

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 who 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. 104-127, title I, § 136A, as added Pub. L. 106-113, div. B, § 1000(a)(5) [title I, § 104(c)], Nov. 29, 1999, 113 Stat. 1536, 1501A-291.)

**§ 7237. Availability of recourse loans for high moisture feed grains and seed cotton and other fibers**

**(a) High moisture feed grains**

**(1) Recourse loans available**

For each of the 1996 through 2002 crops of corn and grain sorghum, the Secretary shall make available recourse loans, as determined by the Secretary, to producers on a farm containing eligible cropland covered by a production flexibility contract who—

(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 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 7231 of this title.

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

**(1) Upland cotton**

For each of the 1996 through 2002 crops of upland cotton, the Secretary shall make available recourse seed cotton loans, as determined by the Secretary, to producers on a farm containing eligible cropland covered by a production flexibility contract.

**(2) Extra long staple cotton**

For each of the 1996 through 2002 crops of extra long staple cotton, the Secretary shall make available recourse seed cotton loans, as determined by the Secretary, on any production.

**(c) Recourse loans available for mohair**

**(1) Recourse loans available**

Notwithstanding any other provision of law, during fiscal year 1999, the Secretary shall make available recourse loans, as determined by the Secretary, to producers of mohair produced during or before that fiscal year.

**(2) Loan rate**

The loan rate for a loan under paragraph (1) shall be equal to \$2.00 per pound.

**(3) Term of loan**

A loan under paragraph (1) shall have a term of 1 year beginning on the first day of the first month after the month in which the loan is made.

**(4) Waiver of interest**

Notwithstanding subsection (d), the Secretary shall not charge interest on a loan made under paragraph (1).

**(d) 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 (as determined by the Secretary).

(Pub. L. 104-127, title I, §137, Apr. 4, 1996, 110 Stat. 912; Pub. L. 105-277, div. A, §101(a) [title XI, §1126], Oct. 21, 1998, 112 Stat. 2681, 2681-46.)

**Editorial Notes**

## AMENDMENTS

1998—Pub. L. 105-277, §101(a) [title XI, §1126(1)], inserted “and other fibers” after “seed cotton” in section catchline.

Subsecs. (c), (d). Pub. L. 105-277, §101(a) [title XI, §1126(2), (3)], added subsec. (c) and redesignated former subsec. (c) as (d).

## SUBCHAPTER IV—OTHER COMMODITIES

## PART A—DAIRY

**§ 7251. Milk price support program****(a) Support activities**

The Secretary of Agriculture shall support the price of milk produced in the 48 contiguous States through the purchase of cheese, butter, and nonfat dry milk produced from the milk.

**(b) Rate**

The price of milk shall be supported at the following rates per hundredweight for milk containing 3.67 percent butterfat:

- (1) During calendar year 1996, \$10.35.
- (2) During calendar year 1997, \$10.20.
- (3) During calendar year 1998, \$10.05.
- (4) During each of calendar years 1999 through 2001, \$9.90.
- (5) During the period beginning on January 1, 2002, and ending on May 31, 2002, \$9.90.

**(c) Purchase prices**

The support purchase prices under this section for each of the products of milk (butter, cheese, and nonfat dry milk) announced by the Secretary shall be the same for all of that product sold by persons offering to sell the product to the Secretary. The purchase prices shall be sufficient to enable plants of average efficiency to pay producers, on average, a price that is not less than the rate of price support for milk in effect under subsection (b).

**(d) Special rule for butter and nonfat dry milk purchase prices****(1) Allocation of purchase prices**

The Secretary may allocate the rate of price support between the purchase prices for nonfat dry milk and butter in a manner that will result in the lowest level of expenditures by the Commodity Credit Corporation or achieve such other objectives as the Secretary considers appropriate. Not later than 10 days after making or changing an allocation, the Secretary shall notify the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate of the allocation. Section 553 of title 5 shall not apply with respect to the implementation of this section.

**(2) Timing of purchase price adjustments**

The Secretary may make any such adjustments in the purchase prices for nonfat dry milk and butter the Secretary considers to be necessary not more than twice in each calendar year.

**(e) Refunds of 1995 and 1996 assessments****(1) Refund required**

The Secretary shall provide for a refund of the entire reduction required under section 204(h)(2) of the Agricultural Act of 1949 (7 U.S.C. 1446e(h)(2)), as in effect on the day before the amendment made by subsection (g), in the price of milk received by a producer during calendar year 1995 or 1996, if the producer provides evidence that the producer did not increase marketings in calendar year 1995 or 1996 when compared to calendar year 1994 or 1995, respectively.

**(2) Exception**

This subsection shall not apply with respect to a producer for a particular calendar year if the producer has already received a refund under section 204(h) of the Agricultural Act of 1949 for the same fiscal year before the effective date of this section.

**(3) Treatment of refund**

A refund under this subsection shall not be considered as any type of price support or payment for purposes of sections 3811 and 3821 of title 16.

**(f) Commodity Credit Corporation**

The Secretary shall carry out the program authorized by this section through the Commodity Credit Corporation.

**(g) Omitted****(h) Period of effectiveness**

This section (other than subsection (g)) shall be effective only during the period beginning on the first day of the first month beginning after April 4, 1996, and ending on May 31, 2002. The program authorized by this section shall terminate on May 31, 2002, and shall be considered to have expired notwithstanding section 907 of title 2.

(Pub. L. 104-127, title I, §141, Apr. 4, 1996, 110 Stat. 914; Pub. L. 106-78, title VIII, §807(a), Oct. 22, 1999, 113 Stat. 1181; Pub. L. 106-387, §1(a) [title VII, §742(a)], Oct. 28, 2000, 114 Stat. 1549, 1549A-35; Pub. L. 107-76, title VII, §772(a), Nov. 28, 2001, 115 Stat. 745.)

**Editorial Notes**

## REFERENCES IN TEXT

Section 204 of the Agricultural Act of 1949, referred to in subsec. (e)(1), (2), was classified to section 1446e of this title prior to repeal by subsec. (g) of this section. See Codification note below.

## CODIFICATION

Section is comprised of section 141 of Pub. L. 104-127. Subsec. (g) of section 141 of Pub. L. 104-127 repealed section 1446e of this title and enacted provisions set out as a note under section 1446e of this title.

## AMENDMENTS

2001—Subsec. (b)(5). Pub. L. 107-76, §772(a)(1), added par. (5).