

justed to 480-pound bales) in which the quota is established;

(II) production of the current crop; and

(III) imports to the latest date available during the marketing year.

**(ii) Demand**

The term “demand” means—

(I) the average seasonally adjusted annual rate of domestic mill consumption during the most recent 3 months for which data are available; and

(II) the larger of—

(aa) average exports of upland cotton during the preceding 6 marketing years; or

(bb) cumulative exports of upland cotton plus outstanding export sales for the marketing year in which the quota is established.

**(iii) Limited global import quota**

The term “limited global import quota” means a quantity of imports that is not subject to the over-quota tariff rate of a tariff-rate quota.

**(E) Quota entry period**

When a quota is established under this subsection, cotton may be entered under the quota during the 90-day period beginning on the date the quota is established by the Secretary.

**(2) No overlap**

Notwithstanding paragraph (1), a quota period may not be established that overlaps an existing quota period or a special quota period established under subsection (b).

(Pub. L. 107-171, title I, §1207, May 13, 2002, 116 Stat. 161; Pub. L. 109-171, title I, §1103(a), Feb. 8, 2006, 120 Stat. 5.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule, referred to in subsecs. (b)(5)(D) and (c)(1)(C)(iv), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of Title 19, Customs Duties.

AMENDMENTS

2006—Subsec. (a). Pub. L. 109-171, §1103(a)(1), struck out subsec. (a), which related to cotton user marketing certificates.

Subsec. (b)(1)(B). Pub. L. 109-171, §1103(a)(2)(A), struck out “, adjusted for the value of any certificate issued under subsection (a) of this section,” after “C.I.F. Northern Europe”.

Subsec. (b)(1)(C). Pub. L. 109-171, §1103(a)(2)(B), struck out “, for the value of any certificates issued under subsection (a) of this section” before period at end.

EFFECTIVE DATE OF 2006 AMENDMENT

Pub. L. 109-171, title I, §1103(b), Feb. 8, 2006, 120 Stat. 5, provided that: “The amendments made by this section [amending this section] take effect on August 1, 2006.”

**§ 7938. Special competitive provisions for extra long staple cotton**

**(a) Competitiveness program**

Notwithstanding any other provision of law, during the period beginning on May 13, 2002,

through July 31, 2008, the Secretary shall carry out a program—

(1) to maintain and expand the domestic use of extra long staple cotton produced in the United States;

(2) to increase exports of extra long staple cotton produced in the United States; and

(3) to ensure that extra long staple cotton produced in the United States remains competitive in world markets.

**(b) Payments under program; trigger**

Under the program, the Secretary shall make payments available under this section whenever—

(1) for a consecutive 4-week period, the world market price for the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is below the prevailing United States price for a competing growth of extra long staple cotton; and

(2) the lowest priced competing growth of extra long staple cotton (adjusted to United States quality and location and for other factors affecting the competitiveness of such cotton), as determined by the Secretary, is less than 134 percent of the loan rate for extra long staple cotton.

**(c) Eligible recipients**

The Secretary shall make payments available under this section to domestic users of extra long staple cotton produced in the United States and exporters of extra long staple cotton produced in the United States that enter into an agreement with the Commodity Credit Corporation to participate in the program under this section.

**(d) Payment amount**

Payments under this section shall be based on the amount of the difference in the prices referred to in subsection (b)(1) during the fourth week of the consecutive 4-week period multiplied by the amount of documented purchases by domestic users and sales for export by exporters made in the week following such a consecutive 4-week period.

**(e) Form of payment**

Payments under this section shall be made through the issuance of cash or marketing certificates, at the option of eligible recipients of the payments.

(Pub. L. 107-171, title I, §1208, May 13, 2002, 116 Stat. 164.)

