

- (A) Sunflower seed.
- (B) Rapeseed.
- (C) Canola.
- (D) Safflower.
- (E) Flaxseed.
- (F) Mustard seed.
- (G) Crambe.
- (H) Sesame seed.
- (I) Other oilseeds designated by the Secretary.
- (11) In the case of graded wool, \$1.00 per pound.
- (12) In the case of nongraded wool, \$0.40 per pound.
- (13) In the case of mohair, \$4.20 per pound.
- (14) In the case of honey, \$0.60 per pound.
- (15) In the case of dry peas, \$6.33 per hundredweight.
- (16) In the case of lentils, \$11.94 per hundredweight.
- (17) In the case of small chickpeas, \$7.56 per hundredweight.

(b) 2004 through 2007 crop years

For purposes of the 2004 through 2007 crop years, the loan rate for a marketing assistance loan under section 7931 of this title for a loan commodity shall be equal to the following:

- (1) In the case of wheat, \$2.75 per bushel.
- (2) In the case of corn, \$1.95 per bushel.
- (3) In the case of grain sorghum, \$1.95 per bushel.
- (4) In the case of barley, \$1.85 per bushel.
- (5) In the case of oats, \$1.33 per bushel.
- (6) In the case of upland cotton, \$0.52 per pound.
- (7) In the case of extra long staple cotton, \$0.7977 per pound.
- (8) In the case of rice, \$6.50 per hundredweight.
- (9) In the case of soybeans, \$5.00 per bushel.
- (10) In the case of other oilseeds, \$.0930 per pound for each of the following kinds of oilseeds:
 - (A) Sunflower seed.
 - (B) Rapeseed.
 - (C) Canola.
 - (D) Safflower.
 - (E) Flaxseed.
 - (F) Mustard seed.
 - (G) Crambe.
 - (H) Sesame seed.
 - (I) Other oilseeds designated by the Secretary.
- (11) In the case of graded wool, \$1.00 per pound.
- (12) In the case of nongraded wool, \$0.40 per pound.
- (13) In the case of mohair, \$4.20 per pound.
- (14) In the case of honey, \$0.60 per pound.
- (15) In the case of dry peas, \$6.22 per hundredweight.
- (16) In the case of lentils, \$11.72 per hundredweight.
- (17) In the case of small chickpeas, \$7.43 per hundredweight.

(c) Single county loan rate for other oilseeds

The Secretary shall establish a single loan rate in each county for each kind of other oilseeds described in subsections (a)(10) and (b)(10).

(d) Quality grades for dry peas, lentils, and small chickpeas

The loan rate for dry peas, lentils, and small chickpeas shall be based on—

- (1) in the case of dry peas, United States feed peas;
- (2) in the case of lentils, United States number 3 lentils; and
- (3) in the case of small chickpeas, United States number 3 small chickpeas that drop below a 20/64 screen.

(Pub. L. 107-171, title I, § 1202, May 13, 2002, 116 Stat. 155; Pub. L. 108-7, div. A, title VII, § 763(b), Feb. 20, 2003, 117 Stat. 46.)

Editorial Notes

AMENDMENTS

2003—Subsec. (a)(10). Pub. L. 108-7, § 763(b)(1), added par. (10) and struck out former par. (10) which read as follows: “In the case of other oilseeds, \$0.0960 per pound.”

Subsec. (b)(10). Pub. L. 108-7, § 763(b)(2), added par. (10) and struck out former par. (10) which read as follows: “In the case of other oilseeds, \$0.0930 per pound.”

Subsecs. (c), (d). Pub. L. 108-7, § 763(b)(3), added subsecs. (c) and (d).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108-7 applicable beginning with the 2003 crop of other oilseeds, dry peas, lentils, and small chickpeas, see section 763(d) of Pub. L. 108-7, set out as a note under section 7901 of this title.

§ 7933. Term of loans

(a) Term of loan

In the case of each loan commodity, a marketing assistance loan under section 7931 of this title shall have a term of 9 months beginning on the first day of the first month after the month in which the loan is made.

(b) Extensions prohibited

The Secretary may not extend the term of a marketing assistance loan for any loan commodity.

(Pub. L. 107-171, title I, § 1203, May 13, 2002, 116 Stat. 156.)

