

REFERENCES IN TEXT

The Food Security Act of 1985, referred to in subsec. (f), 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.

This subchapter, referred to in subsec. (g), was in the original “this subtitle”, meaning subtitle C (§§1301-1310) of Pub. L. 107-171, title I, May 13, 2002, 116 Stat. 166, which is classified principally to this subchapter. For complete classification of subtitle C to the Code, see References in Text note set out under section 7951 of this title and Tables.

§ 7958. Miscellaneous provisions**(a) Mandatory inspection**

All peanuts marketed in the United States shall be officially inspected and graded by Federal or Federal-State inspectors.

(b) Termination of Peanut Administrative Committee

The Peanut Administrative Committee established under Marketing Agreement No. 146 issued pursuant to the Agricultural Adjustment Act (7 U.S.C. 601 et seq.), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, is terminated.

(c) Peanut Standards Board**(1) Establishment and purpose**

The Secretary shall establish a Peanut Standards Board for the purpose of advising the Secretary regarding the establishment of quality and handling standards for domestically produced and imported peanuts.

(2) Membership and appointment**(A) Total members**

The Board shall consist of 18 members, with representation equally divided between peanut producers and peanut industry representatives.

(B) Appointment process for producers

The Secretary shall appoint—

(i) 3 producers from the Southeast (Alabama, Georgia, and Florida) peanut producing region;

(ii) 3 producers from the Southwest (Texas, Oklahoma, and New Mexico) peanut producing region; and

(iii) 3 producers from the Virginia/Carolina (Virginia and North Carolina) peanut producing region.

(C) Appointment process for industry representatives

The Secretary shall appoint 3 peanut industry representatives from each of the 3 peanut producing regions in the United States.

(3) Terms**(A) In general**

A member of the Board shall serve a 3-year term.

(B) Initial appointment

In making the initial appointments to the Board, the Secretary shall stagger the terms of the members so that—

(i) 1 producer member and peanut industry member from each peanut producing region serves a 1-year term;

(ii) 1 producer member and peanut industry member from each peanut producing region serves a 2-year term; and

(iii) 1 producer member and peanut industry member from each peanut producing region serves a 3-year term.

(4) Consultation required

The Secretary shall consult with the Board in advance whenever the Secretary establishes or changes, or considers the establishment of or a change to, quality and handling standards for peanuts.

(5) Federal Advisory Committee Act

The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Board.

(d) Priority

The Secretary shall make identifying and combating the presence of all quality concerns related to peanuts a priority in the development of quality and handling standards for peanuts and in the inspection of domestically produced and imported peanuts. The Secretary shall consult with appropriate Federal and State agencies to provide adequate safeguards against all quality concerns related to peanuts.

(e) Consistent standards

Imported peanuts shall be subject to the same quality and handling standards as apply to domestically produced peanuts.

(f) Authorization of appropriations**(1) In general**

In addition to other funds that are available to carry out this section, there is authorized to be appropriated such sums as are necessary to carry out this section.

(2) Treatment of Board expenses

The expenses of the Peanut Standards Board shall not be counted toward any general limitation on the expenses of advisory committees, panels, commissions, and task forces of the Department of Agriculture, whether enacted before, on, or after May 13, 2002, unless the limitation specifically refers to this paragraph and specifically includes the Peanut Standards Board within the general limitation.

(g) Transition rule**(1) Temporary designation of Peanut Administrative Committee members**

Notwithstanding the appointment process specified in subsection (c) of this section for the Peanut Standards Board, during the transition period, the Secretary may designate persons serving as members of the Peanut Administrative Committee on the day before May 13, 2002, to serve as members of the Peanut Standards Board for the purpose of carrying out the duties of the Board described in this section.

(2) Funds

The Secretary may transfer any funds available to carry out the activities of the Peanut

Administrative Committee to the Peanut Standards Board to carry out the duties of the Board described in this section.

(3) Transition period

In paragraph (1), the term “transition period” means the period beginning on May 13, 2002, and ending on the earlier of—

- (A) the date the Secretary appoints the members of the Peanut Standards Board pursuant to subsection (c) of this section; or
- (B) 180 days after May 13, 2002.

