through 1981 crops of upland cotton, see section 601 of Pub. L. 95-113, set out as a note under section 1342 of this title.

Pub. L. 91-524, title VI, §601(1), Nov. 30, 1970, 84 Stat. 1371, as amended by Pub. L. 93-86, §1(19)(A), Aug. 10, 1973, 87 Stat. 233, provided that this section is inapplicable to 1971 through 1977 crops of upland cotton.

EMERGENCY FARM ACREAGE ALLOTMENT

Act Feb. 28, 1945, ch. 15, 59 Stat. 9, provided for farm acreage allotment during national emergency proclaimed by the President on Sept. 8, 1939, and May 27, 1941, and which emergencies terminated on July 25, 1947, by the provisions of Joint Res. July 25, 1947, ch. 327, §3, 61 Stat. 451.

COUNTY COMMITTEE ALLOTMENT

Act Mar. 13, 1939, ch. 9, 53 Stat. 512, in addition to amending former subsec. (h), contained the following: "Provided, That hereafter such allotment of acreage in counties shall be to such farms as the County Committee of such county may designate. In making such designation the County Committee shall consider only the character and adaptability of the soil and other physical facilities affecting the production of cotton and the need of operator for an additional allotment to meet the requirement of the families engaging in the production of cotton on the farm in such year."

§ 1344a. Exclusion of 1949 acreage in computation of future allotments

Notwithstanding the provisions of title III of the Agricultural Adjustment Act of 1938, as amended [7 U.S.C. 1301 et seq.], or of any other law, State, county, and farm acreage allotments and yields for cotton for any year after 1949 shall be computed without regard to yields or to the acreage planted to cotton in 1949.

(Mar. 29, 1949, ch. 38, 63 Stat. 17.)

Editorial Notes

REFERENCES IN TEXT

The Agricultural Adjustment Act of 1938, referred to in text, is act Feb. 16, 1938, ch. 30, 52 Stat. 31. Title III of the Act is classified generally to subchapter II (§1301 et seq.) of this chapter. For complete classification of this Act to the Code, see section 1281 of this title and Tables.

CODIFICATION

Section was not enacted as part of the Agriculture Adjustment Act of 1938 which comprises this chapter.

§ 1344b. Sale, lease, or transfer of cotton acreage allotments

(a) Authority for calendar years 1966 through 1970; transfer periods

Notwithstanding any other provision of law, the Secretary, if he determines that it will not impair the effective operation of the program involved, (1) may permit the owner and operator of any farm for which a cotton acreage allotment is established to sell or lease all or any part or the right to all or any part of such allotment (excluding that part of the allotment which the Secretary determines was apportioned to the farm from the national acreage reserve) to any other owner or operator of a farm for transfer to such farm; (2) may permit the owner of a farm to transfer all or any part of such allotment to any other farm owned or controlled by him; *Provided*, That the authority granted under this section may be exercised for the calendar years 1966 through 1970, but all transfers hereunder shall be for such period of years as the parties thereto may agree.

(b) Requisite conditions for transfer of acreage allotments

Transfers under this section shall be subject to the following conditions: (i) no allotment shall be transferred to a farm in another State or to a person for use in another State; (ii) no farm allotment may be sold or leased for transfer to a farm in another county unless the producers of cotton in the county from which transfer is being made have voted in a referendum within three years of the date of such transfer, by a two-thirds majority of the producers participating in such referendum, to permit the transfer of allotments to farms outside the county, which referendum, insofar as practicable, shall be held in conjunction with the marketing quota referendum for the commodity; (iii) no transfer of an allotment from a farm subject to a mortgage or other lien shall be permitted unless the transfer is agreed to by the lienholder; (iv) no sale of a farm allotment shall be permitted if any sale of cotton allotment to the same farm

has been made within the three immediately preceding crop years; (v) the total cotton allotment for any farm to which allotment is transferred by sale or lease shall not exceed the farm acreage allotment (excluding reapportioned acreage) established for such farm for 1965 by more than one hundred acres; (vi) no cotton in excess of the remaining acreage allotment on the farm shall be planted on any farm from which the allotment (or part of an allotment) is sold for a period of five years following such sale, nor shall any cotton in excess of the remaining acreage allotment on the farm be planted on any farm from which the allotment (or part of an allotment) is leased during the period of such lease, and the producer on such farm shall so agree as a condition precedent to the Secretary's approval of any such sale or lease; and (vii) no transfer of allotment shall be effective until a record thereof is filed with the county committee of the county to which such transfer is made and such committee determines that the transfer complies with the provisions of this section. Such record may be filed with such committee only during the period beginning June 1 and ending December 31.

(c) Extent of estate transferred

The transfer of an allotment shall have the effect of transferring also the acreage history, farm base, and marketing quota attributable to such allotment and if the transfer is made prior to the determination of the allotment for any year the transfer shall include the right of the owner or operator to have an allotment determined for the farm for such year: *Provided*, That in the case of a transfer by lease, the amount of the allotment shall be considered for purposes of determining allotments after the expiration of the lease to have been planted on the farm from which such allotment is transferred.

