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2 **PROGRAMS**

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1 **SEC. 1001. DEFINITIONS.**

2 In this title (other than subtitle C):

3 (1) AGRICULTURAL ACT OF 1949.—The term
4 “Agricultural Act of 1949” means the Agricultural
5 Act of 1949 (7 U.S.C. 1421 et seq.), as in effect
6 prior to the suspensions under section 171 of the
7 Federal Agriculture Improvement and Reform Act of
8 1996 (7 U.S.C. 7301), section 1602(b) of the Farm
9 Security and Rural Investment Act of 2002 (7
10 U.S.C. 7992(b)), and section 1602(b) of this Act.

11 (2) BASE ACRES.—The term “base acres”, with
12 respect to a covered commodity on a farm, means
13 the number of acres established under section 1101
14 of the Farm Security and Rural Investment Act of
15 2002 (7 U.S.C. 7911), as in effect on the day before
16 the date of the enactment of this Act, subject to any
17 adjustment under section 1101 of this Act.

18 (3) COMPARABLE UNITED STATES QUALITY.—
19 The term “Comparable United States Quality”, with
20 respect to upland cotton, means upland cotton clas-
21 sified as Middling (M) 1³/₃₂-inch cotton with a
22 micronaire of 3.7 to 4.2, strength 30 grams per tex,
23 and uniformity of 83.

24 (4) COUNTER-CYCLICAL PAYMENT.—The term
25 “counter-cyclical payment” means a payment made
26 to producers on a farm under section 1103.

1 (5) COUNTER-CYCLICAL PAYMENT ACRES.—The
2 term “counter-cyclical payment acres”, with respect
3 to a covered commodity on a farm, means 85 per-
4 cent of the base acres for the covered commodity on
5 which counter-cyclical payments are made.

6 (6) COVERED COMMODITY.—The term “covered
7 commodity” means wheat, corn, grain sorghum, bar-
8 ley, oats, upland cotton, rice, soybeans, and other
9 oilseeds.

10 (7) DIRECT PAYMENT.—The term “direct pay-
11 ment” means a payment made to producers on a
12 farm under section 1102.

13 (8) DIRECT PAYMENT ACRES.—The term “di-
14 rect payment acres”, with respect to a covered com-
15 modity on a farm, means the following percentage of
16 the base acres for the covered commodity on which
17 direct payments are made:

18 (A) In the case of wheat, 8__ percent.

19 (B) In the case of corn, 8__ percent.

20 (C) In the case of grain sorghum, 8__ per-
21 cent.

22 (D) In the case of barley, 8__ percent.

23 (E) In the case of oats, 8__ percent.

24 (F) In the case of upland cotton, 8__ per-
25 cent.

1 (G) In the case of rice, 8__ percent.

2 (H) In the case of soybeans, 8__ percent.

3 (I) In the case of other oilseeds, 8__ per-
4 cent.

5 (9) EFFECTIVE PRICE.—The term “effective
6 price”, with respect to a covered commodity for a
7 crop year, means the price calculated by the Sec-
8 retary under section 1103 to determine whether
9 counter-cyclical payments are required to be made
10 for that crop year.

11 (10) EXTRA LONG STAPLE COTTON.—The term
12 “extra long staple cotton” means cotton that—

13 (A) is produced from pure strain varieties
14 of the Barbadosense species or any hybrid of the
15 species, or other similar types of extra long sta-
16 ple cotton, designated by the Secretary, having
17 characteristics needed for various end uses for
18 which United States upland cotton is not suit-
19 able and grown in irrigated cotton-growing re-
20 gions of the United States designated by the
21 Secretary or other areas designated by the Sec-
22 retary as suitable for the production of the vari-
23 eties or types; and

1 (B) is ginned on a roller-type gin or, if au-
2 thorized by the Secretary, ginned on another
3 type gin for experimental purposes.

4 (11) FAR EAST PRICE.—The term “Far East
5 price” means the Friday through Thursday average
6 price quotation for the three lowest-priced growths
7 of upland cotton, as quoted for Middling (M) 1³/₃₂-
8 inch cotton, delivered C/F Far East.

9 (12) LOAN COMMODITY.—The term “loan com-
10 modity” means wheat, corn, grain sorghum, feed
11 barley, malt barley, oats, upland cotton, extra long
12 staple cotton, long grain rice, medium grain rice,
13 short grain rice, soybeans, other oilseeds, wool, mo-
14 hair, honey, dry peas, lentils, and small chickpeas.

15 (13) OTHER OILSEED.—The term “other oil-
16 seed” means a crop of sunflower seed, rapeseed,
17 canola, safflower, flaxseed, mustard seed, crambe,
18 sesame seed, or, if designated by the Secretary, an-
19 other oilseed.

20 (14) PAYMENT YIELD.—The term “payment
21 yield” means the yield established for direct pay-
22 ments and counter-cyclical payments under section
23 1102 of the Farm Security and Rural Investment
24 Act of 2002 (7 U.S.C. 7912), as in effect on the day

1 before the date of the enactment of this Act, for a
2 farm for a covered commodity.

3 (15) PRODUCER.—

4 (A) IN GENERAL.—The term “producer”
5 means an owner, operator, landlord, tenant, or
6 sharecropper that shares in the risk of pro-
7 ducing a crop and is entitled to share in the
8 crop available for marketing from the farm, or
9 would have shared had the crop been produced.

10 (B) HYBRID SEED.—In determining
11 whether a grower of hybrid seed is a producer,
12 the Secretary shall—

13 (i) not take into consideration the ex-
14 istence of a hybrid seed contract; and

15 (ii) ensure that program requirements
16 do not adversely affect the ability of the
17 grower to receive a payment under this
18 title.

19 (16) SECRETARY.—The term “Secretary”
20 means the Secretary of Agriculture.

21 (17) STATE.—The term “State” means each of
22 the several States of the United States, the District
23 of Columbia, the Commonwealth of Puerto Rico, and
24 any other territory or possession of the United
25 States.

1 (18) TARGET PRICE.—The term “target price”
2 means the price per bushel (or other appropriate
3 unit in the case of upland cotton, rice, and other oil-
4 seeds) of a covered commodity used to determine the
5 payment rate for counter-cyclical payments.

6 (19) UNITED STATES.—The term “United
7 States”, when used in a geographical sense, means
8 all of the States.

9 (20) UNITED STATES PREMIUM FACTOR.—The
10 term “United States Premium Factor” means the
11 percentage by which the difference in the United
12 States loan schedule premiums for Strict Middling
13 (SM) 1¹/₈-inch cotton and for M 1³/₃₂-inch exceeds
14 the difference in the applicable premiums for com-
15 parable international qualities delivered C/F Far
16 East.

17 **Subtitle A—Direct Payments and** 18 **Counter-Cyclical Payments**

19 **SEC. 1101. ADJUSTMENTS TO BASE ACRES.**

20 (a) TREATMENT OF CONSERVATION RESERVE CON-
21 TRACT ACREAGE.—

22 (1) IN GENERAL.—The Secretary shall provide
23 for an adjustment, as appropriate, in the base acres
24 for covered commodities for a farm whenever either
25 of the following circumstances occurs:

1 (A) A conservation reserve contract en-
2 tered into under section 1231 of the Food Secu-
3 rity Act of 1985 (16 U.S.C. 3831) with respect
4 to the farm expires or is voluntarily terminated.

5 (B) Cropland is released from coverage
6 under a conservation reserve contract by the
7 Secretary.

