

§ 7259. Study and report regarding potential impact of Uruguay Round on prices, income, and government purchases

(a) Study

The Secretary of Agriculture shall conduct a study, on a variety by variety of cheese basis, to determine the potential impact on milk prices in the United States, dairy producer income, and Federal dairy program costs, of the allocation of additional cheese granted access to the United States as a result of the obligations of the United States as a member of the World Trade Organization.

(b) Report

Not later than June 30, 1997, the Secretary shall report to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives the results of the study conducted under this section.

(c) Rule of construction

Any limitation imposed by Act of Congress on the conduct or completion of studies or reports to Congress shall not apply to the study and report required under this section, unless the limitation specifically refers to this section.

(Pub. L. 104-127, title I, § 151, Apr. 4, 1996, 110 Stat. 922.)

PART B—SUGAR

§ 7271. Repealed. Pub. L. 107-171, title I, § 1310(a)(1), May 13, 2002, 116 Stat. 182

Section, Pub. L. 104-127, title I, § 155, Apr. 4, 1996, 110 Stat. 922, related to Secretary making nonrecourse loans available to producers of quota peanuts.

§ 7272. Sugar program

(a) Sugarcane

The Secretary shall make loans available to processors of domestically grown sugarcane at a rate equal to—

- (1) 18.00 cents per pound for raw cane sugar for the 2008 crop year;
- (2) 18.25 cents per pound for raw cane sugar for the 2009 crop year;
- (3) 18.50 cents per pound for raw cane sugar for the 2010 crop year;
- (4) 18.75 cents per pound for raw cane sugar for each of the 2011 through 2018 crop years; and
- (5) 19.75 cents per pound for raw cane sugar for each of the 2019 through 2023 crop years.

(b) Sugar beets

The Secretary shall make loans available to processors of domestically grown sugar beets at a rate equal to—

- (1) 22.9 cents per pound for refined beet sugar for the 2008 crop year; and
- (2) a rate that is equal to 128.5 percent of the loan rate per pound of raw cane sugar for the applicable crop year under subsection (a) for each of the 2009 through 2023 crop years.

(c) Term of loans

(1) In general

A loan under this section during any fiscal year shall be made available not earlier than

the beginning of the fiscal year and shall mature at the earlier of—

- (A) the end of the 9-month period beginning on the first day of the first month after the month in which the loan is made; or
- (B) the end of the fiscal year in which the loan is made.

(2) Supplemental loans

In the case of a loan made under this section in the last 3 months of a fiscal year, the processor may repledge the sugar as collateral for a second loan in the subsequent fiscal year, except that the second loan shall—

- (A) be made at the loan rate in effect at the time the first loan was made; and
- (B) mature in 9 months less the quantity of time that the first loan was in effect.

(d) Loan type; processor assurances

(1) Nonrecourse loans

The Secretary shall carry out this section through the use of nonrecourse loans.

(2) Processor assurances

(A) In general

The Secretary shall obtain from each processor that receives a loan under this section such assurances as the Secretary considers adequate to ensure that the processor will provide payments to producers that are proportional to the value of the loan received by the processor for the sugar beets and sugarcane delivered by producers to the processor.

(B) Minimum payments

(i) In general

Subject to clause (ii), the Secretary may establish appropriate minimum payments for purposes of this paragraph.

(ii) Limitation

In the case of sugar beets, the minimum payment established under clause (i) shall not exceed the rate of payment provided for under the applicable contract between a sugar beet producer and a sugar beet processor.

(3) Administration

The Secretary may not impose or enforce any prenotification requirement, or similar administrative requirement not otherwise in effect on May 13, 2002, that has the effect of preventing a processor from electing to forfeit the loan collateral (of an acceptable grade and quality) on the maturity of the loan.

(e) Loans for in-process sugar

(1) Definition of in-process sugars and syrups

In this subsection, the term “in-process sugars and syrups” does not include raw sugar, liquid sugar, invert sugar, invert syrup, or other finished product that is otherwise eligible for a loan under subsection (a) or (b).

(2) Availability

The Secretary shall make nonrecourse loans available to processors of a crop of domestically grown sugarcane and sugar beets for in-process sugars and syrups derived from the crop.

(3) Loan rate

The loan rate shall be equal to 80 percent of the loan rate applicable to raw cane sugar or refined beet sugar, as determined by the Secretary on the basis of the source material for the in-process sugars and syrups.

(4) Further processing on forfeiture**(A) In general**

As a condition of the forfeiture of in-process sugars and syrups serving as collateral for a loan under paragraph (2), the processor shall, within such reasonable time period as the Secretary may prescribe and at no cost to the Commodity Credit Corporation, convert the in-process sugars and syrups into raw cane sugar or refined beet sugar of acceptable grade and quality for sugars eligible for loans under subsection (a) or (b).

