

B of subchapter II of chapter 35 of this title prior to repeal by subsec. (a)(1) of this section. For complete classification of this Act to the Code, see section 1281 of this title and Tables.

CODIFICATION

Section is comprised of section 1309 of Pub. L. 107-171. Subsec. (a)(1) of section 1309 of Pub. L. 107-171 repealed sections 1357 to 1359a of this title. Subsec. (h) of section 1309 amended sections 1361, 1371, 1373, and 1378 of this title.

§ 7960. Repeal of superseded price support authority and effect of repeal

(a) Omitted

(b) Disposal

Notwithstanding any other provision of law or previous declaration made by the Secretary, the Secretary shall ensure that the disposal of all peanuts for which a loan for the 2001 crop of peanuts was made under section 7271 of this title before May 13, 2002, is carried out in a manner that prevents price disruptions in the domestic and international markets for peanuts.

(c) Treatment of crop insurance policies for 2002 crop year

(1) Applicability

This subsection shall apply for the 2002 crop year only notwithstanding any other provision of law or crop insurance policy.

(2) Price election

The nonquota price election for segregation I, II, and III peanuts shall be 17.75 cents per pound and shall be used for all aspects of the policy relating to the calculations of premium, liability, and indemnities.

(3) Quality adjustment

For the purposes of quality adjustment only, the average support price per pound of peanuts shall be a price equal to 17.75 cents per pound. Quality under the crop insurance policy for peanuts shall be adjusted under procedures issued by the Federal Crop Insurance Corporation.

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

Editorial Notes

CODIFICATION

Section is comprised of section 1310 of Pub. L. 107-171. Subsec. (a) of section 1310 of Pub. L. 107-171 amended sections 1428 and 1441 of this title and repealed 7271 of this title.

SUBCHAPTER IV—SUGAR

§ 7971. Storage facility loans

(a) In general

Notwithstanding any other provision of law and as soon as practicable after May 13, 2002, the Commodity Credit Corporation shall amend part 1436 of title 7, Code of Federal Regulations, to establish a sugar storage facility loan program to provide financing for processors of domestically-produced sugarcane and sugar beets to construct or upgrade storage and handling facilities for raw sugars and refined sugars.

(b) Eligible processors

A storage facility loan described in subsection (a) shall be made available to any processor of domestically produced sugarcane or sugar beets that (as determined by the Secretary)—

(1) has a satisfactory credit history;

(2) has a need for increased storage capacity, taking into account the effects of marketing allotments; and

(3) demonstrates an ability to repay the loan.

(c) Term of loans

A storage facility loan described in subsection (a) shall—

(1) have a minimum term of 7 years;

(2) not include any penalty for prepayment; and

(3) be in such amounts and on such other terms and conditions (including terms and conditions relating to downpayments, collateral, and eligible facilities) as are normal, customary, and appropriate for the size and commercial nature of the borrower.

(Pub. L. 107-171, title I, §1402, May 13, 2002, 116 Stat. 187; Pub. L. 110-234, title I, §1404, May 22, 2008, 122 Stat. 989; Pub. L. 110-246, §4(a), title I, §1404, June 18, 2008, 122 Stat. 1664, 1718.)

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—Subsec. (c)(2), (3). Pub. L. 110-246, §1404, added par. (2), redesignated former par. (2) as (3), and, in par. (3), inserted “other” after “on such”.

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.

SUBCHAPTER V—DAIRY

§ 7981. Milk price support program

(a) Support activities

During the period beginning on June 1, 2002, and ending on December 31, 2007, the Secretary of Agriculture shall support the price of milk produced in the 48 contiguous States through the purchase of cheese, butter, and nonfat dry milk produced from the milk.

(b) Rate

During the period specified in subsection (a), the price of milk shall be supported at a rate equal to \$9.90 per hundredweight for milk containing 3.67 percent butterfat.

(c) Purchase prices

(1) Uniform prices

The support purchase prices under this section for each of the products of milk (butter,

cheese, and nonfat dry milk) announced by the Secretary shall be the same for all of that product sold by persons offering to sell the product to the Secretary.

(2) Sufficient prices

The purchase prices shall be sufficient to enable plants of average efficiency to pay producers, on average, a price that is not less than the rate of price support for milk in effect under subsection (b).

(d) Special rule for butter and nonfat dry milk purchase prices

(1) Allocation of purchase prices

The Secretary may allocate the rate of price support between the purchase prices for nonfat dry milk and butter in a manner that will result in the lowest level of expenditures by the Commodity Credit Corporation or achieve such other objectives as the Secretary considers appropriate. Not later than 10 days after making or changing an allocation, the Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate of the allocation. Section 553 of title 5 shall not apply with respect to the implementation of this section.

(2) Timing of purchase price adjustments

The Secretary may make any such adjustments in the purchase prices for nonfat dry milk and butter the Secretary considers to be necessary not more than twice in each calendar year.

(e) Commodity Credit Corporation

The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

(Pub. L. 107-171, title I, §1501, May 13, 2002, 116 Stat. 205.)

§ 7982. National dairy market loss payments

(a) Definitions

In this section:

(1) Class I milk

The term “Class I milk” means milk (including milk components) classified as Class I milk under a Federal milk marketing order.

(2) Eligible production

The term “eligible production” means milk produced by a producer in a participating State.

(3) Federal milk marketing order

The term “Federal milk marketing order” means an order issued under section 608c of this title.

(4) Participating State

The term “participating State” means each State.

(5) Producer

The term “producer” means an individual or entity that directly or indirectly (as determined by the Secretary)—

(A) shares in the risk of producing milk; and

(B) makes contributions (including land, labor, management, equipment, or capital) to the dairy farming operation of the individual or entity that are at least commensurate with the share of the individual or entity of the proceeds of the operation.

(b) Payments

The Secretary shall offer to enter into contracts with producers on a dairy farm located in a participating State under which the producers receive payments on eligible production.

(c) Amount

Payments to a producer under this section shall be calculated by multiplying (as determined by the Secretary)—

(1) the payment quantity for the producer during the applicable month established under subsection (d);

(2) the amount equal to—

(A) \$16.94 per hundredweight; less

(B) the Class I milk price per hundredweight in Boston under the applicable Federal milk marketing order; by

(3)(A) during the period beginning on the first day of the month the producers on a dairy farm enter into a contract under this section and ending on September 30, 2005, 45 percent; and

(B) during the period beginning on October 1, 2005, and ending on September 30, 2007, 34 percent.

(d) Payment quantity

(1) In general

Subject to paragraph (2), the payment quantity for a producer during the applicable month under this section shall be equal to the quantity of eligible production marketed by the producer during the month.

(2) Limitation

The payment quantity for all producers on a single dairy operation during the months of the applicable fiscal year for which the producers receive payments under subsection (b) shall not exceed 2,400,000 pounds. For purposes of determining whether producers are producers on separate dairy operations or a single dairy operation, the Secretary shall apply the same standards as were applied in implementing the dairy program under section 805 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001 (as enacted into law by Public Law 106-387; 114 Stat. 1549A-50).

(3) Reconstitution

The Secretary shall promulgate regulations to ensure that a producer does not reconstitute a dairy operation for the sole purpose of receiving additional payments under this section.

(e) Payments

A payment under a contract under this section shall be made on a monthly basis not later than 60 days after the last day of the month for which the payment is made.

(f) Signup

The Secretary shall offer to enter into contracts under this section during the period be-