8 (2) SPECIAL PAYMENT RULES.—For the crop
9 year in which a base acres adjustment under para-
10 graph (1) is first made, the owner of the farm shall
11 elect to receive either direct payments and counter-
12 cyclical payments with respect to the acreage added
13 to the farm under this subsection or a prorated pay-
14 ment under the conservation reserve contract, but
15 not both.

16 (b) PREVENTION OF EXCESS BASE ACRES.—

17 (1) REQUIRED REDUCTION.—If the sum of the
18 base acres for a farm, together with the acreage de-
19 scribed in paragraph (2), exceeds the actual cropland
20 acreage of the farm, the Secretary shall reduce
21 the base acres for 1 or more covered commodities for
22 the farm so that the sum of the base acres and acre-
23 age described in paragraph (2) does not exceed the
24 actual cropland acreage of the farm.

1 (2) OTHER ACREAGE.—For purposes of para-
2 graph (1), the Secretary shall include the following:

3 (A) Any acreage on the farm enrolled in
4 the conservation reserve program or wetlands
5 reserve program under chapter 1 of subtitle D
6 of title XII of the Food Security Act of 1985
7 (16 U.S.C. 3830 et seq.).

8 (B) Any other acreage on the farm en-
9 rolled in a conservation program for which pay-
10 ments are made in exchange for not producing
11 an agricultural commodity on the acreage.

12 (3) SELECTION OF ACRES.—The Secretary shall
13 give the owner of the farm the opportunity to select
14 the base acres against which the reduction required
15 by paragraph (1) will be made.

16 (4) EXCEPTION FOR DOUBLE-CROPPED ACRE-
17 AGE.—In applying paragraph (1), the Secretary
18 shall make an exception in the case of double crop-
19 ping, as determined by the Secretary.

20 (c) PERMANENT REDUCTION IN BASE ACRES.—

21 (1) IN GENERAL.—The owner of a farm may
22 reduce, at any time, the base acres for any covered
23 commodity for the farm.

1 (2) ADMINISTRATION.—The reduction shall be
2 permanent and made in the manner prescribed by
3 the Secretary.

4 **SEC. 1102. AVAILABILITY OF DIRECT PAYMENTS.**

5 (a) PAYMENT REQUIRED.—For each of the 2008
6 through 2012 crop years of each covered commodity, the
7 Secretary shall make direct payments to producers on
8 farms for which payment yields and base acres are estab-
9 lished.

10 (b) PAYMENT RATE.—The payment rates used to
11 make direct payments with respect to covered commodities
12 for a crop year are as follows:

13 (1) Wheat, \$0.52 per bushel.

14 (2) Corn, \$0.28 per bushel.

15 (3) Grain sorghum, \$0.35 per bushel.

16 (4) Barley, \$0.24 per bushel.

17 (5) Oats, \$0.024 per bushel.

18 (6) Upland cotton, \$0.0667 per pound.

19 (7) Rice, \$2.35 per hundredweight.

20 (8) Soybeans, \$0.44 per bushel.

21 (9) Other oilseeds, \$0.0080 per pound.

22 (c) PAYMENT AMOUNT.—The amount of the direct
23 payment to be paid to the producers on a farm for a cov-
24 ered commodity for a crop year shall be equal to the prod-
25 uct of the following:

1 (1) The payment rate specified in subsection
2 (b).

3 (2) The direct payment acres of the covered
4 commodity on the farm.

5 (3) The payment yield for the covered com-
6 modity for the farm.

7 (d) TIME FOR PAYMENT.—

8 (1) IN GENERAL.—The Secretary shall make di-
9 rect payments—

10 (A) in the case of the 2008 crop year, as
11 soon as practicable after the date of enactment
12 of this Act; and

13 (B) in the case of each of the 2009
14 through 2012 crop years, not before October 1
15 of the calendar year in which the crop of the
16 covered commodity is harvested.

17 (2) ADVANCE PAYMENTS.—

18 (A) OPTION.—At the option of the pro-
19 ducers on a farm, up to 22 percent of the direct
20 payment for a covered commodity for any of the
21 2009 through 2012 crop years shall be paid to
22 the producers in advance.

23 (B) MONTH.—

1 (i) SELECTION.—The producers shall
2 select the month within which the advance
3 payment for a crop year will be made.

4 (ii) OPTIONS.—The month selected
5 may be any month during the period be-
6 ginning on December 1 of the calendar
7 year before the calendar year in which the
8 crop of the covered commodity is harvested
9 through the month within which the direct
10 payment would otherwise be made.

11 (iii) CHANGE.—The producers may
12 change the selected month for a subse-
13 quent advance payment by providing ad-
14 vance notice to the Secretary.

15 (3) REPAYMENT OF ADVANCE PAYMENTS.—If a
16 producer on a farm that receives an advance direct
17 payment for a crop year ceases to be a producer on
18 that farm, or the extent to which the producer
19 shares in the risk of producing a crop changes, be-
20 fore the date the remainder of the direct payment is
21 made, the producer shall be responsible for repaying
22 the Secretary the applicable amount of the advance
23 payment, as determined by the Secretary.

1 **SEC. 1103. AVAILABILITY OF COUNTER-CYCLICAL PAY-**
2 **MENTS.**

3 (a) **PAYMENT REQUIRED.**—For each of the 2008
4 through 2012 crop years for each covered commodity, the
5 Secretary shall make counter-cyclical payments to pro-
6 ducers on farms for which payment yields and base acres
7 are established with respect to the covered commodity if
8 the Secretary determines that the effective price for the
9 covered commodity is less than the target price for the
10 covered commodity.

11 (b) **EFFECTIVE PRICE.**—For purposes of subsection
12 (a), the effective price for a covered commodity is equal
13 to the sum of the following:

14 (1) The higher of the following:

15 (A) The national average market price re-
16 ceived by producers during the 12-month mar-
17 keting year for the covered commodity, as de-
18 termined by the Secretary.

19 (B) The national average loan rate for a
20 marketing assistance loan for the covered com-
21 modity in effect for the applicable period under
22 subtitle B.

23 (2) The payment rate in effect for the covered
24 commodity under section 1102 for the purpose of
25 making direct payments with respect to the covered
26 commodity.

1 (c) TARGET PRICE.—For purposes of subsection (a),
2 the target prices for covered commodities shall be as fol-
3 lows:

4 (1) Wheat, \$4.15 per bushel.

5 (2) Corn, \$2.63 per bushel.

6 (3) Grain sorghum, \$2.57 per bushel.

7 (4) Barley, \$2.32 per bushel.

8 (5) Oats, \$1.50 per bushel.

9 (6) Upland cotton, \$0.70 per pound.

10 (7) Rice, \$10.50 per hundredweight.

11 (8) Soybeans, \$6.00 per bushel.

12 (9) Other oilseeds, \$0.1010 per pound.

13 (d) PAYMENT RATE.—The payment rate used to
14 make counter-cyclical payments with respect to a covered
15 commodity for a crop year shall be equal to the difference
16 between—

17 (1) the target price for the covered commodity;

18 and

19 (2) the effective price determined under sub-
20 section (b) for the covered commodity.

21 (e) PAYMENT AMOUNT.—If counter-cyclical pay-
22 ments are required to be paid under this section for any
23 of the 2008 through 2012 crop years of a covered com-
24 modity, the amount of the counter-cyclical payment to be

1 paid to the producers on a farm for that crop year shall
2 be equal to the product of the following:

3 (1) The payment rate specified in subsection
4 (d).

5 (2) The counter-cyclical payment acres of the
6 covered commodity on the farm.

