

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 that would otherwise be in effect with respect to that loan commodity on the farm in the absence of such election; or

(III) in the case of a farm for which no payment yield is otherwise established for that loan commodity on the farm, an appropriate yield established by the Secretary in a manner consistent with section 9013(c) of this title.

**(2) Grazing of triticale acreage**

The amount of a payment made under this section to a producer on a farm described in subsection (a)(2) 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 for wheat, 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 triticale; and

(ii)(I) the payment yield in effect for the calculation of price loss coverage under subchapter I with respect to wheat 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 that would otherwise be in effect for wheat on the farm in the absence of such election; or

(III) in the case of a farm for which no payment yield is otherwise established for wheat on the farm, an appropriate yield established by the Secretary in a manner consistent with section 9013(c) of this title.

**(c) Time, manner, and availability of payment**

**(1) Time and manner**

A payment under this section shall be made at the same time and in the same manner as loan deficiency payments are made under section 9035 of this title.

**(2) Availability**

**(A) In general**

The Secretary shall establish an availability period for the payments authorized by this section.

**(B) Certain commodities**

In the case of wheat, barley, and oats, the availability period shall be consistent with the availability period for the commodity established by the Secretary for marketing assistance loans authorized by this subchapter.

**(d) Prohibition on crop insurance indemnity or noninsured crop assistance**

A 2014 through 2023 crop of wheat, barley, oats, or triticale planted on acreage that a producer elects, in the agreement required by subsection (a), to use for the grazing of livestock in lieu of any other harvesting of the crop shall not be eligible for an indemnity under a policy or plan of insurance authorized under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) or noninsured crop assistance under section 7333 of this title.

(Pub. L. 113–79, title I, §1206, Feb. 7, 2014, 128 Stat. 680; Pub. L. 115–334, title I, §1201(c)(2), Dec. 20, 2018, 132 Stat. 4509.)

REFERENCES IN TEXT

Subchapter I, referred to in subsec. (b)(2)(B)(ii)(I), was in the original “subtitle A”, meaning subtitle A of title I of Pub. L. 113–79, Feb. 7, 2014, 128 Stat. 658, which is classified principally to subchapter I of this chapter. For complete classification of subtitle A to the Code, see Tables.

The Federal Crop Insurance Act, referred to in subsec. (d), is subtitle A of title V of act Feb. 16, 1938, ch. 30, 52 Stat. 72, which is classified generally to subchapter I (§1501 et seq.) of chapter 36 of this title. For complete classification of this Act to the Code, see section 1501 of this title and Tables.

AMENDMENTS

2018—Subsecs. (a), (d). Pub. L. 115–334 substituted “2023” for “2018” wherever appearing.

**§ 9037. Special marketing loan provisions for upland cotton**

**(a) Special import quota**

**(1) Definition of special import quota**

In this subsection, the term “special import quota” means a quantity of imports that is not subject to the over-quota tariff rate of a tariff-rate quota.

**(2) Establishment**

**(A) In general**

The President shall carry out an import quota program beginning on August 1, 2014, as provided in this subsection.

**(B) Program requirements**

Whenever the Secretary determines and announces that for any consecutive 4-week

period, the Friday through Thursday average price quotation for the lowest-priced United States growth, as quoted for Middling (M) 1 $\frac{3}{32}$ -inch cotton, delivered to a definable and significant international market, as determined by the Secretary, exceeds the prevailing world market price, there shall immediately be in effect a special import quota.

**(3) Quantity**

The quota shall be equal to the consumption during a 1-week period of cotton by domestic mills at the seasonally adjusted average rate of the most recent 3 months for which official data of the Department of Agriculture are available or, in the absence of sufficient data, as estimated by the Secretary.

**(4) Application**

The quota shall apply to upland cotton purchased not later than 90 days after the date of the Secretary's announcement under paragraph (2) and entered into the United States not later than 180 days after that date.

**(5) Overlap**

A special quota period may be established that overlaps any existing quota period if required by paragraph (2), except that a special quota period may not be established under this subsection if a quota period has been established under subsection (b).

**(6) Preferential tariff treatment**

The quantity under a special import quota shall be considered to be an in-quota quantity for purposes of—

- (A) section 2703(d) of title 19;
- (B) section 3203 of title 19;
- (C) section 2463(d) of title 19; and
- (D) General Note 3(a)(iv) to the Harmonized Tariff Schedule.

**(7) Limitation**

The quantity of cotton entered into the United States during any marketing year under the special import quota established under this subsection may not exceed the equivalent of 10 weeks' consumption of upland cotton by domestic mills at the seasonally adjusted average rate of the 3 months immediately preceding the first special import quota established in any marketing year.