(d) Period of ineligibility of land for new allotment

The land in the farm from which the entire cotton allotment and acreage history have been transferred shall not be eligible for a new farm cotton allotment during the five years following the year in which such transfer is made.

(e) Transfer of allotments established under minimum allotment provisions

The transfer of a portion of a farm allotment which was established under minimum farm allotment provisions for cotton or which operates to bring the farm within the minimum farm allotment provision for cotton shall cause the minimum farm allotment or base to be reduced to an amount equal to the allotment remaining on the farm after such transfer.

(f) Rules and regulations

The Secretary shall prescribe regulations for the administration of this section, which shall include provisions for adjusting the size of the allotment transferred if the farm to which the allotment is transferred has a substantially higher yield per acre and such other terms and conditions as he deems necessary.

(g) Adjustment upon transfer of land covered by conservation reserve contract

If the sale or lease occurs during a period in which the farm is covered by a conservation re-

serve contract, cropland conversion agreement, cropland adjustment agreement, or other similar land utilization agreement, the rates of payment provided for in the contract or agreement of the farm from which the transfer is made shall be subject to an appropriate adjustment, but no adjustment shall be made in the contract or agreement of the farm to which the allotment is transferred.

(h) Exchange of cotton acreage allotments for rice acreage allotments

The Secretary shall by regulations authorize the exchange between farms in the same county, or between farms in adjoining counties within a State, of cotton acreage allotment for rice acreage allotment. Any such exchange shall be made on the basis of application filed with the county committee by the owners and operators of the farms, and the transfer of allotment between the farms shall include transfer of the related acreage history for the commodity. The exchange shall be acre for acre or on such other basis as the Secretary determines is fair and reasonable, taking into consideration the comparative productivity of the soil for the farms involved and other relevant factors. No farm from which the entire cotton or rice allotment has been transferred shall be eligible for an allotment of cotton or rice as a new farm within a period of five crop years after the date of such exchange.

(i) Applicability to cotton restricted to upland cotton

The provisions of this section relating to cotton shall apply only to upland cotton.

(Feb. 16, 1938, ch. 30, title III, §344a, as added Pub. L. 89-321, title IV, §405, Nov. 3, 1965, 79 Stat. 1197; amended Pub. L. 90-559, §1(2), Oct. 11, 1968, 82 Stat. 996; Pub. L. 91-524, title VI, §601(3)(1), Nov. 30, 1970, 84 Stat. 1372; Pub. L. 93-86, §1(19)(C), (D), Aug. 10, 1973, 87 Stat. 233.)

Editorial Notes

AMENDMENTS

1973—Subsec. (a). Pub. L. 93-86 struck out "for which a farm base acreage allotment is established (other than pursuant to section 1350(e)(1)(A) of this title)" after "to any other owner or operator of a farm" and substituted "1978" for "1974".

1970—Subsec. (a). Pub. L. 91-524 temporarily directed Secretary to permit certain types of transfers of all or part of farm base acreage allotments between farms in same State. See Effective and Termination Dates of 1970 Amendment note below.

1968—Subsec. (a). Pub. L. 90-559 provided for a one year extension, substituting "1966 through 1970" for "1966, 1967, 1968, and 1969".

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1973 AMENDMENT

Pub. L. 93-86, §1(19)(C), Aug. 10, 1973, 87 Stat. 233, provided that the amendment made by section 1(19)(C) of Pub. L. 93-86 is effective beginning with the 1974 crop.

EFFECTIVE AND TERMINATION DATES OF 1970 AMENDMENT

Pub. L. 91-524, title VI, §601(3), Nov. 30, 1970, 84 Stat. 1372, as amended by Pub. L. 93-86, §1(19)(A), Aug. 10, 1973, 87 Stat. 233, provided that the amendment made by that section is effective only with respect to the 1971 through 1977 crops.

INAPPLICABILITY OF SECTION

Section inapplicable to 1984 and subsequent crops of extra long staple cotton, see section 3 of Pub. L. 98-88, set out as a note under section 1342 of this title.

Section inapplicable to 2014 through 2018 crops of covered commodities, cotton, and sugar and inapplicable to milk during period beginning Feb. 7, 2014, through Dec. 31, 2018, see section 9092(a)(1) of this title.

Section inapplicable to 2008 through 2012 crops of covered commodities, peanuts, and sugar and inapplicable to milk during period beginning June 18, 2008, through Dec. 31, 2012, see section 8782(a)(1) of this title.

Section inapplicable to 2002 through 2007 crops of covered commodities, peanuts, and sugar and inapplicable to milk during period beginning May 13, 2002, through Dec. 31, 2007, see section 7992(a)(1) of this title.

Section inapplicable to 1996 through 2001 crops of loan commodities, peanuts, and sugar and inapplicable to milk during period beginning Apr. 4, 1996, and ending Dec. 31, 2002, see section 7301(a)(1)(A) of this title.

