

scribed by the Secretary and at the loan rate established under section 7932 of this title for the loan commodity.

**(b) Eligible production**

The producers on a farm shall be eligible for a marketing assistance loan under subsection (a) of this section for any quantity of a loan commodity produced on the farm.

**(c) Treatment of certain commingled commodities**

In carrying out this subchapter, the Secretary shall make loans to producers on a farm that would be eligible to obtain a marketing assistance loan, but for the fact the loan commodity owned by the producers on the farm commingled with loan commodities of other producers in facilities unlicensed for the storage of agricultural commodities by the Secretary or a State licensing authority, if the producers obtaining the loan agree to immediately redeem the loan collateral in accordance with section 166 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7286).

**(d) Compliance with conservation and wetlands requirements**

As a condition of the receipt of a marketing assistance loan under subsection (a) of this section, the producer shall comply with applicable conservation requirements under subtitle B of title XII of the Food Security Act of 1985 (16 U.S.C. 3811 et seq.) and applicable wetland protection requirements under subtitle C of title XII of the Act (16 U.S.C. 3821 et seq.) during the term of the loan.

**(e) Termination of superseded loan authority**

Notwithstanding section 131 of the Federal Agriculture Improvement and Reform Act of 1996 (7 U.S.C. 7231), nonrecourse marketing assistance loans shall not be made for the 2002 crop of loan commodities under subtitle C of title I of such Act [7 U.S.C. 7231 et seq.].

(Pub. L. 107-171, title I, § 1201, May 13, 2002, 116 Stat. 155.)

REFERENCES IN TEXT

This subchapter, referred to in subsec. (c), was in the original “this subtitle”, meaning subtitle B (§§ 1201-1209) of title I of Pub. L. 107-171, May 13, 2002, 116 Stat. 155, which is classified principally to this subchapter. For complete classification of subtitle B to the Code, see Tables.

The Food Security Act of 1985, referred to in subsec. (d), is Pub. L. 99-198, Dec. 23, 1985, 99 Stat. 1354, as amended. Subtitles B and C of title XII of the Act are classified generally to subchapters II (§ 3811 et seq.) and III (§ 3821 et seq.), respectively, of chapter 58 of Title 16, Conservation. For complete classification of this Act to the Code, see Short Title of 1985 Amendment note set out under section 1281 of this title and Tables.

The Federal Agriculture Improvement and Reform Act of 1996, referred to in subsec. (e), is Pub. L. 104-127, Apr. 4, 1996, 110 Stat. 888, as amended. Subtitle C of title I of the Act is classified generally to subchapter III (§ 7231 et seq.) of chapter 100 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 7201 of this title and Tables.

**§ 7932. Loan rates for nonrecourse marketing assistance loans**

**(a) 2002 and 2003 crop years**

For purposes of the 2002 and 2003 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, \$2.80 per bushel.
- (2) In the case of corn, \$1.98 per bushel.
- (3) In the case of grain sorghum, \$1.98 per bushel.
- (4) In the case of barley, \$1.88 per bushel.
- (5) In the case of oats, \$1.35 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, \$0.0960 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, \$6.33 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, \$0.0930 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) of this section.

**(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.)

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 subsections. (c) and (d).

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) of this section shall be further adjusted if—

(A) the adjusted prevailing world market price is less than 115 percent of the loan rate