

**(d) Repayment rates**

Repayment of a recourse loan made under this section shall be at the loan rate established for the commodity by the Secretary, plus interest (as determined by the Secretary).

(Pub. L. 104-127, title I, §137, Apr. 4, 1996, 110 Stat. 912; Pub. L. 105-277, div. A, §101(a) [title XI, §1126], Oct. 21, 1998, 112 Stat. 2681, 2681-46.)

## AMENDMENTS

1998—Pub. L. 105-277, §101(a) [title XI, §1126(1)], inserted “and other fibers” after “seed cotton” in section catchline.

Subsecs. (c), (d). Pub. L. 105-277, §101(a) [title XI, §1126(2), (3)], added subsec. (c) and redesignated former subsec. (c) as (d).

## SUBCHAPTER IV—OTHER COMMODITIES

## PART A—DAIRY

**§ 7251. Milk price support program****(a) Support activities**

The Secretary of Agriculture shall support the price of milk produced in the 48 contiguous States through the purchase of cheese, butter, and nonfat dry milk produced from the milk.

**(b) Rate**

The price of milk shall be supported at the following rates per hundredweight for milk containing 3.67 percent butterfat:

- (1) During calendar year 1996, \$10.35.
- (2) During calendar year 1997, \$10.20.
- (3) During calendar year 1998, \$10.05.
- (4) During each of calendar years 1999 through 2001, \$9.90.
- (5) During the period beginning on January 1, 2002, and ending on May 31, 2002, \$9.90.

**(c) Purchase prices**

The support purchase prices under this section for each of the products of milk (butter, cheese, and nonfat dry milk) announced by the Secretary shall be the same for all of that product sold by persons offering to sell the product to the Secretary. The purchase prices shall be sufficient to enable plants of average efficiency to pay producers, on average, a price that is not less than the rate of price support for milk in effect under subsection (b).

**(d) Special rule for butter and nonfat dry milk purchase prices****(1) Allocation of purchase prices**

The Secretary may allocate the rate of price support between the purchase prices for nonfat dry milk and butter in a manner that will result in the lowest level of expenditures by the Commodity Credit Corporation or achieve such other objectives as the Secretary considers appropriate. Not later than 10 days after making or changing an allocation, the Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate of the allocation. Section 553 of title 5 shall not apply with respect to the implementation of this section.

**(2) Timing of purchase price adjustments**

The Secretary may make any such adjustments in the purchase prices for nonfat dry

milk and butter the Secretary considers to be necessary not more than twice in each calendar year.

**(e) Refunds of 1995 and 1996 assessments****(1) Refund required**

The Secretary shall provide for a refund of the entire reduction required under section 204(h)(2) of the Agricultural Act of 1949 (7 U.S.C. 1446e(h)(2)), as in effect on the day before the amendment made by subsection (g), in the price of milk received by a producer during calendar year 1995 or 1996, if the producer provides evidence that the producer did not increase marketings in calendar year 1995 or 1996 when compared to calendar year 1994 or 1995, respectively.

**(2) Exception**

This subsection shall not apply with respect to a producer for a particular calendar year if the producer has already received a refund under section 204(h) of the Agricultural Act of 1949 for the same fiscal year before the effective date of this section.

**(3) Treatment of refund**

A refund under this subsection shall not be considered as any type of price support or payment for purposes of sections 3811 and 3821 of title 16.

**(f) Commodity Credit Corporation**

The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

**(g) Omitted****(h) Period of effectiveness**

This section (other than subsection (g)) shall be effective only during the period beginning on the first day of the first month beginning after April 4, 1996, and ending on May 31, 2002. The program authorized by this section shall terminate on May 31, 2002, and shall be considered to have expired notwithstanding section 907 of title 2.

(Pub. L. 104-127, title I, §141, Apr. 4, 1996, 110 Stat. 914; Pub. L. 106-78, title VIII, §807(a), Oct. 22, 1999, 113 Stat. 1181; Pub. L. 106-387, §1(a) [title VII, §742(a)], Oct. 28, 2000, 114 Stat. 1549, 1549A-35; Pub. L. 107-76, title VII, §772(a), Nov. 28, 2001, 115 Stat. 745.)

## REFERENCES IN TEXT

Section 204 of the Agricultural Act of 1949, referred to in subsec. (e)(1), (2), was classified to section 1446e of this title prior to repeal by subsec. (g) of this section. See Codification note below.

## CODIFICATION

Section is comprised of section 141 of Pub. L. 104-127. Subsec. (g) of section 141 of Pub. L. 104-127 repealed section 1446e of this title and enacted provisions set out as a note under section 1446e of this title.

## AMENDMENTS

2001—Subsec. (b)(5). Pub. L. 107-76, §772(a)(1), added par. (5).

