

(1) the term “board” means the board of trustees of the Institute;

(2) the term “Department” means the Department of Agriculture;

(3) the term “dairy products” means manufactured products that are derived from the processing of milk, and includes fluid milk products;

(4) the term “fluid milk products” means those milk products normally consumed in liquid form as a beverage;

(5) the term “Fund” means the Dairy Research Trust Fund established by section 4536 of this title;

(6) the term “Institute” means the National Dairy Research Endowment Institute established by section 4532 of this title;

(7) the term “milk” means any class of cow’s milk marketed in the United States;

(8) the term “person” means any individual, group of individuals, partnership, corporation, association, cooperative, or any other entity;

(9) the term “producer” means any person engaged in the production of milk for commercial use;

(10) the term “research” means studies testing the effectiveness of market development and promotion efforts, studies relating to the nutritional value of milk and dairy products, and other related efforts to expand demand for milk and dairy products;

(11) the term “Secretary” means the Secretary of Agriculture unless the context specifies otherwise; and

(12) the term “United States”, when used in a geographical sense, means all of the States, the District of Columbia, and the Commonwealth of Puerto Rico.

(Pub. L. 98–180, title I, §130, as added Pub. L. 99–198, title I, §121, Dec. 23, 1985, 99 Stat. 1367; amended Pub. L. 110–234, title I, §1507(c), May 22, 2008, 122 Stat. 997; Pub. L. 110–246, §4(a), title I, §1507(c), June 18, 2008, 122 Stat. 1664, 1725.)

#### 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 L. 110–234 were repealed by section 4(a) of Pub.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.

##### AMENDMENTS

2008—Par. (12). Pub. L. 110–246, §1507(c), added par. (12) and struck out former par. (12) which read as follows: “the term ‘United States’ means the several States and the territories and possessions of the United States, except that for purposes of sections 4532, 4534(a), and 4537 of this title, and paragraph (7) of this section, such term means the forty-eight contiguous States in the continental United States.”

#### 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.

#### § 4532. Establishment of National Dairy Research Endowment Institute

The Secretary of Agriculture may establish in the Department of Agriculture a National Dairy

Research Endowment Institute whose function shall be to aid the dairy industry through the implementation of the dairy products research order, which its board of trustees shall administer, and the use of monies made available to its board of trustees from the Dairy Research Trust Fund to implement the order. In implementing the order, the Institute shall provide a permanent system for funding scientific research activities designed to facilitate the expansion of markets for milk and dairy products marketed in the United States. The Institute shall be headed by a board of trustees composed of the members of the National Dairy Promotion and Research Board. The board may appoint from among its members an executive committee whose membership shall reflect equally each of the different regions in the United States in which milk is produced. The executive committee shall have such duties and powers as are delegated to it by the board. The members of the board shall serve without compensation. While away from their homes or regular places of business in the performance of services for the board, members of the board shall be allowed reasonable travel expenses, including a per diem allowance in lieu of subsistence, as recommended by the board and approved by the Secretary, except that there shall be no duplication of payment for such expenses.

(Pub. L. 98–180, title I, §131, as added Pub. L. 99–198, title I, §121, Dec. 23, 1985, 99 Stat. 1368.)

#### § 4533. Issuance of order

##### (a) Publication in Federal Register; public comment; submission

After receipt of a proposed dairy products research order, the Secretary may publish such proposed order in the Federal Register and shall give notice and reasonable opportunity for public comment on such proposed order. Such proposed order may be submitted by an organization certified under section 4505 of this title or by any interested person affected by the provisions of subchapter I.

##### (b) Effective date of order

After the Secretary provides for such publication and a reasonable opportunity for a hearing under subsection (a), the Secretary may issue the dairy products research order. The order so issued shall become effective not later than 90 days after publication in the Federal Register of the order.

##### (c) Amendment of order

The Secretary may amend, from time to time, the dairy products research order issued under subsection (b).

(Pub. L. 98–180, title I, §132, as added Pub. L. 99–198, title I, §121, Dec. 23, 1985, 99 Stat. 1369.)

