

covered commodity, the Secretary shall use the reference price for any of those years for the amounts in paragraph (2)(B) or (3)(A)(ii).

(d) Payment rate

The payment rate for a covered commodity, in the case of county coverage, or a farm, in the case of individual coverage, shall be equal to the lesser of—

- (1) the amount that—
 - (A) the agriculture risk coverage guarantee for the crop year applicable under subsection (c); exceeds
 - (B) the actual crop revenue for the crop year applicable under subsection (b); or
- (2) 10 percent of the benchmark revenue for the crop year applicable under subsection (c).

(e) Payment amount

If agriculture risk coverage payments are required to be paid for any of the 2014 through 2018 crop years, the amount of the agriculture risk coverage payment for the crop year shall be determined by multiplying—

- (1) the payment rate determined under subsection (d); and
- (2) the payment acres determined under section 9014 of this title.

(f) Time for payments

If the Secretary determines that agriculture risk coverage payments are required to be provided for the covered commodity, payments shall be made beginning October 1, or as soon as practicable thereafter, after the end of the applicable marketing year for the covered commodity.

(g) Additional duties of the Secretary

In providing agriculture risk coverage, the Secretary shall—

- (1) to the maximum extent practicable, use all available information and analysis, including data mining, to check for anomalies in the determination of agriculture risk coverage payments;
- (2) to the maximum extent practicable, calculate a separate actual crop revenue and agriculture risk coverage guarantee for irrigated and nonirrigated covered commodities;
- (3) in the case of individual coverage, assign an average yield for a farm on the basis of the yield history of representative farms in the State, region, or crop reporting district, as determined by the Secretary, if the Secretary determines that the farm has planted acreage in a quantity that is insufficient to calculate a representative average yield for the farm; and
- (4) in the case of county coverage, assign an actual or benchmark county yield for each planted acre for the crop year for the covered commodity on the basis of the yield history of representative farms in the State, region, or crop reporting district, as determined by the Secretary, if—
 - (A) the Secretary cannot establish the actual or benchmark county yield for each planted acre for a crop year for a covered commodity in the county in accordance with subsection (b)(1) or (c)(2); or
 - (B) the yield determined under subsection (b)(1) or (c)(2) is an unrepresentative average

yield for the county, as determined by the Secretary.

(Pub. L. 113–79, title I, §1117, Feb. 7, 2014, 128 Stat. 669.)

§ 9018. Producer agreements

(a) Compliance with certain requirements

(1) Requirements

Before the producers on a farm may receive payments under this subchapter with respect to the farm, the producers shall agree, during the crop year for which the payments are made and in exchange for the payments—

- (A) to 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.);
- (B) to comply with applicable wetland protection requirements under subtitle C of title XII of that Act (16 U.S.C. 3821 et seq.);
- (C) to effectively control noxious weeds and otherwise maintain the land in accordance with sound agricultural practices, as determined by the Secretary; and
- (D) to use the land on the farm, in a quantity equal to the attributable base acres for the farm and any base acres for an agricultural or conserving use, and not for a non-agricultural commercial, industrial, or residential use, as determined by the Secretary.

(2) Compliance

The Secretary may issue such rules as the Secretary considers necessary to ensure producer compliance with the requirements of paragraph (1).

(3) Modification

At the request of the transferee or owner, the Secretary may modify the requirements of this subsection if the modifications are consistent with the objectives of this subsection, as determined by the Secretary.

(b) Transfer or change of interest in farm

(1) Termination

(A) In general

Except as provided in paragraph (2), a transfer of (or change in) the interest of the producers on a farm for which payments under this subchapter are provided shall result in the termination of the payments, unless the transferee or owner of the acreage agrees to assume all obligations under subsection (a).

(B) Effective date

The termination shall take effect on the date determined by the Secretary.

(2) Exception

If a producer entitled to a payment under this subchapter dies, becomes incompetent, or is otherwise unable to receive the payment, the Secretary shall make the payment in accordance with rules issued by the Secretary.

(c) Acreage reports

As a condition on the receipt of any benefits under this subchapter or subchapter II, the Secretary shall require producers on a farm to sub-

mit to the Secretary annual acreage reports with respect to all cropland on the farm.

(d) Production reports

As an additional condition on receiving agriculture risk coverage payments for individual coverage, the Secretary shall require a producer on a farm to submit to the Secretary annual production reports with respect to all covered commodities produced on all farms in the same State—

- (1) in which the producer has an interest; and
- (2) for which individual coverage has been selected.