7 (3) The payment yield for the covered com-
8 modity for the farm.

9 (f) TIME FOR PAYMENTS.—

10 (1) GENERAL RULE.—If the Secretary deter-
11 mines under subsection (a) that counter-cyclical pay-
12 ments are required to be made under this section for
13 the crop of a covered commodity, the Secretary shall
14 make the counter-cyclical payments for the crop as
15 soon as practicable after the end of the 12-month
16 marketing year for the covered commodity.

17 (2) AVAILABILITY OF PARTIAL PAYMENTS.—If,
18 before the end of the 12-month marketing year for
19 a covered commodity, the Secretary estimates that
20 counter-cyclical payments will be required for the
21 crop of the covered commodity, the Secretary shall
22 give producers on a farm the option to receive par-
23 tial payments of the counter-cyclical payment pro-
24 jected to be made for that crop of the covered com-
25 modity.

1 (3) TIME FOR PARTIAL PAYMENTS.—When the
2 Secretary makes partial payments available for a
3 covered commodity for each of the 2008 through
4 2012 crop years—

5 (A) the first partial payment shall be made
6 after completion of the first 6 months of the
7 marketing year for the covered commodity; and

8 (B) the final partial payment shall be
9 made as soon as practicable after the end of the
10 12-month marketing year for the covered com-
11 modity.

12 (4) AMOUNT OF PARTIAL PAYMENTS.—

13 (A) FIRST PARTIAL PAYMENT.—For each
14 of the 2008 through 2012 crop years, the first
15 partial payment under paragraph (3) to the
16 producers on a farm may not exceed 40 percent
17 of the projected counter-cyclical payment for
18 the covered commodity for the crop year, as de-
19 termined by the Secretary.

20 (B) FINAL PAYMENT.—The final payment
21 for each of the 2008 through 2012 crop years
22 shall be equal to the difference between—

23 (i) the actual counter-cyclical payment
24 to be made to the producers for the cov-
25 ered commodity for that crop year; and

1 (ii) the amount of the partial payment
2 made to the producers under subparagraph
3 (A).

4 (5) REPAYMENT.—The producers on a farm
5 that receive a partial payment under this subsection
6 for a crop year shall repay to the Secretary the
7 amount, if any, by which the total of the partial pay-
8 ments exceed the actual counter-cyclical payment to
9 be made for the covered commodity for that crop
10 year.

11 **SEC. 1104. PRODUCER AGREEMENT REQUIRED AS CONDI-**
12 **TION OF PROVISION OF DIRECT PAYMENTS**
13 **AND COUNTER-CYCLICAL PAYMENTS.**

14 (a) COMPLIANCE WITH CERTAIN REQUIREMENTS.—

15 (1) REQUIREMENTS.—Before the producers on
16 a farm may receive direct payments or counter-cycli-
17 cal payments with respect to the farm, the producers
18 shall agree, during the crop year for which the pay-
19 ments are made and in exchange for the payments—

20 (A) to comply with applicable conservation
21 requirements under subtitle B of title XII of
22 the Food Security Act of 1985 (16 U.S.C. 3811
23 et seq.);

1 (B) to comply with applicable wetland pro-
2 tection requirements under subtitle C of title
3 XII of that Act (16 U.S.C. 3821 et seq.);

4 (C) to comply with the planting flexibility
5 requirements of section 1105;

6 (D) to use the land on the farm, in a
7 quantity equal to the attributable base acres for
8 the farm for an agricultural or conserving use,
9 and not for a nonagricultural commercial or in-
10 dustrial use, as determined by the Secretary;
11 and

12 (E) to effectively control noxious weeds
13 and otherwise maintain the land in accordance
14 with sound agricultural practices, as determined
15 by the Secretary.

16 (2) COMPLIANCE.—The Secretary may issue
17 such rules as the Secretary considers necessary to
18 ensure producer compliance with the requirements of
19 paragraph (1).

20 (3) MODIFICATION.—At the request of the
21 transferee or owner, the Secretary may modify the
22 requirements of this subsection if the modifications
23 are consistent with the objectives of this subsection,
24 as determined by the Secretary.

1 (b) TRANSFER OR CHANGE OF INTEREST IN
2 FARM.—

3 (1) TERMINATION.—

4 (A) IN GENERAL.—Except as provided in
5 paragraph (2), a transfer of (or change in) the
6 interest of the producers on a farm in base
7 acres for which direct payments or counter-cy-
8 clical payments are made shall result in the ter-
9 mination of the payments with respect to the
10 base acres, unless the transferee or owner of
11 the acreage agrees to assume all obligations
12 under subsection (a).

13 (B) EFFECTIVE DATE.—The termination
14 shall take effect on the date determined by the
15 Secretary.

16 (2) EXCEPTION.—If a producer entitled to a di-
17 rect payment or counter-cyclical payment dies, be-
18 comes incompetent, or is otherwise unable to receive
19 the payment, the Secretary shall make the payment,
20 in accordance with rules issued by the Secretary.

21 (c) ACREAGE REPORTS.—As a condition on the re-
22 ceipt of any benefits under this subtitle or subtitle B, the
23 Secretary shall require producers on a farm to submit to
24 the Secretary annual acreage reports with respect to all
25 cropland on the farm.

1 (d) TENANTS AND SHARECROPPERS.—In carrying
2 out this subtitle, the Secretary shall provide adequate safe-
3 guards to protect the interests of tenants and share-
4 croppers.

5 (e) SHARING OF PAYMENTS.—The Secretary shall
6 provide for the sharing of direct payments and counter-
7 cyclical payments among the producers on a farm on a
8 fair and equitable basis.

9 **SEC. 1105. PLANTING FLEXIBILITY.**

10 (a) PERMITTED CROPS.—Subject to subsection (b),
11 any commodity or crop may be planted on base acres on
12 a farm.

13 (b) LIMITATIONS REGARDING CERTAIN COMMOD-
14 ITIES.—

15 (1) GENERAL LIMITATION.—The planting of an
16 agricultural commodity specified in paragraph (3)
17 shall be prohibited on base acres unless the com-
18 modity, if planted, is destroyed before harvest.

19 (2) TREATMENT OF TREES AND OTHER
20 PERENNIALS.—The planting of an agricultural com-
21 modity specified in paragraph (3) that is produced
22 on a tree or other perennial plant shall be prohibited
23 on base acres.

1 (3) COVERED AGRICULTURAL COMMODITIES.—
2 Paragraphs (1) and (2) apply to the following agri-
3 cultural commodities:

4 (A) Fruits.

5 (B) Vegetables (other than lentils, mung
6 beans, and dry peas).

7 (C) Wild rice.

8 (e) EXCEPTIONS.—Paragraphs (1) and (2) of sub-
9 section (b) shall not limit the planting of an agricultural
10 commodity specified in paragraph (3) of that subsection—

11 (1) in any region in which there is a history of
12 double-cropping of covered commodities with agricul-
13 tural commodities specified in subsection (b)(3), as
14 determined by the Secretary, in which case the dou-
15 ble-cropping shall be permitted;

16 (2) on a farm that the Secretary determines
17 has a history of planting agricultural commodities
18 specified in subsection (b)(3) on base acres, except
19 that direct payments and counter-cyclical payments
20 shall be reduced by an acre for each acre planted to
21 such an agricultural commodity; or

22 (3) by the producers on a farm that the Sec-
23 retary determines has an established planting his-
24 tory of a specific agricultural commodity specified in
25 subsection (b)(3), except that—

1 (A) the quantity planted may not exceed
2 the average annual planting history of such ag-
3 ricultural commodity by the producers on the
4 farm in the 1991 through 1995 or 1998
5 through 2001 crop years (excluding any crop
6 year in which no plantings were made), as de-
7 termined by the Secretary; and

8 (B) direct payments and counter-cyclical
9 payments shall be reduced by an acre for each
10 acre planted to such agricultural commodity.