Pub. L. 91-524, title VI, §601(3)(2), Nov. 30, 1970, 84 Stat. 1372, as amended by Pub. L. 93-86, §1(19)(A), Aug. 10, 1973, 87 Stat. 233, provided that: "Subdivisions (ii), (iv), (v), and (vi) of subsection (b) [of this section], the last sentence of subsection (b) [of this section] and subsections (e) and (h) [of this section] shall not be applicable to the 1971 through 1977 crops: *Provided*, That no farm allotment may be sold or leased for transfer to a farm in another county unless the Agricultural Stabilization and Conservation Committee established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended [16 U.S.C. 590h(b)], for the county from which such transfers are being made (1) finds that a demand for such acreage allotments no longer exists in such county and (2) approves any transfers of allotments to farms outside such county."

§ 1345. Farm marketing quotas; farm marketing excess

The farm marketing quota for any crop of cotton shall be the actual production of the acreage planted to cotton on the farm less the farm marketing excess. The farm marketing excess shall be the normal production of that acreage planted to cotton on the farm which is in excess of the farm acreage allotment: *Provided*, That such farm marketing excess shall not be larger than the amount by which the actual production of cotton on the farm exceeds the normal production of the farm acreage allotment, if the producer establishes such actual production to the satisfaction of the Secretary.

(Feb. 16, 1938, ch. 30, title III, §345, 52 Stat. 58; July 3, 1948, ch. 827, title II, §205, 62 Stat. 1256; Aug. 29, 1949, ch. 518, §1, 63 Stat. 674; Oct. 31, 1949, ch. 792, title IV, §415(e), 63 Stat. 1058.)

Editorial Notes

AMENDMENTS

1949—Act Oct. 31, 1949, repealed amendatory provisions of act July 3, 1948.

Act Aug. 29, 1949, stated what the farm marketing quota shall be and what the farm marketing excess shall be.

1948—Act July 3, 1948, changed conditions which must be determined by Secretary to exist before marketing quotas can be imposed.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1948 AMENDMENT

Amendment by act July 3, 1948, effective Jan. 1, 1950, see section 303 of act July 3, 1948, set out as a note under section 1301 of this title.

INAPPLICABILITY OF SECTION

Section inapplicable to 1984 and subsequent crops of extra long staple cotton, see section 3 of Pub. L. 98-88, set out as a note under section 1342 of this title.

Section inapplicable to 2014 through 2018 crops of covered commodities, cotton, and sugar and inapplicable to milk during period beginning Feb. 7, 2014, through Dec. 31, 2018, see section 9092(a)(1) of this title.

Section inapplicable to 2008 through 2012 crops of covered commodities, peanuts, and sugar and inapplicable to milk during period beginning June 18, 2008, through Dec. 31, 2012, see section 8782(a)(1) of this title.

Section inapplicable to 2002 through 2007 crops of covered commodities, peanuts, and sugar and inapplicable to milk during period beginning May 13, 2002, through Dec. 31, 2007, see section 7992(a)(1) of this title.

Section inapplicable to 1996 through 2001 crops of loan commodities, peanuts, and sugar and inapplicable to milk during period beginning Apr. 4, 1996, and ending Dec. 31, 2002, see section 7301(a)(1)(A) of this title.

Section inapplicable to 1991 through 1995 crops of upland cotton, see section 502 of Pub. L. 101-624, set out as a note under section 1342 of this title.

Section inapplicable to 1986 through 1990 crops of upland cotton, see section 502 of Pub. L. 99-198, set out as a note under section 1342 of this title.

Section inapplicable to 1982 through 1985 crops of upland cotton, see section 501 of Pub. L. 97-98, set out as a note under section 1342 of this title.

Section inapplicable to 1978 through 1981 crops of upland cotton, see section 601 of Pub. L. 95-113, set out as a note under section 1342 of this title.

Pub. L. 91-524, title VI, §601(1), Nov. 30, 1970, 84 Stat. 1371, as amended by Pub. L. 93-86, §1(19)(A), Aug. 10, 1973, 87 Stat. 233, provided that this section is inapplicable to 1971 through 1977 crops of upland cotton.

§ 1346. Penalties

(a) Whenever farm marketing quotas are in effect with respect to any crop of cotton, the producer shall be subject to a penalty on the farm marketing excess at a rate per pound equal to 50 per centum of the parity price per pound for cotton as of June 15 of the calendar year in which such crop is produced.

(b) The farm marketing excess of cotton shall be regarded as available for marketing and the amount of penalty shall be computed upon the normal production of the acreage on the farm planted to cotton in excess of the farm acreage allotment. If a downward adjustment in the amount of the farm marketing excess is made pursuant to the proviso in section 1345 of this title, the difference between the amount of the penalty computed upon the farm marketing excess before such adjustment and as computed upon the adjusted farm marketing excess shall be returned to or allowed the producer.

(c) The person liable for payment or collection of the penalty shall be liable also for interest thereon at the rate of 6 per centum per annum from the date the penalty becomes due until the date of payment of such penalty.

(d) Until the penalty on the farm marketing excess is paid, all cotton produced on the farm and marketed by the producer shall be subject to the penalty provided by this section and a lien on the entire crop of cotton produced on the farm shall be in effect in favor of the United States.

(e) Notwithstanding any other provision of this chapter, for the 1966 through 1970 crops of upland cotton, if the farm operator elects to forgo price support for any such crop of cotton