

**(h) Authority to temporarily adjust repayment rates****(1) Adjustment authority**

In the event of a severe disruption to marketing, transportation, or related infrastructure, the Secretary may modify the repayment rate otherwise applicable under this section for marketing assistance loans under section 8731 of this title for a loan commodity.

**(2) Duration**

Any adjustment made under paragraph (1) in the repayment rate for marketing assistance loans for a loan commodity shall be in effect on a short-term and temporary basis, as determined by the Secretary.

(Pub. L. 110-234, title I, §1204, May 22, 2008, 122 Stat. 956; Pub. L. 110-246, §4(a), title I, §1204, June 18, 2008, 122 Stat. 1664, 1684.)

**Editorial Notes**

## REFERENCES IN TEXT

The date of enactment of this Act, referred to in subsec. (e)(2)(B), is the date of enactment of Pub. L. 110-246, which was approved June 18, 2008.

## CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 enacted identical sections. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE

Enactment 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 a note under section 8701 of this title.

**§ 8735. 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 8731 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****(A) Marketing assistance loans**

Subject to subparagraph (B), 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 8731 of this title.

**(B) Loan deficiency payment**

Effective for the 2008 through 2012 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 8731 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 8732 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 8734 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 8732 of this title for ungraded wool; exceeds

(B) the rate at which a marketing assistance loan for ungraded wool may be repaid under section 8734 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 8732 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 8734 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.

(Pub. L. 110-234, title I, §1205, May 22, 2008, 122 Stat. 958; Pub. L. 110-246, §4(a), title I, §1205, June 18, 2008, 122 Stat. 1664, 1686.)

**Editorial Notes**

## CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 enacted identical sections. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

**Statutory Notes and Related Subsidiaries**

## EFFECTIVE DATE

Enactment 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 a note under section 8701 of this title.

**§ 8736. Payments in lieu of loan deficiency payments for grazed acreage**

**(a) Eligible producers**

**(1) In general**

Effective for the 2008 through 2012 crop years, in the case of a producer that would be eligible for a loan deficiency payment under section 8735 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 2008 through 2012 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 8735(c) of this title in effect, as of the date of the agreement, for the county in which the farm is located; by

(B) the payment quantity determined by multiplying—

(i) the quantity of the grazed acreage on the farm with respect to which the producer elects to forgo harvesting of wheat, barley, or oats; and

(ii) the payment yield in effect for the calculation of direct payments under subchapter I with respect to that loan commodity on the farm or, in the case of a farm without a payment yield for that loan commodity, an appropriate yield established by the Secretary in a manner consistent with section 7912 of this title.

**(2) Grazing of triticale acreage**

The amount of a payment made under this section to a producer on a farm described in subsection (a)(2) shall be equal to the amount determined by multiplying—

(A) the loan deficiency payment rate determined under section 8735(c) of this title in effect for wheat, as of the date of the agreement, for the county in which the farm is located; by

(B) the payment quantity determined by multiplying—

(i) the quantity of the grazed acreage on the farm with respect to which the producer elects to forgo harvesting of triticale; and

(ii) the payment yield in effect for the calculation of direct payments under subchapter I with respect to wheat on the

farm or, in the case of a farm without a payment yield for wheat, an appropriate yield established by the Secretary in a manner consistent with section 7912 of this title.

**(c) Time, manner, and availability of payment**

**(1) Time and manner**

A payment under this section shall be made at the same time and in the same manner as loan deficiency payments are made under section 8735 of this title.

**(2) Availability**

**(A) In general**

The Secretary shall establish an availability period for the payments authorized by this section.

**(B) Certain commodities**

In the case of wheat, barley, and oats, the availability period shall be consistent with the availability period for the commodity established by the Secretary for marketing assistance loans authorized by this subchapter.

**(d) Prohibition on crop insurance indemnity or noninsured crop assistance**

A 2008 through 2012 crop of wheat, barley, oats, or triticale planted on acreage that a producer elects, in the agreement required by subsection (a), to use for the grazing of livestock in lieu of any other harvesting of the crop shall not be eligible for an indemnity under a policy or plan of insurance authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) or noninsured crop assistance under section 7333 of this title.

(Pub. L. 110-234, title I, §1206, May 22, 2008, 122 Stat. 959; Pub. L. 110-246, §4(a), title I, §1206, June 18, 2008, 122 Stat. 1664, 1687.)

**Editorial Notes**

REFERENCES IN TEXT

The Federal Crop Insurance Act, referred to in subsec. (d), is subtitle A of title V of act Feb. 16, 1938, ch. 30, 52 Stat. 72, which is classified generally to subchapter I (§1501 et seq.) of chapter 36 of this title. For complete classification of this Act to the Code, see section 1501 of this title and Tables.

CODIFICATION

Pub. L. 110-234 and Pub. L. 110-246 enacted identical sections. Pub. L. 110-234 was repealed by section 4(a) of Pub. L. 110-246.

**Statutory Notes and Related Subsidiaries**

EFFECTIVE DATE

Enactment 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 a note under section 8701 of this title.

**§ 8737. Special marketing loan provisions for upland cotton**

**(a) Special import quota**

**(1) Definition of special import quota**

In this subsection, the term “special import quota” means a quantity of imports that is