§ 7934. Repayment of loans

(a) General rule

The Secretary shall permit the producers on a farm to repay a marketing assistance loan under section 7931 of this title for a loan commodity (other than upland cotton, rice, extra long staple cotton, and confectionery and each other kind of sunflower seed (other than oil sunflower seed)) at a rate that is the lesser of—

(1) the loan rate established for the commodity under section 7932 of this title, plus interest (determined in accordance with section 7283 of this title); or

(2) a rate that the Secretary determines will—

(A) minimize potential loan forfeitures;

(B) minimize the accumulation of stocks of the commodity by the Federal Government;

- (C) minimize the cost incurred by the Federal Government in storing the commodity;
- (D) allow the commodity produced in the United States to be marketed freely and competitively, both domestically and internationally; and
- (E) minimize discrepancies in marketing loan benefits across State boundaries and across county boundaries.

(b) Repayment rates for upland cotton and rice

The Secretary shall permit producers to repay a marketing assistance loan under section 7931 of this title for upland cotton and rice at a rate that is the lesser of—

- (1) the loan rate established for the commodity under section 7932 of this title, plus interest (determined in accordance with section 7283 of this title); or
- (2) the prevailing world market price for the commodity (adjusted to United States quality and location), as determined by the Secretary.

(c) Repayment rates for extra long staple cotton

Repayment of a marketing assistance loan for extra long staple cotton shall be at the loan rate established for the commodity under section 7932 of this title, plus interest (determined in accordance with section 7283 of this title).

(d) Prevailing world market price

For purposes of this section and section 7937 of this title, the Secretary shall prescribe by regulation—

- (1) a formula to determine the prevailing world market price for upland cotton and rice, adjusted to United States quality and location; and
- (2) a mechanism by which the Secretary shall announce periodically the prevailing world market price for upland cotton and rice.

(e) Adjustment of prevailing world market price for upland cotton

(1) In general

During the period beginning on May 13, 2002, through July 31, 2008, the prevailing world market price for upland cotton (adjusted to United States quality and location) established under subsection (d) shall be further adjusted if—

- (A) the adjusted prevailing world market price is less than 115 percent of the loan rate for upland cotton established under section 7932 of this title, as determined by the Secretary; and

(B) the Friday through Thursday average price quotation for the lowest-priced United States growth as quoted for Middling (M) 1 $\frac{3}{32}$ -inch cotton delivered C.I.F. Northern Europe is greater than the Friday through Thursday average price of the 5 lowest-priced growths of upland cotton, as quoted for Middling (M) 1 $\frac{3}{32}$ -inch cotton, delivered C.I.F. Northern Europe (referred to in this section as the “Northern Europe price”).

(2) Further adjustment

Except as provided in paragraph (3), the adjusted prevailing world market price for upland cotton shall be further adjusted on the basis of some or all of the following data, as available:

- (A) The United States share of world exports.
- (B) The current level of cotton export sales and cotton export shipments.

(C) Other data determined by the Secretary to be relevant in establishing an accurate prevailing world market price for upland cotton (adjusted to United States quality and location).

(3) Limitation on further adjustment

The adjustment under paragraph (2) may not exceed the difference between—

- (A) the Friday through Thursday average price for the lowest-priced United States growth as quoted for Middling 1 $\frac{3}{32}$ -inch cotton delivered C.I.F. Northern Europe; and
- (B) the Northern Europe price.

(f) Repayment rates for confectionery and other kinds of sunflower seeds

The Secretary shall permit the producers on a farm to repay a marketing assistance loan under section 7931 of this title for confectionery and each other kind of sunflower seed (other than oil sunflower seed) at a rate that is the lesser of—

- (1) the loan rate established for the commodity under section 7932 of this title, plus interest (determined in accordance with section 7283 of this title); or
- (2) the repayment rate established for oil sunflower seed.

(g) Quality grades for dry peas, lentils, and small chickpeas

The loan repayment rate for dry peas, lentils, and small chickpeas shall be based on the quality grades for the applicable commodity specified in section 7932(d) of this title.

(h) Good faith exception to beneficial interest requirement

For the 2001 crop year only, in the case of the producers on a farm that marketed or otherwise lost beneficial interest in a loan commodity for which a marketing assistance loan was made under section 7231 of this title before repaying the loan, the Secretary shall permit the producers to repay the loan at the appropriate repayment rate that was in effect for the loan commodity under section 7234 of this title on the date that the producers lost beneficial interest, as determined by the Secretary, if the Secretary determines the producers acted in good faith.

(Pub. L. 107-171, title I, §1204, May 13, 2002, 116 Stat. 156; Pub. L. 108-7, div. A, title VII, §763(c), Feb. 20, 2003, 117 Stat. 47.)

Editorial Notes

AMENDMENTS

2003—Subsec. (a). Pub. L. 108-7, §763(c)(1), substituted “extra long staple cotton, and confectionery and each other kind of sunflower seed (other than oil sunflower seed)” for “and extra long staple cotton”.