**§ 7939. Availability of recourse loans for high moisture feed grains and seed cotton**

**(a) High moisture feed grains**

**(1) Recourse loans available**

For each of the 2002 through 2007 crops of corn and grain sorghum, the Secretary shall make available recourse loans, as determined by the Secretary, to producers on a farm that—

(A) normally harvest all or a portion of their crop of corn or grain sorghum in a high moisture state;

(B) present—

(i) certified scale tickets from an inspected, certified commercial scale, including a licensed warehouse, feedlot, feed mill, distillery, or other similar entity approved by the Secretary, pursuant to regulations issued by the Secretary; or

(ii) field or other physical measurements of the standing or stored crop in regions of the United States, as determined by the Secretary, that do not have certified commercial scales from which certified scale tickets may be obtained within reasonable proximity of harvest operation;

(C) certify that they were the owners of the feed grain at the time of delivery to, and that the quantity to be placed under loan under this subsection was in fact harvested on the farm and delivered to, a feedlot, feed mill, or commercial or on-farm high-moisture storage facility, or to a facility maintained by the users of corn and grain sorghum in a high moisture state; and

(D) comply with deadlines established by the Secretary for harvesting the corn or grain sorghum and submit applications for loans under this subsection within deadlines established by the Secretary.

**(2) Eligibility of acquired feed grains**

A loan under this subsection shall be made on a quantity of corn or grain sorghum of the same crop acquired by the producer equivalent to a quantity determined by multiplying—

(A) the acreage of the corn or grain sorghum in a high moisture state harvested on the producer's farm; by

(B) the lower of the farm program payment yield used to make counter-cyclical payments under subchapter I or the actual yield on a field, as determined by the Secretary, that is similar to the field from which the corn or grain sorghum was obtained.

**(3) High moisture state defined**

In this subsection, the term "high moisture state" means corn or grain sorghum having a moisture content in excess of Commodity Credit Corporation standards for marketing assistance loans made by the Secretary under section 7931 of this title.

**(b) Recourse loans available for seed cotton**

For each of the 2002 through 2007 crops of upland cotton and extra long staple cotton, the Secretary shall make available recourse seed cotton loans, as determined by the Secretary, on any production.

**(c) 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 (determined in accordance with section 7283 of this title).

**(d) Termination of superseded loan authority**

Notwithstanding section 7237 of this title, recourse loans shall not be made for the 2002 crop of corn, grain sorghum, and seed cotton under such section.

(Pub. L. 107-171, title I, §1209, May 13, 2002, 116 Stat. 165.)

SUBCHAPTER III—PEANUTS

**§ 7951. Definitions**

In this subchapter:

**(1) Base acres for peanuts**

The term "base acres for peanuts" means the number of acres assigned to a farm by historic peanut producers pursuant to section 7952(b) of this title.

**(2) Counter-cyclical payment**

The term "counter-cyclical payment" means a payment made under section 7954 of this title.

**(3) Effective price**

The term "effective price" means the price calculated by the Secretary under section 7954 of this title for peanuts to determine whether counter-cyclical payments are required to be made under that section for a crop year.

**(4) Direct payment**

The term "direct payment" means a payment made under section 7953 of this title.

**(5) Historic peanut producer**

The term "historic peanut producer" means a producer on a farm in the United States that produced or was prevented from planting peanuts during any or all of the 1998 through 2001 crop years.

**(6) Payment acres**

The term "payment acres" means—

(A) for the 2002 crop of peanuts, 85 percent of the average acreage determined under section 7952(a)(2) of this title for an historic peanut producer; and

(B) for the 2003 through 2007 crops of peanuts, 85 percent of the base acres for peanuts assigned to a farm under section 7952(b) of this title.

**(7) Payment yield**

The term "payment yield" means the yield assigned to a farm by historic peanut producers pursuant to section 7952(b) of this title.

**(8) Producer**

The term "producer" means an owner, operator, landlord, tenant, or sharecropper that shares in the risk of producing a crop on a farm and is entitled to share in the crop available for marketing from the farm, or would have shared had the crop been produced. In determining whether a grower of hybrid seed is a producer, the Secretary shall not take into consideration the existence of a hybrid seed contract and shall ensure that program requirements do not adversely affect the ability of the grower to receive a payment under this subchapter.

**(9) Secretary**

The term "Secretary" means the Secretary of Agriculture.

**(10) State**

The term "State" means each of the several States of the United States, the District of Co-