**(b) Limited global import quota for upland cotton**

**(1) Definitions**

In this subsection:

**(A) Demand**

The term "demand" means—

- (i) the average seasonally adjusted annual rate of domestic mill consumption of cotton during the most recent 3 months for which official data of the Department of Agriculture are available or, in the absence of sufficient data, as estimated by the Secretary; and
- (ii) the larger of—
  - (I) average exports of upland cotton during the preceding 6 marketing years; or

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

**(B) 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.

**(C) Supply**

The term "supply" means, using the latest official data of the Department of Agriculture—

- (i) the carry-over of upland cotton at the beginning of the marketing year (adjusted 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.

**(2) Program**

The President shall carry out an import quota program that provides that whenever the Secretary determines and announces that the average price of the base quality of upland cotton, as determined by the Secretary, in the designated spot markets for a month exceeded 130 percent of the average price of the quality of cotton in the markets for the preceding 36 months, notwithstanding any other provision of law, there shall immediately be in effect a limited global import quota subject to the following conditions:

**(A) Quantity**

The quantity of the quota shall be equal to 21 days of domestic mill consumption of upland cotton at the seasonally adjusted average rate of the most recent 3 months for which official data of the Department of Agriculture are available or, in the absence of sufficient data, as estimated by the Secretary.

**(B) Quantity if prior quota**

If a quota has been established under this subsection during the preceding 12 months, the quantity of the quota next established under this subsection shall be the smaller of 21 days of domestic mill consumption calculated under subparagraph (A) or the quantity required to increase the supply to 130 percent of the demand.

**(C) Preferential tariff treatment**

The quantity under a limited global import quota shall be considered to be an in-quota quantity for purposes of—

- (i) section 2703(d) of title 19;
- (ii) section 3203 of title 19;
- (iii) section 2463(d) of title 19; and
- (iv) General Note 3(a)(iv) to the Harmonized Tariff Schedule.

**(D) 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.

**(3) No overlap**

Notwithstanding paragraph (2), a quota period may not be established that overlaps an existing quota period or a special quota period established under subsection (a).

**(c) Economic adjustment assistance for textile mills****(1) In general**

Subject to paragraph (2), the Secretary shall, on a monthly basis, make economic adjustment assistance available to domestic users of upland cotton in the form of payments for all documented use of that upland cotton during the previous monthly period regardless of the origin of the upland cotton.

**(2) Value of assistance**

Effective beginning on August 1, 2013, the value of the assistance provided under paragraph (1) shall be 3 cents per pound.

**(3) Allowable purposes**

Economic adjustment assistance under this subsection shall be made available only to domestic users of upland cotton that certify that the assistance shall be used only to acquire, construct, install, modernize, develop, convert, or expand land, plant, buildings, equipment, facilities, or machinery.

**(4) Review or audit**

The Secretary may conduct such review or audit of the records of a domestic user under this subsection as the Secretary determines necessary to carry out this subsection.

**(5) Improper use of assistance**

If the Secretary determines, after a review or audit of the records of the domestic user, that economic adjustment assistance under this subsection was not used for the purposes specified in paragraph (3), the domestic user shall be—

(A) liable for the repayment of the assistance to the Secretary, plus interest, as determined by the Secretary; and

(B) ineligible to receive assistance under this subsection for a period of 1 year following the determination of the Secretary.

(Pub. L. 113-79, title I, §1207, Feb. 7, 2014, 128 Stat. 682; Pub. L. 115-334, title I, §1203(b), Dec. 20, 2018, 132 Stat. 4510.)

## REFERENCES IN TEXT

The Harmonized Tariff Schedule, referred to in subsecs. (a)(6)(D) and (b)(2)(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

2018—Subsec. (c). Pub. L. 115-334 substituted “Economic adjustment assistance for textile mills” for “Economic adjustment assistance to users of upland cotton” in heading.

**§ 9038. Special competitive provisions for extra long staple cotton****(a) Competitiveness program**

Notwithstanding any other provision of law, during the period beginning on February 7, 2014,

through July 31, 2024, 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 when—

(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 113 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.

(Pub. L. 113-79, title I, §1208, Feb. 7, 2014, 128 Stat. 684; Pub. L. 115-334, title I, §1204, Dec. 20, 2018, 132 Stat. 4510.)

## AMENDMENTS

2018—Subsec. (a). Pub. L. 115-334, §1204(a), substituted “2024” for “2019” in introductory provisions.

Subsec. (b)(2). Pub. L. 115-334, §1204(b), substituted “113 percent” for “134 percent”.

**§ 9039. Availability of recourse loans for high moisture feed grains and seed cotton****(a) High moisture feed grains****(1) Definition of high moisture state**

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 9031 of this title.