

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.)

Editorial Notes

AMENDMENTS

2002—Pub. L. 107-171 designated existing provisions as subsec. (a), inserted heading, and added subsec. (b).

§ 7284. Personal liability of producers for deficiencies

(a) In general

Except as provided in subsection (b), no producer shall be personally liable for any deficiency arising from the sale of the collateral securing any nonrecourse loan made under this chapter¹ title I of the Farm Security and Rural Investment Act of 2002 [7 U.S.C. 7901 et seq.], title I of the Food, Conservation, and Energy Act of 2008 [7 U.S.C. 8701 et seq.], and title I of the Agricultural Act of 2014 [7 U.S.C. 9001 et seq.] unless the loan was obtained through a fraudulent representation by the producer.

(b) Limitations

Subsection (a) shall not prevent the Commodity Credit Corporation or the Secretary

from requiring a producer to assume liability for—

(1) a deficiency in the grade, quality, or quantity of a commodity stored on a farm or delivered by the producer;

(2) a failure to properly care for and preserve a commodity; or

(3) a failure or refusal to deliver a commodity in accordance with a program established under this chapter¹ title I of the Farm Security and Rural Investment Act of 2002 [7 U.S.C. 7901 et seq.], title I of the Food, Conservation, and Energy Act of 2008 [7 U.S.C. 8701 et seq.], and title I of the Agricultural Act of 2014 [7 U.S.C. 9001 et seq.].

(c) Acquisition of collateral

In the case of a nonrecourse loan made under this chapter¹ title I of the Farm Security and Rural Investment Act of 2002 [7 U.S.C. 7901 et seq.], title I of the Food, Conservation, and Energy Act of 2008 [7 U.S.C. 8701 et seq.], and title I of the Agricultural Act of 2014 [7 U.S.C. 9001 et seq.] or the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), if the Commodity Credit Corporation acquires title to the unredeemed collateral, the Corporation shall be under no obligation to pay for any market value that the collateral may have in excess of the loan indebtedness.

(d) Sugarcane and sugar beets

A security interest obtained by the Commodity Credit Corporation as a result of the execution of a security agreement by the processor of sugarcane or sugar beets shall be superior to all statutory and common law liens on raw cane sugar and refined beet sugar in favor of the producers of sugarcane and sugar beets and all prior recorded and unrecorded liens on the crops of sugarcane and sugar beets from which the sugar was derived.

(Pub. L. 104-127, title I, §164, Apr. 4, 1996, 110 Stat. 935; Pub. L. 107-171, title I, §1607, May 13, 2002, 116 Stat. 218; Pub. L. 110-234, title I, §1606, May 22, 2008, 122 Stat. 1017; Pub. L. 110-246, §4(a), title I, §1606, June 18, 2008, 122 Stat. 1664, 1746; Pub. L. 113-79, title I, §1607, Feb. 7, 2014, 128 Stat. 708.)

Editorial Notes

REFERENCES IN TEXT

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

The Farm Security and Rural Investment Act of 2002, referred to in subsecs. (a), (b)(3), and (c), 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.

The Food, Conservation, and Energy Act of 2008, referred to in subsecs. (a), (b)(3), and (c), is Pub. L. 110-246, June 18, 2008, 122 Stat. 1651. Title I of the Act is classified principally to chapter 113 (§8701 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 8701 of this title and Tables.

The Agricultural Act of 2014, referred to in subsecs. (a), (b)(3), and (c), is Pub. L. 113-79, Feb. 7, 2014, 128 Stat. 649. Title I of the Act is classified principally to chapter 115 (§9001 et seq.) of this title. For complete

¹ So in original. Probably should be followed by a comma.

classification of this Act to the Code, see Short Title note set out under section 9001 of this title and Tables.

The Commodity Credit Corporation Charter Act, referred to in subsec. (c), is act June 29, 1948, ch. 704, 62 Stat. 1070, which is classified generally to subchapter II (§714 et seq.) of chapter 15 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 714 of title 15 and Tables.