11 (d) PLANTING TRANSFERABILITY PILOT PROJECT.—

12 (1) PILOT PROJECT AUTHORIZED.—In addition
13 to the exceptions provided in subsection (c), the Sec-
14 retary shall carry out a pilot project in the State of
15 Indiana under which paragraphs (1) and (2) of sub-
16 section (b) shall not limit the planting of tomatoes
17 grown for processing on up to 10,000 base acres
18 during each of the 2008 through 2012 crop years.

19 (2) CONTRACT AND MANAGEMENT REQUIRE-
20 MENTS.— To be eligible for selection to participate
21 in the pilot project, a producer must—

22 (A) have a contract to grow tomatoes for
23 processing; and

24 (B) agree to produce the tomatoes as part
25 of a program of crop rotation on the farm to

1 achieve agronomic and pest and disease man-
2 agement benefits.

3 (3) TEMPORARY REDUCTION IN BASE ACRES.—

4 The base acres on a farm for a crop year shall be
5 reduced by an acre for each acre planted to tomatoes
6 under the pilot program.

7 (4) DURATION OF REDUCTIONS.—The reduc-
8 tion in the base acres of a farm for a crop year
9 under paragraph (3) shall expire at the end of the
10 crop year, unless the producers on the farm elect to
11 continue to participate in the pilot project for the
12 subsequent crop year.

13 (5) RECALCULATION OF BASE ACRES.—If the
14 Secretary recalculates base acres for a farm while
15 the farm is included in the pilot project, the planting
16 and production of tomatoes under the pilot project
17 shall be considered to be the same as the planting,
18 prevented planting, or production of a covered com-
19 modity. Nothing in this paragraph provides author-
20 ity for the Secretary to recalculate base acres for a
21 farm.

22 **SEC. 1106. PERIOD OF EFFECTIVENESS.**

23 This subtitle shall be effective beginning with the
24 2008 crop year of each covered commodity through the
25 2012 crop year.

1 **Subtitle B—Marketing Assistance**
2 **Loans and Loan Deficiency Pay-**
3 **ments**

4 **SEC. 1201. AVAILABILITY OF NONRECOURSE MARKETING**
5 **ASSISTANCE LOANS FOR LOAN COMMOD-**
6 **ITIES.**

7 (a) NONRECOURSE LOANS AVAILABLE.—

8 (1) AVAILABILITY.—For each of the 2008
9 through 2012 crops of each loan commodity, the
10 Secretary shall make available to producers on a
11 farm nonrecourse marketing assistance loans for
12 loan commodities produced on the farm.

13 (2) TERMS AND CONDITIONS.—The marketing
14 assistance loans shall be made under terms and con-
15 ditions that are prescribed by the Secretary and at
16 the loan rate established under section 1202 for the
17 loan commodity.

18 (b) ELIGIBLE PRODUCTION.—The producers on a
19 farm shall be eligible for a marketing assistance loan
20 under subsection (a) for any quantity of a loan commodity
21 produced on the farm.

22 (c) TREATMENT OF CERTAIN COMMINGLED COM-
23 MODITIES.—In carrying out this subtitle, the Secretary
24 shall make loans to producers on a farm that would be
25 eligible to obtain a marketing assistance loan, but for the

1 fact the loan commodity owned by the producers on the
2 farm commingled with loan commodities of other pro-
3 ducers in facilities unlicensed for the storage of agricul-
4 tural commodities by the Secretary or a State licensing
5 authority, if the producers obtaining the loan agree to im-
6 mediately redeem the loan collateral in accordance with
7 section 166 of the Federal Agriculture Improvement and
8 Reform Act of 1996 (7 U.S.C. 7286).

9 (d) COMPLIANCE WITH CONSERVATION AND WET-
10 LANDS REQUIREMENTS.—As a condition of the receipt of
11 a marketing assistance loan under subsection (a), the pro-
12 ducer shall comply with applicable conservation require-
13 ments under subtitle B of title XII of the Food Security
14 Act of 1985 (16 U.S.C. 3811 et seq.) and applicable wet-
15 land protection requirements under subtitle C of title XII
16 of the Act (16 U.S.C. 3821 et seq.) during the term of
17 the loan.

18 **SEC. 1202. LOAN RATES FOR NONRECOURSE MARKETING**
19 **ASSISTANCE LOANS.**

20 (a) LOAN RATES.—The loan rate for a marketing as-
21 sistance loan under section 1201 for a loan commodity
22 shall be equal to the following:

- 23 (1) In the case of wheat, \$2.94 per bushel.
24 (2) In the case of corn, \$1.93 per bushel.

1 (3) In the case of grain sorghum, \$1.93 per
2 bushel.

3 (4) In the case of malt barley, \$2.50 per bushel.

4 (5) In the case of feed barley, \$1.93 per bushel.

5 (6) In the case of oats, \$1.39 per bushel.

6 (7) In the case of upland cotton, \$0.50 per
7 pound.

8 (8) In the case of extra long staple cotton,
9 \$0.7977 per pound.

10 (9) In the case of long grain rice, \$6.53 per
11 hundredweight.

12 (10) In the case of medium grain rice and short
13 grain rice, \$6.53 per hundredweight.

14 (11) In the case of soybeans, \$5.02 per bushel.

15 (12) In the case of other oilseeds, \$0.1070 per
16 pound for each of the following kinds of oilseeds:

17 (A) Sunflower seed.

18 (B) Rapeseed.

19 (C) Canola.

20 (D) Safflower.

21 (E) Flaxseed.

22 (F) Mustard seed.

23 (G) Crambe.

24 (H) Sesame seed.

1 (I) Other oilseeds designated by the Sec-
2 retary.

3 (13) In the case of dry peas, \$5.40 per hun-
4 dredweight.

5 (14) In the case of lentils, \$11.28 per hundred-
6 weight.

7 (15) In the case of small chickpeas, \$8.54 per
8 hundredweight.

9 (b) SINGLE COUNTY LOAN RATE FOR OTHER OIL-
10 SEEDS.—The Secretary shall establish a single loan rate
11 in each county for each kind of other oilseeds described
12 in subsection (a)(11).

13 **SEC. 1203. TERM OF LOANS.**

14 (a) TERM OF LOAN.—In the case of each loan com-
15 modity, a marketing assistance loan under section 1201
16 shall have a term of 9 months beginning on the first day
17 of the first month after the month in which the loan is
18 made.

19 (b) EXTENSIONS PROHIBITED.—The Secretary may
20 not extend the term of a marketing assistance loan for
21 any loan commodity.

22 **SEC. 1204. REPAYMENT OF LOANS.**

23 (a) GENERAL RULE.—The Secretary shall permit the
24 producers on a farm to repay a marketing assistance loan
25 under section 1201 for a loan commodity (other than up-

1 land cotton, long grain rice, medium grain rice, short
2 grain rice, extra long staple cotton, and confectionery and
3 each other kind of sunflower seed (other than oil sunflower
4 seed)) at the lesser of the following:

5 (1) The loan rate established for the commodity
6 under section 1202, plus interest (determined in ac-
7 cordance with section 163 of the Federal Agriculture
8 Improvement and Reform Act of 1996 (7 U.S.C.
9 7283)).