(B) Transfer to corporation

Once the in-process sugars and syrups are fully processed into raw cane sugar or refined beet sugar, the processor shall transfer the sugar to the Commodity Credit Corporation.

(C) Payment to processor

On transfer of the sugar, the Secretary shall make a payment to the processor in an amount equal to the amount obtained by multiplying—

(i) the difference between—

- (I) the loan rate for raw cane sugar or refined beet sugar, as appropriate; and
- (II) the loan rate the processor received under paragraph (3); by

(ii) the quantity of sugar transferred to the Secretary.

(5) Loan conversion

If the processor does not forfeit the collateral as described in paragraph (4), but instead further processes the in-process sugars and syrups into raw cane sugar or refined beet sugar and repays the loan on the in-process sugars and syrups, the processor may obtain a loan under subsection (a) or (b) for the raw cane sugar or refined beet sugar, as appropriate.

(6) Term of loan

The term of a loan made under this subsection for a quantity of in-process sugars and syrups, when combined with the term of a loan made with respect to the raw cane sugar or refined beet sugar derived from the in-process sugars and syrups, may not exceed 9 months, consistent with subsection (c).

(f) Avoiding forfeitures; Corporation inventory disposition**(1) In general**

Subject to subsection (d)(3), to the maximum extent practicable, the Secretary shall operate the program established under this section at no cost to the Federal Government by avoiding the forfeiture of sugar to the Commodity Credit Corporation.

(2) Inventory disposition**(A) In general**

To carry out paragraph (1), the Commodity Credit Corporation may accept bids to ob-

tain raw cane sugar or refined beet sugar in the inventory of the Commodity Credit Corporation from (or otherwise make available such commodities, on appropriate terms and conditions, to) processors of sugarcane and processors of sugar beets (acting in conjunction with the producers of the sugarcane or sugar beets processed by the processors) in return for the reduction of production of raw cane sugar or refined beet sugar, as appropriate.

(B) Bioenergy feedstock

If a reduction in the quantity of production accepted under subparagraph (A) involves sugar beets or sugarcane that has already been planted, the sugar beets or sugarcane so planted may not be used for any commercial purpose other than as a bioenergy feedstock.

(C) Additional authority

The authority provided under this paragraph is in addition to any authority of the Commodity Credit Corporation under any other law.

(g) Information reporting**(1) Duty of processors and refiners to report**

A sugarcane processor, cane sugar refiner, and sugar beet processor shall furnish the Secretary, on a monthly basis, such information as the Secretary may require to administer sugar programs, including the quantity of purchases of sugarcane, sugar beets, and sugar, and production, importation, distribution, and stock levels of sugar.

(2) Duty of producers to report**(A) Proportionate share States**

As a condition of a loan made to a processor for the benefit of a producer, the Secretary shall require each producer of sugarcane located in a State (other than the Commonwealth of Puerto Rico) in which there are in excess of 250 producers of sugarcane to report, in the manner prescribed by the Secretary, the sugarcane yields and acres planted to sugarcane of the producer.

(B) Other States

The Secretary may require each producer of sugarcane or sugar beets not covered by subparagraph (A) to report, in a manner prescribed by the Secretary, the yields of, and acres planted to, sugarcane or sugar beets, respectively, of the producer.

(3) Duty of importers to report**(A) In general**

Except as provided in subparagraph (B), the Secretary shall require an importer of sugars, syrups, or molasses to be used for human consumption or to be used for the extraction of sugar for human consumption to report, in the manner prescribed by the Secretary, the quantities of the products imported by the importer and the sugar content or equivalent of the products.

(B) Tariff-rate quotas

Subparagraph (A) shall not apply to sugars, syrups, or molasses that are within the

quantities of tariff-rate quotas that are subject to the lower rate of duties.

(4) Collection of information on Mexico

(A) Collection

The Secretary shall collect—

(i) information on the production, consumption, stocks, and trade of sugar in Mexico, including United States exports of sugar to Mexico; and

(ii) publicly available information on Mexican production, consumption, and trade of high fructose corn syrups.

(B) Publication

The data collected under subparagraph (A) shall be published in each edition of the World Agricultural Supply and Demand Estimates.

(5) Penalty

Any person willfully failing or refusing to furnish the information required to be reported by paragraph (1), (2), or (3), or furnishing willfully false information, shall be subject to a civil penalty of not more than \$10,000 for each such violation.

(6) Monthly reports

Taking into consideration the information received under this subsection, the Secretary shall publish on a monthly basis composite data on production, imports, distribution, and stock levels of sugar.

