

extent as is provided in advance in appropriations Acts.

(d) Certain prohibitions inapplicable

A sale of debt under this section shall not be considered assistance for purposes of any provision of law limiting assistance to a country.

(e) Implementation by Facility

A sale of debt authorized under this section shall be accomplished at the direction of the Facility. The Facility shall direct the Commodity Credit Corporation to carry out such sale. The Commodity Credit Corporation shall make an adjustment in its accounts to reflect the sale.

(f) Deposit of proceeds

The proceeds from a sale of qualified debt under this section shall be deposited in the account or accounts established by the Commodity Credit Corporation for the repayment of such debt by the eligible country.

(g) Debtor consultation

Before any sale of qualified debt may occur under this section, the President should consult with the eligible country's government concerning such sale. The topics addressed in the consultation shall include the amount of qualified debt involved in the transaction and the uses to which funds made available as a result of the sale shall be applied.

(July 10, 1954, ch. 469, title VI, §616, as added Pub. L. 102-532, §2, Oct. 27, 1992, 106 Stat. 3509.)

§ 1738p. Sale, reduction, or cancellation of qualified debt to facilitate certain debt swaps

(a) Authority to sell, reduce, or cancel qualified debt

For the purpose of facilitating eligible debt swaps, the President, in accordance with this section—

(1) may sell to an eligible purchaser (as determined pursuant to subsection (c)(1)) any qualified debt of an eligible country; or

(2) may reduce or cancel eligible debt of an eligible country upon receipt of payment from an eligible payor (as determined under subsection (c)(2)).

(b) Terms and conditions

The President shall establish the terms and conditions under which qualified debt may be sold, reduced, or canceled pursuant to this section.

(c) Eligible purchasers and eligible payors

(1) Sales of debt

Qualified debt may be sold pursuant to subsection (a)(1) only to a purchaser who presents plans satisfactory to the President for using the debt for the purpose of engaging in eligible debt swaps.

(2) Reduction or cancellation of debt

Qualified debt may be reduced or cancelled pursuant to subsection (a)(2) only if the payor presents plans satisfactory to the President for using such reduction or cancellation for the purpose of facilitating eligible debt swaps.

(d) Debtor consultation and right of first refusal

(1) Consultation

Before selling, reducing, or canceling any qualified debt of an eligible country pursuant

to this section, the President should consult with that country concerning, among other things, the amount of debt to be sold, reduced, or canceled and the uses of such debt for eligible debt swaps.

(2) Right of first refusal

The qualified debt of an eligible country may be sold, reduced, or cancelled pursuant to this section only if that country has been offered the opportunity to purchase that debt pursuant to section 1738o of this title and has not accepted that offer.

(e) Limitation

In the aggregate, not more than 40 percent of the qualified debt of an eligible country may be sold, reduced, or cancelled under this section or sold under section 1738o of this title.

(f) Administration

The Facility shall notify the Commodity Credit Corporation of purchasers and payors the President has determined to be eligible under subsection (c), and shall direct the corporation to carry out the sale, reduction, or cancellation of a qualified debt pursuant to this section. The Commodity Credit Corporation shall make an adjustment in its accounts to reflect such sale, reduction, or cancellation.

(g) Appropriations requirement

The authorities provided by this section may be exercised only in such amounts and to such extent as is provided in advance in appropriations Acts.

(h) Deposit of proceeds

The proceeds from the sale, reduction, or cancellation of qualified debt pursuant to this section shall be deposited in the United States Government account or accounts established for the repayment of such debt.

(i) Eligible debt swaps

As used in this section, the term "eligible debt swap" means a debt-for-development swap or debt-for-nature swap.

(July 10, 1954, ch. 469, title VI, §617, as added Pub. L. 102-532, §2, Oct. 27, 1992, 106 Stat. 3510.)

§ 1738q. Notification to congressional committees

(a) Notice of negotiations

The Secretary of State and the Secretary of the Treasury shall, in every feasible instance, notify the designated congressional committees not less than 15 days prior to any formal negotiation for debt relief under this subchapter.

(b) Transmittal of text of agreements

The Secretary of State shall transmit to the designated congressional committees a copy of the text of any agreement with any foreign government which would result in any debt relief under this subchapter no less than 30 days prior to its entry into force, together with a detailed justification of the interest of the United States in the proposed debt relief.

(c) Annual report

The Secretary of State or the Secretary of the Treasury, as appropriate, shall submit to the designated congressional committees not later

than February 1 of each year a consolidated statement of the budgetary implications of all debt relief agreements entered into force under this subchapter during the preceding fiscal year.

(d) Designated congressional committees

As used in this section, the term “designated congressional committees” means the Committee on Agriculture and the Committee on Foreign Affairs of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate.