Subsecs. (f) to (h). Pub. L. 108-7, §763(c)(2), (3), added subsecs. (f) and (g) and redesignated former subsec. (f) as (h).

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2003 AMENDMENT

Amendment by Pub. L. 108-7 applicable beginning with the 2003 crop of other oilseeds, dry peas, lentils,

and small chickpeas, see section 763(d) of Pub. L. 108-7, set out as a note under section 7901 of this title.

§ 7935. Loan deficiency payments

(a) Availability of loan deficiency payments

(1) In general

Except as provided in subsection (d), the Secretary may make loan deficiency payments available to producers on a farm that, although eligible to obtain a marketing assistance loan under section 7931 of this title with respect to a loan commodity, agree to forgo obtaining the loan for the commodity in return for loan deficiency payments under this section.

(2) Unshorn pelts, hay, and silage

Nongraded wool in the form of unshorn pelts and hay and silage derived from a loan commodity are not eligible for a marketing assistance loan under section 7931 of this title. However, effective for the 2002 through 2007 crop years, the Secretary may make loan deficiency payments available under this section to producers on a farm that produce unshorn pelts or hay and silage derived from a loan commodity.

(b) Computation

A loan deficiency payment for a loan commodity or commodity referred to in subsection (a)(2) shall be computed by multiplying—

(1) the payment rate determined under subsection (c) for the commodity; by

(2) the quantity of the commodity produced by the eligible producers, excluding any quantity for which the producers obtain a marketing assistance loan under section 7931 of this title.

(c) Payment rate

(1) In general

In the case of a loan commodity, the payment rate shall be the amount by which—

(A) the loan rate established under section 7932 of this title for the loan commodity; exceeds

(B) the rate at which a marketing assistance loan for the loan commodity may be repaid under section 7934 of this title.

(2) Unshorn pelts

In the case of unshorn pelts, the payment rate shall be the amount by which—

(A) the loan rate established under section 7932 of this title for ungraded wool; exceeds

(B) the rate at which a marketing assistance loan for ungraded wool may be repaid under section 7934 of this title.

(3) Hay and silage

In the case of hay or silage derived from a loan commodity, the payment rate shall be the amount by which—

(A) the loan rate established under section 7932 of this title for the loan commodity from which the hay or silage is derived; exceeds

(B) the rate at which a marketing assistance loan for the loan commodity may be repaid under section 7934 of this title.

(d) Exception for extra long staple cotton

This section shall not apply with respect to extra long staple cotton.

(e) Effective date for payment rate determination

The Secretary shall determine the amount of the loan deficiency payment to be made under this section to the producers on a farm with respect to a quantity of a loan commodity or commodity referred to in subsection (a)(2) using the payment rate in effect under subsection (c) as of the date the producers request the payment.

(f) Special loan deficiency payment rules

(1) First-time loan commodities

For the 2002 crop of wool, mohair, honey, dry peas, lentils and small chickpeas, in the case of producers of such a crop that would be eligible for a loan deficiency payment under this section except for the fact that the producers lost beneficial interest in the crop prior to the date of publication of the regulations implementing this section, the producers shall be eligible for a loan deficiency payment as of the date producers marketed or otherwise lost beneficial interest in the crop, as determined by the Secretary.

(2) Omitted

(Pub. L. 107-171, title I, §1205, May 13, 2002, 116 Stat. 158.)

Editorial Notes

CODIFICATION

Section is comprised of section 1205 of Pub. L. 107-171. Subsec. (f)(2) of section 1205 of Pub. L. 107-171 amended section 7235 of this title.

§ 7936. Payments in lieu of loan deficiency payments for grazed acreage

(a) Eligible producers

(1) In general

Effective for the 2002 through 2007 crop years, in the case of a producer that would be eligible for a loan deficiency payment under section 7935 of this title for wheat, barley, or oats, but that elects to use acreage planted to the wheat, barley, or oats for the grazing of livestock, the Secretary shall make a payment to the producer under this section if the producer enters into an agreement with the Secretary to forgo any other harvesting of the wheat, barley, or oats on that acreage.

(2) Grazing of triticale acreage

Effective for the 2002 through 2007 crop years, with respect to a producer on a farm that uses acreage planted to triticale for the grazing of livestock, the Secretary shall make a payment to the producer under this section if the producer enters into an agreement with the Secretary to forgo any other harvesting of triticale on that acreage.

(b) Payment amount

(1) In general

The amount of a payment made under this section to a producer on a farm described in subsection (a)(1) shall be equal to the amount determined by multiplying—

(A) the loan deficiency payment rate determined under section 7935(c) of this title in effect, as of the date of the agreement, for the county in which the farm is located; by