

(1) \$1.65 per hundredweight of milk for milk manufactured into butter and nonfat dry milk; and

(2) \$1.80 per hundredweight of milk for milk manufactured into cheese.

(b) “Manufacturing allowance” defined

In this section, the term “manufacturing allowance” means—

(1) the amount by which the product price value of butter and nonfat dry milk manufactured from a hundred pounds of milk containing 3.5 pounds of butterfat and 8.7 pounds of milk solids not fat resulting from a State’s yield and product price formulas exceeds the class price for the milk used to produce those products; or

(2) the amount by which the product price value of cheese manufactured from a hundred pounds of milk containing 3.5 pounds of butterfat and 8.7 pounds of milk solids not fat resulting from a State’s yield and product price formulas exceeds the class price for the milk used to produce cheese.

(c) Effect of violation

If the Secretary determines following a hearing that a State has in effect a manufacturing allowance that exceeds the manufacturing allowance authorized in subsection (a), the Secretary shall suspend purchases of cheddar cheese, butter, and nonfat dry milk produced in that State until such time as the State complies with such subsection.

(d) Effective date; implementation

This section (other than subsection (e))¹ shall be effective during the period beginning on the first day of the first month beginning after April 4, 1996, and ending on December 31, 1999. During that period, the Secretary may exercise the authority provided to the Secretary under this section without regard to the issuance of regulations intended to carry out this section.

(Pub. L. 104-127, title I, §145, Apr. 4, 1996, 110 Stat. 917.)

CODIFICATION

Section is comprised of section 145 of Pub. L. 104-127. Subsec. (e) of section 145 of Pub. L. 104-127 repealed section 1446e-1 of this title and enacted provisions set out as a note under section 1446e-1 of this title.

§ 7256. Northeast Interstate Dairy Compact

Congress hereby consents to the Northeast Interstate Dairy Compact entered into among the States of Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont as specified in section 1(b) Senate¹ Joint Resolution 28 of the 104th Congress, as placed on the calendar of the Senate, subject to the following conditions:

(1) Finding of compelling public interest

Based upon a finding by the Secretary of a compelling public interest in the Compact region, the Secretary may grant the States that have ratified the Northeast Interstate Dairy Compact, as of April 4, 1996, the authority to

implement the Northeast Interstate Dairy Compact.

(2) Limitation on manufacturing price

The Northeast Interstate Dairy Compact Commission shall not regulate Class II, Class III, or Class III-A milk used for manufacturing purposes or any other milk, other than Class I (fluid) milk, as defined by a Federal milk marketing order issued under section 608c of this title.

(3) Duration

Consent for the Northeast Interstate Dairy Compact shall terminate on September 30, 2001.

(4) Additional States

Delaware, New Jersey, New York, Pennsylvania, Maryland, and Virginia are the only additional States that may join the Northeast Interstate Dairy Compact, individually or otherwise, if upon entry the State is contiguous to a participating State and if Congress consents to the entry of the State into the Compact after April 4, 1996.

(5) Compensation of Commodity Credit Corporation

Before the end of each fiscal year that a Compact price regulation is in effect, the Northeast Interstate Dairy Compact Commission shall compensate the Commodity Credit Corporation for the cost of any purchases of milk and milk products by the Corporation that result from the projected rate of increase in milk production for the fiscal year within the Compact region in excess of the projected national average rate of the increase in milk production, as determined by the Secretary.

(6) Milk marketing order Administrator

At the request of the Northeast Interstate Dairy Compact Commission, the Administrator of the applicable Federal milk marketing order issued under section 608c(5)² of this title shall provide technical assistance to the Compact Commission and be compensated for that assistance.

(7) Further conditions

The Northeast Interstate Dairy Compact Commission shall not prohibit or in any way limit the marketing in the Compact region of any milk or milk product produced in any other production area in the United States. The Compact Commission shall respect and abide by the ongoing procedures between Federal milk marketing orders with respect to the sharing of proceeds from sales within the Compact region of bulk milk, packaged milk, or producer milk originating from outside of the Compact region. The Compact Commission shall not use compensatory payments under section 10(6) of the Compact as a barrier to the entry of milk into the Compact region or for any other purpose. Establishment of a Compact over-order price, in itself, shall not be considered a compensatory payment or a limitation or prohibition on the marketing of milk.

¹ See Codification note below.

¹ So in original. Probably should be preceded by “of”.

² See References in Text note below.

