

§ 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) of this section 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) of this section, 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) of this section 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.)

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, as amended, 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.], and title I of the Food, Conservation, and Energy Act of 2008 [7 U.S.C. 8701 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.

(b) Methods of payment

The Commodity Credit Corporation may make in-kind payments—

- (1) by delivery of the commodity at a warehouse or other similar facility;
- (2) by the transfer of negotiable warehouse receipts;
- (3) by the issuance of negotiable certificates, which the Commodity Credit Corporation shall exchange for a commodity owned or controlled by the Corporation in accordance with regulations promulgated by the Corporation; or
- (4) by such other methods as the Commodity Credit Corporation determines appropriate to promote the efficient, equitable, and expeditious receipt of the in-kind payments so that a person receiving the payments receives the same total return as if the payments had been made in cash.

(c) Administration

(1) Form

At the option of a producer, the Commodity Credit Corporation shall make negotiable certificates authorized under subsection (b)(3) of this section available to the producer, in the form of program payments or by sale, in a manner that the Corporation determines will encourage the orderly marketing of commodities pledged as collateral for loans made to producers 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.], and title I of the Food, Conservation, and Energy Act of 2008 [7 U.S.C. 8701 et seq.].

(2) Transfer

A negotiable certificate issued in accordance with this subsection may be transferred to another person in accordance with regulations promulgated by the Secretary.