(h) Substitution of refined sugar

For purposes of Additional U.S. Note 6 to chapter 17 of the Harmonized Tariff Schedule of the United States and the reexport programs and polyhydric alcohol program administered by the Secretary, all refined sugars (whether derived from sugar beets or sugarcane) produced by cane sugar refineries and beet sugar processors shall be fully substitutable for the export of sugar and sugar-containing products under those programs.

(i) Effective period

This section shall be effective only for the 2008 through 2023 crops of sugar beets and sugarcane.

(Pub. L. 104-127, title I, §156, Apr. 4, 1996, 110 Stat. 931; Pub. L. 106-387, §1(a) [title VIII, §836], Oct. 28, 2000, 114 Stat. 1549, 1549A-62; Pub. L. 107-171, title I, §1401(a), May 13, 2002, 116 Stat. 183; Pub. L. 110-234, title I, §1401(a), May 22, 2008, 122 Stat. 977; Pub. L. 110-246, §4(a), title I, §1401(a), June 18, 2008, 122 Stat. 1664, 1705; Pub. L. 113-79, title I, §1301(a), Feb. 7, 2014, 128 Stat. 687; Pub. L. 115-334, title I, §1301(a), Dec. 20, 2018, 132 Stat. 4511.)

Editorial Notes

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in subsec. (h), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of Title 19, Customs Duties.

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

2018—Subsec. (a)(5). Pub. L. 115-334, §1301(a)(1), added par. (5).

Subsec. (b)(2). Pub. L. 115-334, §1301(a)(2), substituted “2023” for “2018”.

Subsec. (i). Pub. L. 115-334, §1301(a)(3), substituted “2023” for “2018”.

2014—Subsec. (a)(3)–(5). Pub. L. 113-79, §1301(a)(1), inserted “and” at end of par. (3), substituted “each of the 2011 through 2018 crop years.” for “the 2011 crop year; and” in par. (4), and struck out par. (5) which read as follows: “18.75 cents per pound for raw cane sugar for the 2012 crop year.”

Subsec. (b)(2). Pub. L. 113-79, §1301(a)(2), substituted “2018” for “2012”.

Subsec. (i). Pub. L. 113-79, §1301(a)(3), substituted “2018” for “2012”.

2008—Pub. L. 110-246, §1401(a), amended section generally, substituting provisions relating to loan program for the 2008 through 2012 crops of sugar beets and sugarcane, consisting of subsecs. (a) to (i), for provisions relating to loan program for the 1996 through 2007 crops of sugar beets and sugarcane, including provisions relating to loan rate adjustments, consisting of subsecs. (a) to (j).

2002—Pub. L. 107-171 reenacted section catchline and amended text generally, substituting substantially similar provisions in subsecs. (a), (b), (d), (e), and (h), and substituting in subsec. (c) provisions relating to loan rate adjustments for provisions relating to reduction in loan rates, in subsec. (f) provisions relating to loans for in-process sugar for provisions for marketing assessment, in subsec. (g) provisions relating to avoiding forfeitures and corporate inventory disposition for provisions relating to forfeiture penalty, in subsec. (i) provisions relating to substitution of refined sugar for provisions relating to crops, and adding subsec. (j).

2000—Subsec. (e)(1). Pub. L. 106-387, §1(a) [title VIII, §836(1)(B)], substituted “The” for “Subject to paragraph (2), the”.

Pub. L. 106-387, §1(a) [title VIII, §836(1)(A)], substituted “nonrecourse” for “recourse”.

Subsec. (e)(2), (3). Pub. L. 106-387, §1(a) [title VIII, §836(2)–(4)], redesignated par. (3) as (2), substituted “The Secretary shall” for “If the Secretary is required under paragraph (2) to make nonrecourse loans available during a fiscal year or to change recourse loans into nonrecourse loans, the Secretary shall”, and struck out heading and text of former par. (2). Text read as follows: “During any fiscal year in which the tariff rate quota for imports of sugar into the United States is established at, or is increased to, a level in excess of 1,500,000 short tons raw value, the Secretary shall carry out this section by making available nonrecourse loans. Any recourse loan previously made available by the Secretary under this section during the fiscal year shall be changed by the Secretary into a nonrecourse 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.

EFFECTIVE DATE OF ASSESSMENT TERMINATION

Pub. L. 107-171, title I, §1401(b), May 13, 2002, 116 Stat. 187, provided that: “Subsection (f) of section 156 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7272(f)), as in effect immediately before the enactment of the Farm Security and Rural Investment Act of 2002 [Pub. L. 107-171], is deemed to have been repealed effective as of October 1, 2001.”