(e) Effect of inaccurate reports

No penalty with respect to benefits under this subchapter or subchapter II shall be assessed against a producer on a farm for an inaccurate acreage or production report unless the Secretary determines that the producer on the farm knowingly and willfully falsified the acreage or production report.

(f) Tenants and sharecroppers

In carrying out this subchapter, the Secretary shall provide adequate safeguards to protect the interests of tenants and sharecroppers.

(g) Sharing of payments

The Secretary shall provide for the sharing of payments made under this subchapter among the producers on a farm on a fair and equitable basis.

(Pub. L. 113–79, title I, §1118, Feb. 7, 2014, 128 Stat. 672.)

REFERENCES IN TEXT

This subchapter, referred to in subsecs. (a)(1), (b)(1)(A), (2), (c), and (e) to (g), was in the original “this subtitle”, meaning subtitle A (§§1101–1109) of title I of Pub. L. 113–79, Feb. 7, 2014, 128 Stat. 658, which is classified principally to this subchapter. For complete classification of subtitle A to the Code, see Tables.

The Food Security Act of 1985, referred to in subsec. (a)(1)(A), (B), is Pub. L. 99–198, Dec. 23, 1985, 99 Stat. 1354. 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.

§ 9019. Transition assistance for producers of upland cotton

(a) Availability

(1) Purpose

It is the purpose of this section to provide transition assistance to producers of upland cotton in light of the repeal of section 8713 of this title, the inapplicability of sections 9016 and 9017 of this title to upland cotton, and the delayed implementation of the Stacked Income Protection Plan required by section 1508b of this title, as added by section 11017 of this Act.

(2) 2014 crop year

For the 2014 crop of upland cotton, the Secretary shall provide transition assistance, pursuant to the terms and conditions of this section, to producers on a farm for which cotton

base acres were in existence for the 2013 crop year.

(3) 2015 crop year

For the 2015 crop of upland cotton, the Secretary shall provide transition assistance, pursuant to the terms and conditions of this section, to producers on a farm—

(A) for which cotton base acres were in existence for the 2013 crop year; and

(B) that is located in a county in which the Stacked Income Protection Plan required by section 1508b of this title is not available to producers of upland cotton for the 2015 crop year.

(b) Transition assistance rate

The transition assistance rate shall be equal to the product obtained by multiplying—

(1) the June 12, 2013, midpoint estimate for the marketing year average price of upland cotton received by producers for the marketing year beginning August 1, 2013, minus the December 10, 2013, midpoint estimate for the marketing year average price of upland cotton received by producers for the marketing year beginning August 1, 2013, as contained in the applicable World Agricultural Supply and Demand Estimates report published by the Department of Agriculture; and

(2) the national program yield for upland cotton of 597 pounds per acre.

(c) Calculation of transition assistance amount

The amount of transition assistance to be provided under this section to producers on a farm for a crop year shall be equal to the product obtained by multiplying—

(1) for the 2014 crop year, 60 percent, and for the 2015 crop year, 36.5 percent, of the cotton base acres referred to in subsection (a) for the farm, subject to adjustment or reduction for conservation measures as provided in subsections (b) and (c) of section 9012 of this title;

(2) the transition assistance rate in effect for the crop year under subsection (b); and

(3) the payment yield for upland cotton for the farm established for purposes of section 8713(c)(3) of this title, divided by the national program yield for upland cotton of 597 pounds per acre.

(d) Time for payment

The Secretary may not make transition assistance payments for a crop year under this section before October 1 of the calendar year in which the crop of upland cotton is harvested.

(e) Payment limitations

Sections 1308 through 1308–3 of this title, as in effect on September 30, 2013, shall apply to the receipt of transition assistance under this section in the same manner as such sections applied to section 8713 of this title.

(Pub. L. 113–79, title I, §1119, Feb. 7, 2014, 128 Stat. 673.)

REFERENCES IN TEXT

Section 8713 of this title, referred to in subsecs. (a)(1), (c)(3), and (e), was repealed by Pub. L. 113–79, title I, §1101, Feb. 7, 2014, 128 Stat. 658.

Section 1508b of this title, as added by section 11017 of this Act, referred to in subsec. (a)(1), is section 1508b