(h) Effective date

This section shall take effect with the 2002 crop of peanuts.

(Pub. L. 107-171, title I, §1308, May 13, 2002, 116 Stat. 178.)

REFERENCES IN TEXT

The Agricultural Adjustment Act, as reenacted with amendments by the Agricultural Marketing Agreement Act of 1937, referred to in subsec. (b), is title I of act May 12, 1933, ch. 25, 48 Stat. 31, as amended, which is classified generally to chapter 26 (§601 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 601 of this title and Tables.

The Federal Advisory Committee Act, referred to in subsec. (c)(5), is Pub. L. 92-463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

§ 7959. Termination of marketing quota programs for peanuts and compensation to peanut quota holders for loss of quota asset value

(a) Repeal of marketing quota

(1) Omitted

(2) Treatment of 2001 crop

Part VI of subtitle B of title III of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1357-1359a), as in effect on the day before May 13, 2002, shall continue to apply with respect to the 2001 crop of peanuts notwithstanding the amendment made by paragraph (1). Section 7958(g)(2) of this title shall also apply to the 2001 crop of peanuts.

(b) Compensation contract required

(1) In general

The Secretary shall offer to enter into a contract with each person that the Secretary determines is an eligible peanut quota holder under subsection (f) of this section for the purpose of providing compensation for the lost value of the quota on account of the repeal of the marketing quota program for peanuts under subsection (a) of this section.

(2) Payment period

The Secretary shall make payments under the contracts during fiscal years 2002 through 2006.

(c) Time for payment

(1) Payment in installments

The payments required under the contracts shall be provided in 5 equal installments not later than September 30 of each of fiscal years 2002 through 2006.

(2) Single payment

At the request of an eligible peanut quota holder entitled to payments under a contract,

the Secretary shall provide the entire payment amount determined under subsection (d) of this section with respect to the eligible peanut quota holder for the 5 fiscal years in a single lump sum during the fiscal year specified by the eligible peanut quota holder.

(d) Payment amount

The amount of the payment for a fiscal year to an eligible peanut quota holder under a contract shall be equal to the product obtained by multiplying—

- (1) \$0.11 per pound; by
- (2) the number of pounds of quota with respect to which the person qualifies as a peanut quota holder under subsection (f) of this section.

(e) Assignment of payments

The provisions of section 590h(g) of title 16, relating to assignment of payments, shall apply to the payments made under the contracts. A person making an assignment of the payment, or the assignee, shall provide the Secretary with notice, in such manner as the Secretary may require, of any assignment made under this subsection.

(f) Eligible peanut quota holder

(1) In general

Except as otherwise provided in this subsection, the Secretary shall consider a person to be an eligible peanut quota holder for the purposes of this section if the person, as of May 13, 2002, owned a farm that, also as of that date, was eligible for a permanent peanut quota under section 358-1(b) of the Agricultural Adjustment Act of 1938 (7 U.S.C. 1358-1(b)), irrespective of temporary leases, transfers of quotas for seed, or quotas for experimental purposes.

(2) Effect of purchase contract

If there was a written contract for the purchase of all or a portion of a farm described in paragraph (1) as of May 13, 2002, and the parties to the sale are unable to agree to the disposition of eligibility for payments under this section, the Secretary, taking into account any incomplete permanent transfer of quota that has otherwise been agreed to, shall provide for the equitable division of the payments among the parties by adjusting the determination of who is the eligible peanut quota holder with respect to particular pounds of the quota.

(3) Effect of agreement for permanent quota transfer

If the Secretary determines that there was in existence, as of May 13, 2002, an agreement for the permanent transfer of quota, but that the transfer was not completed by that date, the Secretary shall consider the peanut quota holder to be the party to the agreement who, as of that date, was the owner of the farm to which the quota was to be transferred.

(4) Protected bases

A person that owns a farm with a peanut poundage quota which is protected under a conservation reserve program contract entered into under section 3831 of title 16 shall be considered to be an eligible quota holder with respect to the protected poundage.