REGULATIONS

Pub. L. 106-387, §1(a) [title VIII, §840], Oct. 28, 2000, 114 Stat. 1549, 1549A-63, provided that: “As soon as prac-

licable after the date of enactment of this Act [Oct. 28, 2000], the Secretary and the Commodity Credit Corporation, as appropriate, shall issue such regulations as are necessary to implement sections 804, 805, 806, 809, 810, 811, 812, 814, 815, 816, 836, 837, 838, 839, 841, 843, 844, and 845 of this title [amending this section and section 3720B of Title 31, Money and Finance, enacting provisions set out as notes under section 3720B of Title 31, and amending provisions set out as a note under section 1421 of this title]: *Provided*, That the issuance of the regulations shall be made without regard to: (1) the notice and comment provisions of section 553 of title 5, United States Code; (2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and (3) chapter 35 of title 44, United States Code (commonly known as the ‘Paperwork Reduction Act’): *Provided further*, That in carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.”

LOANS FOR 2007 CROP YEAR

Pub. L. 110–234, title I, §1401(b), May 22, 2008, 122 Stat. 981, and Pub. L. 110–246, §4(a), title I, §1401(b), June 18, 2008, 122 Stat. 1664, 1709, provided that the Secretary of Agriculture would make loans for raw cane sugar and refined beet sugar available for the 2007 crop year on the terms and conditions provided in section 7272 of this title as in effect on the day before June 18, 2008.

[Pub. L. 110–234 and Pub. L. 110–246 enacted identical provisions. Pub. L. 110–234 was repealed by section 4(a) of Pub. L. 110–246, set out as a note under section 8701 of this title.]

SUBCHAPTER V—ADMINISTRATION

§ 7281. Administration

(a) Use of Commodity Credit Corporation

The Secretary shall carry out this chapter through the Commodity Credit Corporation.

(b) Omitted

(c) Determinations by Secretary

A determination made by the Secretary under this chapter shall be final and conclusive.

(d) Regulations

Not later than 90 days after April 4, 1996, the Secretary and the Commodity Credit Corporation, as appropriate, shall issue such regulations as are necessary to implement this chapter. The issuance of the regulations shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804) relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known¹ as the ‘Paperwork Reduction Act’).

(Pub. L. 104–127, title I, §161, Apr. 4, 1996, 110 Stat. 934.)

Editorial Notes

REFERENCES IN TEXT

For definition of “this chapter”, referred to in text, see note set out under section 7201 of this title.

¹ So in original. Probably should be “known”.

CODIFICATION

Section is comprised of section 161 of Pub. L. 104–127. Subsec. (b) of section 161 of Pub. L. 104–127 amended sections 714b, 714i, and 714k of Title 15, Commerce and Trade.

§ 7282. Adjustments of loans

(a) Adjustment authority

The Secretary may make appropriate adjustments in the loan rates for any commodity for differences in grade, type, quality, location, and other factors.

(b) Manner of adjustment

The adjustments under the authority of this section shall, to the maximum extent practicable, be made in such manner that the average loan level for the commodity will, on the basis of the anticipated incidence of the factors, be equal to the level of support determined as provided in this chapter and title I of the Farm Security and Rural Investment Act of 2002 [7 U.S.C. 7901 et seq.].

(c) Adjustment on county basis

The Secretary may establish loan rates for a crop for producers in individual counties in a manner that results in the lowest such rate being 95 percent of the national average loan rate, except that such action shall not result in an increase in outlays. Adjustments under this subsection shall not result in an increase in the national average loan rate for any year.

(Pub. L. 104–127, title I, §162, Apr. 4, 1996, 110 Stat. 935; Pub. L. 107–171, title I, §1606, May 13, 2002, 116 Stat. 218.)

Editorial Notes

REFERENCES IN TEXT

For definition of “this chapter”, referred to in subsec. (b), see note set out under section 7201 of this title.

The Farm Security and Rural Investment Act of 2002, referred to in subsec. (b), is Pub. L. 107–171, May 13, 2002, 116 Stat. 134. Title I of the Act is classified principally to chapter 106 (§7901 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note under section 7901 of this title and Tables.

AMENDMENTS

2002—Subsec. (b). Pub. L. 107–171 substituted “this chapter and title I of the Farm Security and Rural Investment Act of 2002” for “this chapter”.

§ 7283. Commodity Credit Corporation interest rate

(a) In general

Notwithstanding any other provision of law, the monthly Commodity Credit Corporation interest rate applicable to loans provided for agricultural commodities by the Corporation shall be 100 basis points greater than the rate determined under the applicable interest rate formula in effect on October 1, 1995.

(b) Sugar

For purposes of this section, raw cane sugar, refined beet sugar, and in-process sugar eligible for a loan under section 7272 of this title shall not be considered an agricultural commodity.

(Pub. L. 104–127, title I, §163, Apr. 4, 1996, 110 Stat. 935; Pub. L. 107–171, title I, §1401(c), May 13, 2002, 116 Stat. 187.)