10 (2) A rate that the Secretary determines will—

11 (A) minimize potential loan forfeitures;

12 (B) minimize the accumulation of stocks of
13 the commodity by the Federal Government;

14 (C) minimize the cost incurred by the Fed-
15 eral Government in storing the commodity;

16 (D) allow the commodity produced in the
17 United States to be marketed freely and com-
18 petitively, both domestically and internationally;

19 and

20 (E) minimize discrepancies in marketing
21 loan benefits across State boundaries and
22 across county boundaries.

23 (b) REPAYMENT RATES FOR UPLAND COTTON AND
24 RICE.—The Secretary shall permit producers to repay a
25 marketing assistance loan under section 1201 for upland

1 cotton, long grain rice, medium grain rice, and short grain
2 rice at a rate that is the lesser of—

3 (1) the loan rate established for the commodity
4 under section 1202, plus interest (determined in ac-
5 cordance with section 163 of the Federal Agriculture
6 Improvement and Reform Act of 1996 (7 U.S.C.
7 7283)); or

8 (2) the prevailing world market price for the
9 commodity (adjusted to United States quality and
10 location), as determined by the Secretary.

11 (c) REPAYMENT RATES FOR EXTRA LONG STAPLE
12 COTTON.—Repayment of a marketing assistance loan for
13 extra long staple cotton shall be at the loan rate estab-
14 lished for the commodity under section 1202, plus interest
15 (determined in accordance with section 163 of the Federal
16 Agriculture Improvement and Reform Act of 1996 (7
17 U.S.C. 7283)).

18 (d) PREVAILING WORLD MARKET PRICE.—For pur-
19 poses of this section and section 1207, the Secretary shall
20 prescribe by regulation—

21 (1) a formula to determine the prevailing world
22 market price for upland cotton, which shall be based
23 on the Far East price of upland cotton;

24 (2) a formula to determine the prevailing world
25 market price for—

1 (A) long grain rice; and

2 (B) medium and short grain rice;

3 (3) a mechanism by which the Secretary will
4 announce periodically the prevailing world market
5 price for upland cotton, long grain rice, and medium
6 and short grain rice; and

7 (4) a mechanism by which the Secretary will
8 make the adjustments, required by subsection (e), to
9 the prevailing world market price for upland cotton,
10 long grain rice, and medium and short grain rice.

11 (e) ADJUSTMENT OF PREVAILING WORLD MARKET
12 PRICE FOR UPLAND COTTON AND RICE.—

13 (1) RICE.—The prevailing world market price
14 for rice determined in subsection (d) shall be ad-
15 justed to United States quality and location.

16 (2) COTTON.—The prevailing world market
17 price for upland cotton, determined in subsection (d)
18 shall be—

19 (A) adjusted to United States quality and
20 location, with such quality adjustment to in-
21 clude—

22 (i) any existing United States loan
23 schedule premiums for Comparable United
24 States Quality; and

1 (ii) a reduction equal to any United
2 States Premium Factor to upland cotton of
3 a quality higher than Middling (M) 1³/₃₂-
4 inch; and

5 (B) adjusted to take into account average
6 costs to market the commodity, including aver-
7 age transportation costs, as determined by the
8 Secretary.

9 (f) ADDITIONAL ADJUSTMENT AUTHORITY REGARD-
10 ING PREVAILING WORLD MARKET PRICE FOR UPLAND
11 COTTON.—

12 (1) IN GENERAL.—During the period beginning
13 on the date of the enactment of this Act through
14 July 31, 2013, the Secretary may further adjust the
15 prevailing world market price for upland cotton (ad-
16 justed under subsection (d)) if the Secretary deter-
17 mines such adjustment necessary—

18 (A) to minimize potential loan forfeitures;

19 (B) to minimize the accumulation of stocks
20 of the commodity by the Federal Government;

21 (C) to allow the commodity produced in
22 the United States to be marketed freely and
23 competitively, both domestically and inter-
24 nationally;

1 (D) to ensure that United States cotton is
2 competitive in world markets; and

3 (E) to ensure an appropriate transition be-
4 tween current-crop and forward-crop price
5 quotations, except that the Secretary may use
6 forward-crop price quotations prior to July 31
7 of the current marketing year only if there are
8 less than three current-crop price quotations
9 and only if such forward-crop price quotation is
10 the lowest such quotation available.

11 (2) GUIDELINES FOR ADDITIONAL ADJUST-
12 MENT.—In further adjusting the prevailing world
13 market price for upland cotton under this sub-
14 section, the Secretary shall establish a mechanism
15 for determining and announcing such adjustments in
16 order to avoid undue disruption in the United States
17 market.

18 (g) ASSIGNMENT AUTHORITY.—

19 (1) ASSIGNMENT.—A producer who receives a
20 marketing assistance loan on cotton in accordance
21 with section 1201 may assign certain rights and ob-
22 ligations (including the right to redeem or forfeit
23 such cotton) to the marketer of the cotton in accord-
24 ance with this subsection.

1 (2) TERMS AND CONDITIONS OF ASSIGN-
2 MENT.—An assignment under this subsection shall
3 contain the following terms and conditions:

4 (A) The assignee shall become responsible
5 for all aspects of the loan agreement entered
6 into by the producer.

7 (B) The producer shall have no further re-
8 sponsibilities or financial obligations with re-
9 spect to the loan.

10 (C) Such other terms and conditions as de-
11 termined by the Secretary.

12 (3) SALE OF COTTON UNDER AN ASSIGNED
13 LOAN.—In the event cotton subject to an assigned
14 marketing assistance loan is sold, either for export
15 or ultimate use, such cotton may be transferred to
16 the user or foreign recipient (prior to repaying such
17 marketing assistance loan) upon the following terms
18 and conditions:

19 (A) The assignee agrees to repay the mar-
20 keting assistance loan no later than the end of
21 the 10-month period beginning on the date of
22 issuance of such loan, at the repayment rate in
23 effect on the date the assignee repays the loan.

1 (B) The assignee agrees to continue to be
2 responsible for all other aspects of the original
3 loan agreement.

4 (C) The assignee provides the Secretary fi-
5 nancial security in an amount determined nec-
6 essary by the Secretary to protect the financial
7 interest of the Commodity Credit Corporation
8 in such cotton.

9 (D) Such other terms and conditions as
10 determined by the Secretary.

11 (4) DEFAULT REPAYMENT RATE.—If the as-
12 signee fails to repay the marketing assistance loan
13 before the end of the period specified in paragraph
14 (3)(A), the repayment rate applicable to such loan
15 shall be the repayment rate in effect on the date on
16 which the period ends.

17 (5) APPLICABILITY TO COOPERATIVE MAR-
18 KETING ASSOCIATIONS.—A member of an approved
19 Cooperative Marketing Association may provide an
20 assignment under this subsection to the association
21 in the cooperative marketing agreement, without af-
22 fecting the eligibility of the association to receive a
23 marketing assistance loan under this subtitle on be-
24 half of the member. Notwithstanding any other pro-
25 vision of this subsection, such assignment shall not

1 affect a cooperative's determination and allocation of
2 profits and losses or distributions to its members.