(July 10, 1954, ch. 469, title VI, § 618, as added Pub. L. 102-532, § 2, Oct. 27, 1992, 106 Stat. 3511.)

§ 1738r. “Qualified debt” defined

As used in sections 1738o, 1738p, and 1738q of this title, the term “qualified debt” means any obligation, or portion of such obligation, of an eligible country to pay for purchases of United States agricultural commodities guaranteed by the Commodity Credit Corporation under export credit guarantee programs authorized pursuant to section 714c(f) of title 15 or section 1707a(b)¹ of this title—

(1) in which the Commodity Credit Corporation obtained a legal right or interest, as a result of assignment or subrogation, not later than September 1, 1992; and

(2) the payment of which obligation has been, not later than September 1, 1992, re-scheduled in accordance with principles set forth in an Agreed Minute of the Paris Club.

Such term includes the obligation to pay any interest which was due or accrued not later than September 1, 1992, and unpaid as of the date of a debt sale pursuant to section 1738o of this title or a debt sale, reduction, or cancellation pursuant to section 1738p of this title (as the case may be).

(July 10, 1954, ch. 469, title VI, § 619, as added Pub. L. 102-532, § 2, Oct. 27, 1992, 106 Stat. 3511.)

REFERENCES IN TEXT

Section 1707a of this title, referred to in text, was repealed by Pub. L. 101-624, title XV, § 1574, Nov. 28, 1990, 104 Stat. 3702. See section 5621 et seq. of this title.

CHAPTER 42—AGRICULTURAL COMMODITY SET-ASIDE

Sec.	
1741.	Maximum and minimum quantities for set-aside; “commodity set-aside” defined.
1742.	Determination of commodity value for set-aside.
1743.	Reduction of set-aside.
1744.	Sale of commodities in set-aside; exemption from pricing limitations.
1745.	Computation of carryover.
1746.	Records and accounts.
1747.	Authorization of appropriations; determination of value of transferred commodity.
1748.	Annual reports by agricultural attachés.
1749.	Attaché educational program.

§ 1741. Maximum and minimum quantities for set-aside; “commodity set-aside” defined

The Commodity Credit Corporation shall, as rapidly as the Secretary of Agriculture shall de-

termine to be practicable, set aside within its inventories not more than the following maximum quantities and not less than the following minimum quantities of agricultural commodities or products thereof heretofore or hereafter acquired by it from 1954 and prior years’ crops and production in connection with its price support operations:

Commodity	Maximum quantity	Minimum quantity
Wheat (bushels)	500,000,000	400,000,000
Upland cotton (bales)	4,000,000	3,000,000
Cottonseed oil (pounds)	500,000,000	0
Butter (pounds)	200,000,000	0
Nonfat dry milk solids (pounds)	300,000,000	0
Cheese (pounds)	150,000,000	0

Such quantities shall be known as the “commodity set-aside”.

(Aug. 28, 1954, ch. 1041, title I, § 101, 68 Stat. 897.)

SHORT TITLE

Act Aug. 28, 1954, enacting sections 397, 1446b and 1446c of this title, this chapter, chapters 43 and 44 of this title, and section 590h-3 of Title 16, Conservation, and amending sections 602, 608c, 608e-1, 1301, 1326-1330, 1332, 1334-1335, 1340, 1344, 1371, 1374, 1421, 1428, 1441, 1446, 1446d of this title and sections 590h and 590o of Title 16, Conservation, is popularly known as the “Agricultural Act of 1954”.

§ 1742. Determination of commodity value for set-aside

Quantities of commodities shall not be included in the commodity set-aside which have an aggregate value in excess of \$2,500,000,000. The value of the commodities placed in the commodity set-aside, for the purpose of this section, shall be the Corporation’s investment in such commodities as of the date they are included in the commodity set-aside, as determined by the Secretary.

(Aug. 28, 1954, ch. 1041, title I, § 102, 68 Stat. 897.)

§ 1743. Reduction of set-aside

(a) Such commodity set-aside shall be reduced by disposals made in accordance with the directions of the President as follows:

(1) Donation, sale, or other disposition for disaster or other relief purposes outside the United States pursuant to and subject to the limitations of subchapter III of chapter 41 of this title;

(2) Sale or barter (including barter for strategic materials) to develop new or expanded markets for American agricultural commodities, including but not limited to disposition pursuant to and subject to the limitations of subchapter II of chapter 41 of this title;

(3) Donation to school-lunch programs;

(4) Transfer to the National Defense Stockpile established by the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.), without reimbursement from funds appropriated for the purposes of that Act;

(5) Donation, sale, or other disposition for research, experimental, or educational purposes;

(6) Donation, sale, or other disposition for disaster relief purposes in the United States or

¹ See References in Text note below.