Subsec. (h). Pub. L. 107-76, §772(a)(2), substituted “May 31, 2002” for “December 31, 2001” in two places.

2000—Subsec. (b)(4). Pub. L. 106-387, §1(a) [title VII, §742(a)(1)], substituted “through 2001” for “and 2000”.

Subsec. (h). Pub. L. 106-387, §1(a) [title VII, §742(a)(2)], substituted “2001” for “2000” in two places. 1999—Subsec. (b)(4). Pub. L. 106-78, §807(a)(1), substituted “each of calendar years 1999 and 2000” for “calendar year 1999”.

Subsec. (h). Pub. L. 106-78, §807(a)(2), substituted “2000” for “1999” in two places.

**§ 7252. Repealed. Pub. L. 107-76, title VII, § 772(b), Nov. 28, 2001, 115 Stat. 745**

Section, Pub. L. 104-127, title I, §142, Apr. 4, 1996, 110 Stat. 915; Pub. L. 106-78, title VIII, §807(b), Oct. 22, 1999, 113 Stat. 1181; Pub. L. 106-387, §1(a) [title VII, §742(b)], Oct. 28, 2000, 114 Stat. 1549, 1549A-35, related to recourse loan program for commercial processors of dairy products.

**§ 7253. Consolidation and reform of Federal milk marketing orders**

**(a) Amendment of orders**

**(1) Required consolidation**

The Secretary shall amend Federal milk marketing orders issued under section 608c of this title to limit the number of Federal milk marketing orders to not less than 10 and not more than 14 orders.

**(2) Inclusion of California as separate order**

Upon the petition and approval of California dairy producers in the manner provided in section 608c of this title, the Secretary shall designate the State of California as a separate Federal milk marketing order. The order covering California shall have the right to reblend and distribute order receipts to recognize quota value. Subsection (b) does not apply to the authority of the Secretary under this subsection.

**(3) Related issues addressed in consolidation**

Among the issues the Secretary is authorized to implement as part of the consolidation of Federal milk marketing orders are the following:

(A) The use of utilization rates and multiple basing points for the pricing of fluid milk.

(B) The use of uniform multiple component pricing when developing 1 or more basic formula prices for manufacturing milk.

**(4) Effect of existing law**

In implementing the consolidation of Federal milk marketing orders and related reforms under this subsection, the Secretary may not consider, or base any decision on, the table contained in section 608c(5)(A) of this title.

**(b) Expedited process**

**(1) Use of informal rulemaking**

To implement the consolidation of Federal milk marketing orders and related reforms under subsection (a), the Secretary shall use the notice and comment procedures provided in section 553 of title 5.

**(2) Time limitations**

**(A) Proposed amendments**

The Secretary shall announce the proposed amendments to be made under subsection (a) not later than 2 years after April 4, 1996.

**(B) Final amendments**

The Secretary shall implement the amendments not later than 3 years after April 4, 1996.

**(3) Effect of court order**

The actions authorized by this subsection are intended to ensure the timely publication and implementation of new and amended Federal milk marketing orders. In the event that the Secretary is enjoined or otherwise restrained by a court order from publishing or implementing the consolidation and related reforms under subsection (a), the length of time for which that injunction or other restraining order is effective shall be added to the time limitations specified in paragraph (2) thereby extending those time limitations by a period of time equal to the period of time for which the injunction or other restraining order is effective.

**(c) Failure to timely consolidate orders**

If the Secretary fails to implement the consolidation required under subsection (a)(1) within the time period required under subsection (b)(2)(B) (plus any additional period provided under subsection (b)(3)), the Secretary may not assess or collect assessments from milk producers or handlers under such section 608c of this title for marketing order administration and services provided under such section after the end of that period until the consolidation is completed. The Secretary may not reduce the level of services provided under the section on account of the prohibition against assessments, but shall rather cover the cost of marketing order administration and services through funds available for the Agricultural Marketing Service of the Department.

**(d) Report regarding further reforms**

**(1) Report required**

Not later than April 1, 1997, the Secretary shall submit to Congress a report—

(A) reviewing the Federal milk marketing order system established pursuant to section 608c of this title in light of the reforms required by subsection (a);

(B) describing the efforts underway and the progress made in implementing the reforms required by subsection (a); and

(C) containing such recommendations as the Secretary considers appropriate for further improvements and reforms to the Federal milk marketing order system.

**(2) Effect of other laws**

Any limitation imposed by Act of Congress on the conduct or completion of reports to Congress shall not apply to the report required under this section, unless the limitation specifically refers to this section.

(Pub. L. 104-127, title I, §143, Apr. 4, 1996, 110 Stat. 915; Pub. L. 113-79, title I, §1410(d), Feb. 7, 2014, 128 Stat. 693.)