3 (h) REPAYMENT RATES FOR CONFECTIONERY AND
4 OTHER KINDS OF SUNFLOWER SEEDS.—The Secretary
5 shall permit the producers on a farm to repay a marketing
6 assistance loan under section 1201 for confectionery and
7 each other kind of sunflower seed (other than oil sunflower
8 seed) at a rate that is the lesser of—

9 (1) the loan rate established for the commodity
10 under section 1202, plus interest (determined in ac-
11 cordance with section 163 of the Federal Agriculture
12 Improvement and Reform Act of 1996 (7 U.S.C.
13 7283)); or

14 (2) the repayment rate established for oil sun-
15 flower seed.

16 (i) QUALITY GRADES FOR DRY PEAS, LENTILS, AND
17 SMALL CHICKPEAS.—The loan repayment rate for dry
18 peas, lentils, and small chickpeas shall be based on the
19 quality grades for the applicable commodity.

20 **SEC. 1205. LOAN DEFICIENCY PAYMENTS.**

21 (a) AVAILABILITY OF LOAN DEFICIENCY PAY-
22 MENTS.—

23 (1) IN GENERAL.—Except as provided in sub-
24 section (d), the Secretary may make loan deficiency
25 payments available to producers on a farm that, al-

1 though eligible to obtain a marketing assistance loan
2 under section 1201 with respect to a loan com-
3 modity, agree to forgo obtaining the loan for the
4 commodity in return for loan deficiency payments
5 under this section.

6 (2) UNSHORN PELTS, HAY, AND SILAGE.—

7 (A) MARKETING ASSISTANCE LOANS.—

8 Subject to subparagraph (B), nongraded wool
9 in the form of unshorn pelts and hay and silage
10 derived from a loan commodity are not eligible
11 for a marketing assistance loan under section
12 1201.

13 (B) LOAN DEFICIENCY PAYMENT.—Effec-
14 tive for the 2008 through 2012 crop years, the
15 Secretary may make loan deficiency payments
16 available under this section to producers on a
17 farm that produce unshorn pelts or hay and si-
18 lage derived from a loan commodity.

19 (b) COMPUTATION.—A loan deficiency payment for a
20 loan commodity or commodity referred to in subsection
21 (a)(2) shall be computed by multiplying—

22 (1) the payment rate determined under sub-
23 section (c) for the commodity; by

24 (2) the quantity of the commodity produced by
25 the eligible producers, excluding any quantity for

1 which the producers obtain a marketing assistance
2 loan under section 1201.

3 (c) PAYMENT RATE.—

4 (1) IN GENERAL.—In the case of a loan com-
5 modity, the payment rate shall be the amount by
6 which—

7 (A) the loan rate established under section
8 1202 for the loan commodity; exceeds

9 (B) the rate at which a marketing assist-
10 ance loan for the loan commodity may be repaid
11 under section 1204.

12 (2) UNSHORN PELTS.—In the case of unshorn
13 pelts, the payment rate shall be the amount by
14 which—

15 (A) the loan rate established under section
16 1202 for ungraded wool; exceeds

17 (B) the rate at which a marketing assist-
18 ance loan for ungraded wool may be repaid
19 under section 1204.

20 (3) HAY AND SILAGE.—In the case of hay or si-
21 lage derived from a loan commodity, the payment
22 rate shall be the amount by which—

23 (A) the loan rate established under section
24 1202 for the loan commodity from which the
25 hay or silage is derived; exceeds

1 (B) the rate at which a marketing assist-
2 ance loan for the loan commodity may be repaid
3 under section 1204.

4 (d) EXCEPTION FOR EXTRA LONG STAPLE COT-
5 TON.—This section shall not apply with respect to extra
6 long staple cotton.

7 (e) EFFECTIVE DATE FOR PAYMENT RATE DETER-
8 MINATION.—The Secretary shall determine the amount of
9 the loan deficiency payment to be made under this section
10 to the producers on a farm with respect to a quantity of
11 a loan commodity or commodity referred to in subsection
12 (a)(2) using the payment rate in effect under subsection
13 (c) as of the date the producers request the payment.

14 **SEC. 1206. PAYMENTS IN LIEU OF LOAN DEFICIENCY PAY-**
15 **MENTS FOR GRAZED ACREAGE.**

16 (a) ELIGIBLE PRODUCERS.—

17 (1) IN GENERAL.—Effective for the 2008
18 through 2012 crop years, in the case of a producer
19 that would be eligible for a loan deficiency payment
20 under section 1205 for wheat, barley, or oats, but
21 that elects to use acreage planted to the wheat, bar-
22 ley, or oats for the grazing of livestock, the Sec-
23 retary shall make a payment to the producer under
24 this section if the producer enters into an agreement

1 with the Secretary to forgo any other harvesting of
2 the wheat, barley, or oats on that acreage.

3 (2) GRAZING OF TRITICALE ACREAGE.—Effective
4 tive for the 2008 through 2012 crop years, with re-
5 spect to a producer on a farm that uses acreage
6 planted to triticale for the grazing of livestock, the
7 Secretary shall make a payment to the producer
8 under this section if the producer enters into an
9 agreement with the Secretary to forgo any other
10 harvesting of triticale on that acreage.

11 (b) PAYMENT AMOUNT.—

12 (1) IN GENERAL.—The amount of a payment
13 made under this section to a producer on a farm de-
14 scribed in subsection (a)(1) shall be equal to the
15 amount determined by multiplying—

16 (A) the loan deficiency payment rate deter-
17 mined under section 1205(c) in effect, as of the
18 date of the agreement, for the county in which
19 the farm is located; by

20 (B) the payment quantity determined by
21 multiplying—

22 (i) the quantity of the grazed acreage
23 on the farm with respect to which the pro-
24 ducer elects to forgo harvesting of wheat,
25 barley, or oats; and

1 (ii) the payment yield in effect for the
2 calculation of direct payments under sub-
3 title A with respect to that loan commodity
4 on the farm or, in the case of a farm with-
5 out a payment yield for that loan com-
6 modity, an appropriate yield established by
7 the Secretary in a manner consistent with
8 section 1102 of the Farm Security and
9 Rural Investment Act of 2002 (7 U.S.C.
10 7912).

11 (2) GRAZING OF TRITICALE ACREAGE.—The
12 amount of a payment made under this section to a
13 producer on a farm described in subsection (a)(2)
14 shall be equal to the amount determined by multi-
15 plying—

16 (A) the loan deficiency payment rate deter-
17 mined under section 1205(c) in effect for
18 wheat, as of the date of the agreement, for the
19 county in which the farm is located; by

20 (B) the payment quantity determined by
21 multiplying—

22 (i) the quantity of the grazed acreage
23 on the farm with respect to which the pro-
24 ducer elects to forgo harvesting of triticale;
25 and

1 (ii) the payment yield in effect for the
2 calculation of direct payments under sub-
3 title A with respect to wheat on the farm
4 or, in the case of a farm without a pay-
5 ment yield for wheat, an appropriate yield
6 established by the Secretary in a manner
7 consistent with section 1102 of the Farm
8 Security and Rural Investment Act of
9 2002 (7 U.S.C. 7912).

10 (c) TIME, MANNER, AND AVAILABILITY OF PAY-
11 MENT.—

12 (1) TIME AND MANNER.—A payment under this
13 section shall be made at the same time and in the
14 same manner as loan deficiency payments are made
15 under section 1205.

16 (2) AVAILABILITY.—

17 (A) IN GENERAL.—The Secretary shall es-
18 tablish an availability period for the payments
19 authorized by this section.

20 (B) CERTAIN COMMODITIES.—In the case
21 of wheat, barley, and oats, the availability pe-
22 riod shall be consistent with the availability pe-
23 riod for the commodity established by the Sec-
24 retary for marketing assistance loans author-
25 ized by this subtitle.

