

(Pub. L. 113–79, title I, §1204, Feb. 7, 2014, 128 Stat. 676.)

### § 9035. Loan deficiency payments

#### (a) Availability of loan deficiency payments

##### (1) In general

Except as provided in subsection (d), the Secretary may make loan deficiency payments available to producers on a farm that, although eligible to obtain a marketing assistance loan under section 9031 of this title with respect to a loan commodity, agree to forgo obtaining the loan for the commodity in return for loan deficiency payments under this section.

##### (2) Unshorn pelts, hay, and silage

###### (A) Marketing assistance loans

Subject to subparagraph (B), nongraded wool in the form of unshorn pelts and hay and silage derived from a loan commodity are not eligible for a marketing assistance loan under section 9031 of this title.

###### (B) Loan deficiency payment

Effective for each of the 2014 through 2018 crop years, the Secretary may make loan deficiency payments available under this section to producers on a farm that produce unshorn pelts or hay and silage derived from a loan commodity.

#### (b) Computation

A loan deficiency payment for a loan commodity or commodity referred to in subsection (a)(2) shall be equal to the product obtained by multiplying—

(1) the payment rate determined under subsection (c) for the commodity; by

(2) the quantity of the commodity produced by the eligible producers, excluding any quantity for which the producers obtain a marketing assistance loan under section 9031 of this title.

#### (c) Payment rate

##### (1) In general

In the case of a loan commodity, the payment rate shall be the amount by which—

(A) the loan rate established under section 9032 of this title for the loan commodity; exceeds

(B) the rate at which a marketing assistance loan for the loan commodity may be repaid under section 9034 of this title.

##### (2) Unshorn pelts

In the case of unshorn pelts, the payment rate shall be the amount by which—

(A) the loan rate established under section 9032 of this title for ungraded wool; exceeds

(B) the rate at which a marketing assistance loan for ungraded wool may be repaid under section 9034 of this title.

##### (3) Hay and silage

In the case of hay or silage derived from a loan commodity, the payment rate shall be the amount by which—

(A) the loan rate established under section 9032 of this title for the loan commodity

from which the hay or silage is derived; exceeds

(B) the rate at which a marketing assistance loan for the loan commodity may be repaid under section 9034 of this title.

#### (d) Exception for extra long staple cotton

This section shall not apply with respect to extra long staple cotton.

#### (e) Effective date for payment rate determination

The Secretary shall determine the amount of the loan deficiency payment to be made under this section to the producers on a farm with respect to a quantity of a loan commodity or commodity referred to in subsection (a)(2) using the payment rate in effect under subsection (c) as of the date the producers request the payment.

(Pub. L. 113–79, title I, §1205, Feb. 7, 2014, 128 Stat. 679.)

### § 9036. Payments in lieu of loan deficiency payments for grazed acreage

#### (a) Eligible producers

##### (1) In general

Effective for each of the 2014 through 2018 crop years, in the case of a producer that would be eligible for a loan deficiency payment under section 9035 of this title for wheat, barley, or oats, but that elects to use acreage planted to the wheat, barley, or oats for the grazing of livestock, the Secretary shall make a payment to the producer under this section if the producer enters into an agreement with the Secretary to forgo any other harvesting of the wheat, barley, or oats on that acreage.

##### (2) Grazing of triticale acreage

Effective for each of the 2014 through 2018 crop years, with respect to a producer on a farm that uses acreage planted to triticale for the grazing of livestock, the Secretary shall make a payment to the producer under this section if the producer enters into an agreement with the Secretary to forgo any other harvesting of triticale on that acreage.

#### (b) Payment amount

##### (1) In general

The amount of a payment made under this section to a producer on a farm described in subsection (a)(1) shall be equal to the amount determined by multiplying—

(A) the loan deficiency payment rate determined under section 9035(c) of this title in effect, as of the date of the agreement, for the county in which the farm is located; by

(B) the payment quantity determined by multiplying—

(i) the quantity of the grazed acreage on the farm with respect to which the producer elects to forgo harvesting of wheat, barley, or oats; and

(ii)(I) the payment yield in effect for the calculation of price loss coverage under section 9015 of this title with respect to that loan commodity on the farm;

(II) in the case of a farm for which agriculture risk coverage is elected under section 9016(a) of this title, the payment yield