#### § 4534. Required terms of order; agreements under order; records

##### (a) Required terms

The dairy products research order issued under section 4533(b) of this title shall—

(1) provide for the establishment and administration, by the Institute, of appropriate sci-

entific research activities designed to facilitate the expansion of markets for dairy products marketed in the United States;

(2) specify the powers of the board, including the powers to—

(A) receive and evaluate, or on its own initiative develop and budget for, research plans or projects designed to—

(i) increase the knowledge of human nutritional needs and the relationship of milk and dairy products to these needs;

(ii) improve dairy processing technologies, particularly those appropriate to small- and medium-sized family farms;

(iii) develop new dairy products; and

(iv) appraise the effect of such research on the marketing of dairy products;

(B) make recommendations to the Secretary regarding such plans and projects;

(C) administer the order in accordance with its terms and provisions;

(D) make rules and regulations to effectuate the terms and provisions of the order;

(E) receive, investigate, and report to the Secretary complaints of violations of the order;

(F) recommend to the Secretary amendments to the order;

(G) enter into agreements, with the approval of the Secretary, for the conduct of activities authorized under the order and for payment of the cost of such activities with any monies in the Fund other than monies appropriated or transferred by the Secretary to the Fund;

(H) with the approval of the Secretary, establish advisory committees composed of individuals other than members of the board, and pay the necessary and reasonable expenses and fees of the members of such committees; and

(I) with the approval of the Secretary, appoint or employ such persons, other than members of the board, as the board deems necessary and define the duties and determine the compensation of each;

(3) specify the duties of the board, including the duties to—

(A) develop, and submit to the Secretary for approval before implementation, any research plan or project to be carried out under this subchapter;

(B) submit to the Secretary for approval, budgets, on a fiscal year basis, of the board's anticipated expenses and disbursements in the administration of the order, including projected costs of carrying out dairy products research plans and projects;

(C) prepare and make public, at least annually, a report of the board's activities and an accounting for funds received and expended by the board;

(D) maintain such books and records (which shall be available to the Secretary for inspection and audit) as the Secretary may prescribe;

(E) prepare and submit to the Secretary, from time to time, such reports as the Secretary may prescribe; and

(F) account for the receipt and disbursement of all funds entrusted to the board;

(4) prohibit any monies received under this subchapter by the board to be used in any manner for the purpose of influencing governmental policy or actions, except as provided in paragraph (2)(F); and

(5) require that each person receiving milk from producers for commercial use and any person marketing milk of that person's own production directly to consumers maintain and make available for inspection by the Secretary such books and records as may be required by the order and file with the Secretary reports at the time, in the manner, and having the content prescribed by the order.

**(b) Agreements under order**

Any agreement made under subsection (a)(2)(G) shall provide that—

(1) the person with whom such agreement is made shall develop and submit to the board a research plan or project together with a budget that shows estimated costs to be incurred to carry out such plan or project;

(2) such plan or project shall become effective on the approval of the Secretary; and

(3) such person shall keep accurate records of all of its transactions, account for funds received and expended, make periodic reports to the board of activities conducted to carry out such plan or project, and submit such other reports as the Secretary or the board may require.

**(c) Confidentiality of records; disclosure exceptions; penalty for violation**

(1) Information, books, and records made available to, and reports filed with, the Secretary under subsection (a)(6) shall be kept confidential by all officers and employees of the Department, except that such information, books, records, and reports as the Secretary deems relevant may be disclosed by such officers and employees in any suit or administrative proceeding that is brought at the request of the Secretary or to which the Secretary or any officer of the United States is a party, and that involves the order issued under section 4533(b) of this title.

(2) Paragraph (1) shall not be construed to prohibit—

(A) the issuance of general statements, based on such information, books, records, and reports, of the number of persons subject to the order or of statistical data collected from such persons if such statements do not specifically identify the data furnished by any one of such persons; or

(B) the publication, at the direction of the Secretary, of the name of any person violating the order, together with a statement of the particular provisions of the order violated by the person.

(3) No information obtained under the authority of this section may be made available to any agency, officer, or employee of the United States for any purpose other than the implementation of this subchapter and any investigatory or enforcement action necessary to implement this subchapter. Any person who violates this paragraph shall be subject to a fine of not more than \$1,000, or to imprisonment for not more than one year, or both, and, if such person

is employed by the board or the Department, shall be terminated from such employment.

(Pub. L. 98-180, title I, §133, as added Pub. L. 99-198, title I, §121, Dec. 23, 1985, 99 Stat. 1369.)