1 (d) PROHIBITION ON CROP INSURANCE INDEMNITY
2 OR NONINSURED CROP ASSISTANCE.—A 2008 through
3 2012 crop of wheat, barley, oats, or triticale planted on
4 acreage that a producer elects, in the agreement required
5 by subsection (a), to use for the grazing of livestock in
6 lieu of any other harvesting of the crop shall not be eligible
7 for an indemnity under the Federal Crop Insurance Act
8 (7 U.S.C. 1501 et seq.) or noninsured crop assistance
9 under section 196 of the Federal Agriculture Improvement
10 and Reform Act of 1996 (7 U.S.C. 7333).

11 **SEC. 1207. SPECIAL MARKETING LOAN PROVISIONS FOR**
12 **UPLAND COTTON.**

13 (a) SPECIAL IMPORT QUOTA.—

14 (1) DEFINITION OF SPECIAL IMPORT QUOTA.—
15 In this subsection, the term “special import quota”
16 means a quantity of imports that is not subject to
17 the over-quota tariff rate of a tariff-rate quota.

18 (2) ESTABLISHMENT.—

19 (A) IN GENERAL.—The President shall
20 carry out an import quota program during the
21 period beginning on the date of the enactment
22 of this Act through July 31, 2013, as provided
23 in this subsection.

24 (B) PROGRAM REQUIREMENTS.—Except as
25 provided in subparagraph (C), whenever the

1 Secretary determines and announces that for
2 any consecutive 4-week period, the Friday
3 through Thursday average price quotation for
4 the lowest-priced United States growth, as
5 quoted for Middling (M) 1³/₃₂-inch cotton, deliv-
6 ered C/F Far East, exceeds the Far East price
7 there shall immediately be in effect a special
8 import quota.

9 (3) QUANTITY.—The quota shall be equal to 1
10 week's consumption of upland cotton by domestic
11 mills at the seasonally adjusted average rate of the
12 most recent 3 months for which data are available.

13 (4) APPLICATION.—The quota shall apply to
14 upland cotton purchased not later than 90 days
15 after the date of the Secretary's announcement
16 under paragraph (1) and entered into the United
17 States not later than 180 days after that date.

18 (5) OVERLAP.—A special quota period may be
19 established that overlaps any existing quota period if
20 required by paragraph (2), except that a special
21 quota period may not be established under this sub-
22 section if a quota period has been established under
23 subsection (c).

1 (6) PREFERENTIAL TARIFF TREATMENT.—The
2 quantity under a special import quota shall be con-
3 sidered to be an in-quota quantity for purposes of—

4 (A) section 213(d) of the Caribbean Basin
5 Economic Recovery Act (19 U.S.C. 2703(d));

6 (B) section 204 of the Andean Trade Pref-
7 erence Act (19 U.S.C. 3203);

8 (C) section 503(d) of the Trade Act of
9 1974 (19 U.S.C. 2463(d)); and

10 (D) General Note 3(a)(iv) to the Har-
11 monized Tariff Schedule.

12 (7) LIMITATION.—The quantity of cotton en-
13 tered into the United States during any marketing
14 year under the special import quota established
15 under this subsection may not exceed the equivalent
16 of 10 week’s consumption of upland cotton by do-
17 mestic mills at the seasonally adjusted average rate
18 of the 3 months immediately preceding the first spe-
19 cial import quota established in any marketing year.

20 (b) LIMITED GLOBAL IMPORT QUOTA FOR UPLAND
21 COTTON.—

22 (1) DEFINITIONS.—In this subsection:

23 (A) SUPPLY.—The term “supply” means,
24 using the latest official data of the Bureau of

1 the Census, the Department of Agriculture, and
2 the Department of the Treasury—

3 (i) the carry-over of upland cotton at
4 the beginning of the marketing year (ad-
5 justed to 480-pound bales) in which the
6 quota is established;

7 (ii) production of the current crop;
8 and

9 (iii) imports to the latest date avail-
10 able during the marketing year.

11 (B) DEMAND.—The term “demand”
12 means—

13 (i) the average seasonally adjusted an-
14 nual rate of domestic mill consumption
15 during the most recent 3 months for which
16 data are available; and

17 (ii) the larger of—

18 (I) average exports of upland cot-
19 ton during the preceding 6 marketing
20 years; or

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

1 (C) LIMITED GLOBAL IMPORT QUOTA.—

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

5 (2) PROGRAM.—The President shall carry out
6 an import quota program that provides that when-
7 ever the Secretary determines and announces that
8 the average price of the base quality of upland cot-
9 ton, as determined by the Secretary, in the des-
10 ignated spot markets for a month exceeded 130 per-
11 cent of the average price of the quality of cotton in
12 the markets for the preceding 36 months, notwith-
13 standing any other provision of law, there shall im-
14 mediately be in effect a limited global import quota
15 subject to the following conditions:

16 (A) QUANTITY.—The quantity of the quota
17 shall be equal to 21 days of domestic mill con-
18 sumption of upland cotton at the seasonally ad-
19 justed average rate of the most recent 3 months
20 for which data are available.

21 (B) QUANTITY IF PRIOR QUOTA.—If a
22 quota has been established under this sub-
23 section during the preceding 12 months, the
24 quantity of the quota next established under
25 this subsection shall be the smaller of 21 days

1 of domestic mill consumption calculated under
2 subparagraph (A) or the quantity required to
3 increase the supply to 130 percent of the de-
4 mand.

5 (C) PREFERENTIAL TARIFF TREAT-
6 MENT.—The quantity under a limited global
7 import quota shall be considered to be an in-
8 quota quantity for purposes of—

9 (i) section 213(d) of the Caribbean
10 Basin Economic Recovery Act (19 U.S.C.
11 2703(d));

12 (ii) section 204 of the Andean Trade
13 Preference Act (19 U.S.C. 3203);

14 (iii) section 503(d) of the Trade Act
15 of 1974 (19 U.S.C. 2463(d)); and

16 (iv) General Note 3(a)(iv) to the Har-
17 monized Tariff Schedule.

18 (D) QUOTA ENTRY PERIOD.—When a
19 quota is established under this subsection, cot-
20 ton may be entered under the quota during the
21 90-day period beginning on the date the quota
22 is established by the Secretary.

23 (3) NO OVERLAP.—Notwithstanding paragraph
24 (2), a quota period may not be established that over-

1 laps an existing quota period or a special quota pe-
2 riod established under subsection (a).

3 (c) ECONOMIC ADJUSTMENT ASSISTANCE TO USERS
4 OF UPLAND COTTON.—

5 (1) ISSUANCE OF MARKETING CERTIFICATES OR
6 CASH PAYMENTS.—During the period beginning on
7 the date of the enactment of this Act through July
8 31, 2013, the Secretary shall issue, on a monthly
9 basis, marketing certificates or cash payments, at
10 the option of the recipient, to domestic users of up-
11 land cotton for all documented use of upland cotton
12 during the previous monthly period regardless of the
13 origin of the upland cotton.

14 (2) VALUE OF CERTIFICATES OR PAYMENTS.—
15 The value of the marketing certificates or cash pay-
16 ments shall be 4 cents per pound.

17 (3) ALLOWABLE PURPOSES.—Economic adjust-
18 ment assistance under this subsection shall be made
19 available only to domestic users of upland cotton
20 that certify that such funds shall be used only for
21 acquisition, construction, installation, modernization,
22 development, conversion, or expansion of land, plant,
23 buildings, equipment, facilities, or machinery.

