

CODIFICATION

The authorities provided by each provision of, and each amendment made by, Pub. L. 110-246, as in effect on Sept. 30, 2012, to continue, and the Secretary of Agriculture to carry out the authorities, until the later of Sept. 30, 2013, or the date specified in the provision of, or amendment made by, Pub. L. 110-246, see section 701(a) of Pub. L. 112-240, set out in a 1-Year Extension of Agricultural Programs note under section 8701 of this title.

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 L. 110-234 was repealed by section 4(a) of Pub.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.

§ 8773. Milk income loss contract program**(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 (e);

(2) the amount equal to—

(A) \$16.94 per hundredweight, as adjusted under subsection (d); less

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

(3)(A) for the period beginning October 1, 2007, and ending September 30, 2008, 34 percent;

(B) for the period beginning October 1, 2008, and ending August 31, 2013, 45 percent; and

(C) for the period beginning September 1, 2013, and thereafter, 34 percent.

(d) Payment rate adjustment for feed prices**(1) Initial adjustment authority**

During the period beginning on January 1, 2008, and ending on August 31, 2013, if the National Average Dairy Feed Ration Cost for a month during that period is greater than \$7.35 per hundredweight, the amount specified in subsection (c)(2)(A) used to determine the payment rate for that month shall be increased by 45 percent of the percentage by which the National Average Dairy Feed Ration Cost exceeds \$7.35 per hundredweight.

(2) Subsequent adjustment authority

For any month beginning on or after September 1, 2013, if the National Average Dairy Feed Ration Cost for the month is greater than \$9.50 per hundredweight, the amount specified in subsection (c)(2)(A) used to determine the payment rate for that month shall be increased by 45 percent of the percentage by which the National Average Dairy Feed Ration Cost exceeds \$9.50 per hundredweight.

(3) National average dairy feed ration cost

For each month, the Secretary shall calculate a National Average Dairy Feed Ration Cost per hundredweight using the same procedures (adjusted to a hundredweight basis) used to calculate the feed components of the estimated price of 16% Mixed Dairy Feed per pound noted on page 33 of the USDA March 2008 Agricultural Prices publication (including the data and factors noted in footnote 4).

(e) 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**(A) In general**

The payment quantity for all producers on a single dairy operation for which the producers receive payments under subsection (b) shall not exceed—

(i) for the period beginning October 1, 2007, and ending September 30, 2008, 2,400,000 pounds;

(ii) for the period beginning October 1, 2008, and ending August 31, 2013, 2,985,000 pounds for each fiscal year; and

(iii) effective beginning September 1, 2013, 2,400,000 pounds per fiscal year.

(B) Standards

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 ensure that a producer does not reconstitute a dairy operation for the sole purpose of receiving additional payments under this section.

(f) 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.

(g) Signup

The Secretary shall offer to enter into contracts under this section during the period beginning on the date that is 90 days after the date of enactment of this Act and ending on September 30, 2013.

(h) Duration of contract**(1) In general**

Except as provided in paragraph (2), any contract entered into by producers on a dairy farm under this section shall cover eligible production marketed by the producers on the dairy farm during the period starting with the first day of month the producers on the dairy farm enter into the contract and ending on September 30, 2013.

(2) Violations

If a producer violates the contract, the Secretary may—

(A) terminate the contract and allow the producer to retain any payments received under the contract; or

(B) allow the contract to remain in effect and require the producer to repay a portion of the payments received under the contract based on the severity of the violation.

(Pub. L. 110-234, title I, §1506, May 22, 2008, 122 Stat. 994; Pub. L. 110-246, §4(a), title I, §1506, June 18, 2008, 122 Stat. 1664, 1723; Pub. L. 112-240, title VII, §701(b)(2)(B), Jan. 2, 2013, 126 Stat. 2363.)

REFERENCES IN TEXT

Section 805 of the Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2001, referred to in subsec. (e)(2)(B), is section 805 of Pub. L. 106-387, §1(a) [title VIII], Oct. 28, 2000, 114 Stat. 1549, 1549A-50, which is not classified to the Code.

The date of enactment of this Act, referred to in subsec. (g), 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.

AMENDMENTS

2013—Pub. L. 112-240 substituted “2013” for “2012” wherever appearing.

EFFECTIVE DATE OF 2013 AMENDMENT

Amendment by Pub. L. 112-240 effective Sept. 30, 2012, see section 701(j) of Pub. L. 112-240, set out in a 1-Year Extension of Agricultural Programs note under section 8701 of this title.

SUBCHAPTER V—ADMINISTRATION

§ 8781. Administration generally**(a) Use of Commodity Credit Corporation**

Except as otherwise provided in this chapter, the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation to carry out this chapter.

(b) Determinations by Secretary

A determination made by the Secretary under this chapter shall be final and conclusive.

(c) Regulations**(1) In general**

Except as otherwise provided in this subsection, not later than 90 days after the date of enactment of this Act, the Secretary and the Commodity Credit Corporation, as appropriate, shall promulgate such regulations as are necessary to implement this chapter and the amendments made by this chapter.

(2) Procedure

The promulgation of the regulations and administration of this chapter and the amendments made by this chapter shall be made without regard to—

(A) chapter 35 of title 44 (commonly known as the “Paperwork Reduction Act”);

(B) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(C) the notice and comment provisions of section 553 of title 5.

(3) Congressional review of agency rulemaking

In carrying out this subsection, the Secretary shall use the authority provided under section 808 of title 5.

(4) Interim regulations

Notwithstanding paragraphs (1) and (2), the Secretary shall implement the amendments made by sections 1603 and 1604 for the 2009 crop, fiscal, or program year, as appropriate, through the promulgation of an interim rule.

(d) Adjustment authority related to trade agreements compliance**(1) Required determination; adjustment**

If the Secretary determines that expenditures under this chapter that are subject to the total allowable domestic support levels under the Uruguay Round Agreements (as defined in section 3501 of title 19) will exceed such allowable levels for any applicable reporting period, the Secretary shall, to the maximum extent practicable, make adjustments in the amount of such expenditures during that period to ensure that such expenditures do not exceed such allowable levels.

(2) Congressional notification

Before making any adjustment under paragraph (1), the Secretary shall submit to the Committee on Agriculture of the House of Representatives or the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the determination made