

“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 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 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.)

Editorial Notes

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.

(2) Recourse loans available

For each of the 2014 through 2023 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 the producers on the farm 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.

(3) 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 farm of the producer; by
- (B) the lower of—

- (i) the payment yield in effect for the calculation of price loss coverage under section 9015 of this title, or the payment yield deemed to be in effect or established under subclause (II) or (III) of section 9036(b)(1)(B)(ii) of this title, with respect to corn or grain sorghum on a field that is similar to the field from which the corn or grain sorghum referred to in subparagraph (A) was obtained; or

- (ii) the actual yield of corn or grain sorghum on a field, as determined by the Sec-

retary, that is similar to the field from which the corn or grain sorghum referred to in subparagraph (A) was obtained.

(b) Recourse loans available for seed cotton

For each of the 2014 through 2023 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) Recourse loans available for contaminated commodities

In the case of a loan commodity that is ineligible for 100 percent of the nonrecourse marketing loan rate in the county due to a determination that the commodity is contaminated yet still merchantable, for each of the 2019 through 2023 crops of such loan commodity, the Secretary shall make available recourse commodity loans, at the rate provided under section 9032 of this title, on any production.

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

(Pub. L. 113–79, title I, §1209, Feb. 7, 2014, 128 Stat. 685; Pub. L. 115–334, title I, §1205, Dec. 20, 2018, 132 Stat. 4510.)

Editorial Notes

AMENDMENTS

2018—Subsecs. (a)(2), (b). Pub. L. 115–334, §1205(a), substituted “2023” for “2018”.

Subsecs. (c), (d). Pub. L. 115–334, §1205(b), added subsec. (c) and redesignated former subsec. (c) as (d).

§ 9040. Adjustments of loans

(a) Adjustment authority

Subject to subsection (e), the Secretary may make appropriate adjustments in the loan rates for any loan commodity (other than cotton) for differences in grade, type, quality, location, and other factors.

(b) Manner of adjustment

The adjustments under subsection (a) shall, to the maximum extent practicable, be made in such a manner that the average loan level for the commodity will, on the basis of the anticipated incidence of the factors, be equal to the level of support determined in accordance with this subchapter and subtitle C.

(c) Adjustment on county basis

(1) In general

The Secretary may establish loan rates for a crop for producers in individual counties in a manner that results in the lowest loan rate being 95 percent of the national average loan rate, if those loan rates do not result in an increase in outlays.

(2) Prohibition

Adjustments under this subsection shall not result in an increase in the national average loan rate for any year.

(d) Adjustment in loan rate for cotton

(1) In general

The Secretary may make appropriate adjustments in the loan rate for cotton for differences in quality factors.

(2) Types of adjustments

Loan rate adjustments under paragraph (1) may include—

(A) the use of non-spot market price data, in addition to spot market price data, that would enhance the accuracy of the price information used in determining quality adjustments under this subsection;

(B) adjustments in the premiums or discounts associated with upland cotton with a staple length of 33 or above due to micronaire with the goal of eliminating any unnecessary artificial splits in the calculations of the premiums or discounts; and

(C) such other adjustments as the Secretary determines appropriate, after consultations conducted in accordance with paragraph (3).

(3) Consultation with private sector

(A) Prior to revision

In making adjustments to the loan rate for cotton (including any review of the adjustments) as provided in this subsection, the Secretary shall consult with representatives of the United States cotton industry.

(B) Inapplicability of Federal Advisory Committee Act

The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to consultations under this subsection.

(4) Review of adjustments

The Secretary may review the operation of the upland cotton quality adjustments implemented pursuant to this subsection and may make further adjustments to the administration of the loan program for upland cotton, by revoking or revising any adjustment taken under paragraph (2).

(e) Rice

The Secretary shall not make adjustments in the loan rates for long grain rice and medium grain rice, except for differences in grade and quality (including milling yields).

(Pub. L. 113–79, title I, §1210, Feb. 7, 2014, 128 Stat. 686.)

Editorial Notes

REFERENCES IN TEXT

Subtitle C, referred to in subsec. (b), means subtitle C of title I of Pub. L. 113–79, Feb. 7, 2014, 128 Stat. 687, which amended sections 1359bb, 1359ll, and 7272 of this title.

The Federal Advisory Committee Act, referred to in subsec. (d)(3)(B), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, which is set out in the Appendix to Title 5, Government Organization and Employees.