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

2014—Subsecs. (a), (b)(3), (c). Pub. L. 113-79 substituted “title I of the Food, Conservation, and Energy Act of 2008, and title I of the Agricultural Act of 2014” for “and title I of the Food, Conservation, and Energy Act of 2008”.

2008—Subsecs. (a), (b)(3), (c). Pub. L. 110-246, §1606, substituted “title I of the Farm Security and Rural Investment Act of 2002, and title I of the Food, Conservation, and Energy Act of 2008” for “and title I of the Farm Security and Rural Investment Act of 2002”.

2002—Subsecs. (a), (b)(3), (c). Pub. L. 107-171 substituted “this chapter and title I of the Farm Security and Rural Investment Act of 2002” for “this chapter”.

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.

§ 7285. Commodity Credit Corporation sales price restrictions

(a) General sales authority

The Commodity Credit Corporation may sell any commodity owned or controlled by the Corporation at any price that the Secretary determines will maximize returns to the Corporation.

(b) Nonapplication of sales price restrictions

Subsection (a) shall not apply to—

- (1) a sale for a new or byproduct use;
- (2) a sale of peanuts or oilseeds for the extraction of oil;
- (3) a sale for seed or feed if the sale will not substantially impair any loan program;
- (4) a sale of a commodity that has substantially deteriorated in quality or as to which there is a danger of loss or waste through deterioration or spoilage;
- (5) a sale for the purpose of establishing a claim arising out of a contract or against a person who has committed fraud, misrepresentation, or other wrongful act with respect to the commodity;
- (6) a sale for export, as determined by the Corporation; and
- (7) a sale for other than a primary use.

(c) Presidential disaster areas

(1) In general

Notwithstanding subsection (a), on such terms and conditions as the Secretary may consider in the public interest, the Corporation may make available any commodity or

product owned or controlled by the Corporation for use in relieving distress—

(A) in any area in the United States (including the Virgin Islands) declared by the President to be an acute distress area because of unemployment or other economic cause, if the President finds that the use will not displace or interfere with normal marketing of agricultural commodities; and

(B) in connection with any major disaster determined by the President to warrant assistance by the Federal Government under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

(2) Costs

Except on a reimbursable basis, the Corporation shall not bear any costs in connection with making a commodity available under paragraph (1) beyond the cost of the commodity to the Corporation incurred in—

- (A) the storage of the commodity; and
- (B) the handling and transportation costs in making delivery of the commodity to designated agencies at 1 or more central locations in each State or other area.

(d) Efficient operations

Subsection (a) shall not apply to the sale of a commodity the disposition of which is desirable in the interest of the effective and efficient conduct of the operations of the Corporation because of the small quantity of the commodity involved, or because of the age, location, or questionable continued storability of the commodity.

(Pub. L. 104-127, title I, §165, Apr. 4, 1996, 110 Stat. 936.)

Editorial Notes

REFERENCES IN TEXT

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, referred to in subsec. (c)(1)(B), is Pub. L. 93-288, May 22, 1974, 88 Stat. 143, which is classified principally to chapter 68 (§5121 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 5121 of Title 42 and Tables.

§ 7286. Commodity certificates

(a) In general

In making in-kind payments under subchapter III of this chapter, title I of the Farm Security and Rural Investment Act of 2002 [7 U.S.C. 7901 et seq.], title I of the Food, Conservation, and Energy Act of 2008 [7 U.S.C. 8701 et seq.], and Subtitle¹ B of title I of the Agricultural Act of 2014 [7 U.S.C. 9031 et seq.], the Commodity Credit Corporation may—

- (1) acquire and use commodities that have been pledged to the Commodity Credit Corporation as collateral for loans made by the Corporation;
- (2) use other commodities owned by the Commodity Credit Corporation; and
- (3) redeem negotiable marketing certificates for cash under terms and conditions established by the Secretary.

¹ So in original. Probably should not be capitalized.