**§ 4535. Petition and review; enforcement; investigations**

The provisions of sections 4509, 4510, and 4511 of this title shall apply, except when inconsistent with this subchapter, to the Institute, the board, the persons subject to the order issued under section 4533(b) of this title, the jurisdiction of district courts of the United States, and the authority of the Secretary under this subchapter in the same manner as such sections apply with respect to subchapter I.

(Pub. L. 98-180, title I, §134, as added Pub. L. 99-198, title I, §121, Dec. 23, 1985, 99 Stat. 1371.)

**§ 4536. Dairy Research Trust Fund**

**(a) Establishment**

There may be established in the Treasury of the United States a trust fund to be known as the "Dairy Research Trust Fund" if the Institute is established under section 4532 of this title and a dairy products research order issued under section 4533 of this title is effective during such fiscal year.

**(b) Authorization of appropriations; transfer of moneys; investments**

(1) There is authorized to be appropriated to the Fund or transferred from moneys available to the Commodity Credit Corporation for deposit in the Fund, \$100,000,000.

(2) Moneys deposited in the Fund under paragraph (1) shall be invested by the Secretary of the Treasury in obligations of the United States or any agency thereof, in general obligations of any State or any political subdivision thereof, in any interest-bearing account or certificate of deposit of a bank that is a member of the Federal Reserve System, or in obligations fully guaranteed as to principal and interest by the United States. Interest, dividends, and other payments that accrue from such investments shall be deposited in the Fund and also shall be so invested, subject to subsection (c).

**(c) Availability of moneys for authorized and approved activities**

Moneys in the Fund, other than moneys appropriated or transferred under paragraph (1) of subsection (b), shall be available to the board, in such amounts, and for such activities authorized by this subchapter, as the Secretary may approve.

(Pub. L. 98-180, title I, §135, as added Pub. L. 99-198, title I, §121, Dec. 23, 1985, 99 Stat. 1371.)

**§ 4537. Termination of order, Institute, and Fund**

**(a) Termination or suspension of order**

The Secretary, whenever the Secretary finds that the order issued under this subchapter or any provision of such order obstructs or does not tend to facilitate the expansion of markets for milk and dairy products marketed in the United States, shall terminate or suspend the operation of the order or such provision.

**(b) Dissolution of Institute**

If the Secretary terminates the order, the Institute shall be dissolved 180 days after the termination of the order.

**(c) Disposal of moneys in Fund**

If the Institute is dissolved for any reason, the moneys remaining in the Fund shall be disposed of as shall be agreed to by the board and the Secretary.

(Pub. L. 98-180, title I, §136, as added Pub. L. 99-198, title I, §121, Dec. 23, 1985, 99 Stat. 1371.)

**§ 4538. Additional authority**

(a) No provision of this subchapter shall be construed to preempt or supersede any other program relating to milk or dairy products research organized and operated under the laws of the United States or any State.

(b) The provisions of this subchapter applicable to the order issued under section 4533(b) of this title shall be applicable to any amendment to the order.

(Pub. L. 98-180, title I, §137, as added Pub. L. 99-198, title I, §121, Dec. 23, 1985, 99 Stat. 1372.)

SUBCHAPTER III—INDEMNITY PAYMENTS  
TO DAIRY FARMERS

**Editorial Notes**

CODIFICATION

Subchapter was enacted as Pub. L. 90-484, and not as part of the Dairy Production Stabilization Act of 1983 which comprises this chapter.

**§ 4551. Indemnity payments to dairy farmers and manufacturers of dairy products; milk removed for its residue of chemical or toxic substances; nuclear radiation or fallout contaminants; other legal recourse**

The Secretary of Agriculture is authorized to make indemnity payments for milk or cows producing such milk at a fair market value, to dairy farmers who have been directed since January 1, 1964 (but only since August 10, 1973, in the case of indemnity payments not authorized prior to August 10, 1973), to remove their milk, and to make indemnity payments for dairy products at fair market value to manufacturers of dairy products who have been directed since November 30, 1970, to remove their dairy products from commercial markets because of residues of chemicals registered and approved for use by the Federal Government at the time of such use. The Secretary is also authorized to make indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer, or (2) residues of chemicals or toxic substances not included under the first sentence of this section if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer: *Provided*, That no indemnity payment