(Pub. L. 104-127, title I, §147, Apr. 4, 1996, 110 Stat. 919; Pub. L. 106-113, div. B, §1000(a)(8) [§4], Nov. 29, 1999, 113 Stat. 1536, 1501A-520.)

REFERENCES IN TEXT

Section 608c(5) of this title, referred to in par. (6), was in the original "section 8(c)5 of the Agricultural Adjustment Act (7 U.S.C. 608c), reenacted with amendments by the Agricultural Marketing Agreement Act of 1937," which was translated as meaning section 8c(5) of the Agricultural Adjustment Act, to reflect the probable intent of Congress.

AMENDMENTS

1999—Par. (3). Pub. L. 106-113 substituted "on September 30, 2001." for "concurrent with the Secretary's implementation of the dairy pricing and Federal milk marketing order consolidation and reforms under section 7253 of this title."

§ 7257. Authority to assist in establishment and maintenance of one or more export trading companies

The Secretary of Agriculture shall, consistent with the obligations of the United States as a member of the World Trade Organization, provide such advice and assistance to the United States dairy industry as may be necessary to enable that industry to establish and maintain one or more export trading companies under the Export Trading Company Act of 1982 (15 U.S.C. 4001 et seq.) for the purpose of facilitating the international market development for and exportation of dairy products produced in the United States.

(Pub. L. 104-127, title I, §149, Apr. 4, 1996, 110 Stat. 921.)

REFERENCES IN TEXT

The Export Trading Company Act of 1982, referred to in text, is title I of Pub. L. 97-290, Oct. 8, 1982, 96 Stat. 1233, as amended, which is classified generally to subchapter I (§4001 et seq.) of chapter 66 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of Title 15 and Tables.

§ 7258. Standby authority to indicate entity best suited to provide international market development and export services

(a) Indication of entity best suited to assist international market development for and export of United States dairy products

The Secretary of Agriculture shall indicate which entity or entities autonomous of the Government of the United States, which seeks such a designation, is best suited to facilitate the international market development for and exportation of United States dairy products, if the Secretary determines that—

(1) the United States dairy industry has not established an export trading company under the Export Trading Company Act of 1982 (15 U.S.C. 4001 et seq.) for the purpose of facilitating the international market development for an exportation of dairy products produced in the United States on or before June 30, 1997; or

(2) the quantity of exports of United States dairy products during the 12-month period preceding July 1, 1998 does not exceed the quantity of exports of United States dairy products during the 12-month period preceding July 1,

1997 by 1.5 billion pounds (milk equivalent, total solids basis).

(b) Funding of export activities

The Secretary shall assist the entity or entities identified under subsection (a) in identifying sources of funding for the activities specified in subsection (a) from within the dairy industry and elsewhere.

(c) Application of section

This section shall apply only during the period beginning on July 1, 1997 and ending on September 30, 2000.

(Pub. L. 104-127, title I, §150, Apr. 4, 1996, 110 Stat. 921.)

REFERENCES IN TEXT

The Export Trading Company Act of 1982, referred to in subsec. (a)(1), is title I of Pub. L. 97-290, Oct. 8, 1982, 96 Stat. 1233, as amended, which is classified generally to subchapter I (§4001 et seq.) of chapter 66 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 4001 of Title 15 and Tables.

§ 7259. Study and report regarding potential impact of Uruguay Round on prices, income, and government purchases

(a) Study

The Secretary of Agriculture shall conduct a study, on a variety by variety of cheese basis, to determine the potential impact on milk prices in the United States, dairy producer income, and Federal dairy program costs, of the allocation of additional cheese granted access to the United States as a result of the obligations of the United States as a member of the World Trade Organization.

(b) Report

Not later than June 30, 1997, the Secretary shall report to the Committee on Agriculture, Nutrition, and Forestry of the Senate and the Committee on Agriculture of the House of Representatives the results of the study conducted under this section.

(c) Rule of construction

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

(Pub. L. 104-127, title I, §151, Apr. 4, 1996, 110 Stat. 922.)

PART B—SUGAR

§ 7271. Repealed. Pub. L. 107-171, title I, § 1310(a)(1), May 13, 2002, 116 Stat. 182

Section, Pub. L. 104-127, title I, §155, Apr. 4, 1996, 110 Stat. 922, related to Secretary making nonrecourse loans available to producers of quota peanuts.

§ 7272. Sugar program

(a) Sugarcane

The Secretary shall make loans available to processors of domestically grown sugarcane at a rate equal to—

(1) 18.00 cents per pound for raw cane sugar for the 2008 crop year;