24 (4) REVIEW OR AUDIT.—The Secretary may
25 conduct such review or audit of the records of a do-

1 mestic user under this subsection as determined nec-
2 essary to carry out the provisions of this subsection.

3 (5) IMPROPER USE OF ASSISTANCE.—If the
4 Secretary determines, after a review or audit of the
5 records of the domestic user, that economic adjust-
6 ment assistance under this subsection was not used
7 for the purposes specified in paragraph (3), the do-
8 mestic user shall be liable to repay such assistance
9 to the Secretary, plus interest, as determined by the
10 Secretary, and shall be ineligible to participate in
11 the program established by this subsection for a pe-
12 riod of 12 months following the determination of the
13 Secretary.

14 **SEC. 1208. SPECIAL COMPETITIVE PROVISIONS FOR EXTRA**
15 **LONG STAPLE COTTON.**

16 (a) COMPETITIVENESS PROGRAM.—Notwithstanding
17 any other provision of law, during the period beginning
18 on the date of the enactment of this Act through July 31,
19 2013, the Secretary shall carry out a program—

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

23 (2) to increase exports of extra long staple cot-
24 ton produced in the United States; and

1 (3) to ensure that extra long staple cotton pro-
2 duced in the United States remains competitive in
3 world markets.

4 (b) **PAYMENTS UNDER PROGRAM; TRIGGER.**—Under
5 the program, the Secretary shall make payments available
6 under this section whenever—

7 (1) for a consecutive 4-week period, the world
8 market price for the lowest priced competing growth
9 of extra long staple cotton (adjusted to United
10 States quality and location and for other factors af-
11 fecting the competitiveness of such cotton), as deter-
12 mined by the Secretary, is below the prevailing
13 United States price for a competing growth of extra
14 long staple cotton; and

15 (2) the lowest priced competing growth of extra
16 long staple cotton (adjusted to United States quality
17 and location and for other factors affecting the com-
18 petitiveness of such cotton), as determined by the
19 Secretary, is less than 134 percent of the loan rate
20 for extra long staple cotton.

21 (c) **ELIGIBLE RECIPIENTS.**—The Secretary shall
22 make payments available under this section to domestic
23 users of extra long staple cotton produced in the United
24 States and exporters of extra long staple cotton produced
25 in the United States that enter into an agreement with

1 the Commodity Credit Corporation to participate in the
2 program under this section.

3 (d) PAYMENT AMOUNT.—Payments under this sec-
4 tion shall be based on the amount of the difference in the
5 prices referred to in subsection (b)(1) during the fourth
6 week of the consecutive 4-week period multiplied by the
7 amount of documented purchases by domestic users and
8 sales for export by exporters made in the week following
9 such a consecutive 4-week period.

10 (e) FORM OF PAYMENT.—Payments under this sec-
11 tion shall be made through the issuance of cash or mar-
12 keting certificates, at the option of eligible recipients of
13 the payments.

14 **SEC. 1209. AVAILABILITY OF RECOURSE LOANS FOR HIGH**
15 **MOISTURE FEED GRAINS AND SEED COTTON.**

16 (a) HIGH MOISTURE FEED GRAINS.—

17 (1) DEFINITION OF HIGH MOISTURE STATE.—

18 In this subsection, the term “high moisture state”
19 means corn or grain sorghum having a moisture con-
20 tent in excess of Commodity Credit Corporation
21 standards for marketing assistance loans made by
22 the Secretary under section 1201.

23 (2) RECOURSE LOANS AVAILABLE.—For each of
24 the 2008 through 2012 crops of corn and grain sor-
25 ghum, the Secretary shall make available recourse

1 loans, as determined by the Secretary, to producers
2 on a farm that—

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

6 (B) present—

7 (i) certified scale tickets from an in-
8 spected, certified commercial scale, includ-
9 ing a licensed warehouse, feedlot, feed mill,
10 distillery, or other similar entity approved
11 by the Secretary, pursuant to regulations
12 issued by the Secretary; or

13 (ii) field or other physical measure-
14 ments of the standing or stored crop in re-
15 gions of the United States, as determined
16 by the Secretary, that do not have certified
17 commercial scales from which certified
18 scale tickets may be obtained within rea-
19 sonable proximity of harvest operation;

20 (C) certify that they were the owners of
21 the feed grain at the time of delivery to, and
22 that the quantity to be placed under loan under
23 this subsection was in fact harvested on the
24 farm and delivered to, a feedlot, feed mill, or
25 commercial or on-farm high-moisture storage

1 facility, or to a facility maintained by the users
2 of corn and grain sorghum in a high moisture
3 state; and

4 (D) comply with deadlines established by
5 the Secretary for harvesting the corn or grain
6 sorghum and submit applications for loans
7 under this subsection within deadlines estab-
8 lished by the Secretary.

9 (3) ELIGIBILITY OF ACQUIRED FEED GRAINS.—

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

14 (A) the acreage of the corn or grain sor-
15 ghum in a high moisture state harvested on the
16 producer's farm; by

17 (B) the lower of the farm program pay-
18 ment yield used to make counter-cyclical pay-
19 ments under subtitle A or the actual yield on a
20 field, as determined by the Secretary, that is
21 similar to the field from which the corn or grain
22 sorghum was obtained.

23 (b) RECOURSE LOANS AVAILABLE FOR SEED COT-
24 TON.—For each of the 2008 through 2012 crops of upland
25 cotton and extra long staple cotton, the Secretary shall

1 make available recourse seed cotton loans, as determined
2 by the Secretary, on any production.

3 (c) REPAYMENT RATES.—Repayment of a recourse
4 loan made under this section shall be at the loan rate es-
5 tablished for the commodity by the Secretary, plus interest
6 (determined in accordance with section 163 of the Federal
7 Agriculture Improvement and Reform Act of 1996 (7
8 U.S.C. 7283)).

9 **Subtitle C—Peanuts [Elsewhere]**

10 **Subtitle D—Sugar [Elsewhere]**

11 **Subtitle E—Dairy [Elsewhere]**

12 **Subtitle F—Administration**

13 **SEC. 1601. ADMINISTRATION GENERALLY.**

14 (a) USE OF COMMODITY CREDIT CORPORATION.—
15 The Secretary shall use the funds, facilities, and authori-
16 ties of the Commodity Credit Corporation to carry out this
17 title.

18 (b) DETERMINATIONS BY SECRETARY.—A deter-
19 mination made by the Secretary under this title shall be
20 final and conclusive.

21 (c) REGULATIONS.—

22 (1) IN GENERAL.—Not later than 90 days after
23 the date of the enactment of this Act, the Secretary
24 and the Commodity Credit Corporation, as appro-

1 appropriate, shall promulgate such regulations as are nec-
2 essary to implement this title.

3 (2) PROCEDURE.—The promulgation of the reg-
4 ulations and administration of this title shall be
5 made without regard to—

6 (A) chapter 35 of title 44, United States
7 Code (commonly known as the “Paperwork Re-
8 duction Act”);

9 (B) the Statement of Policy of the Sec-
10 retary of Agriculture effective July 24, 1971
11 (36 Fed. Reg. 13804), relating to notices of
12 proposed rulemaking and public participation in
13 rulemaking; and

14 (C) the notice and comment provisions of
15 section 553 of title 5, United States Code.

16 (3) CONGRESSIONAL REVIEW OF AGENCY RULE-
17 MAKING.—In carrying out this subsection, the Sec-
18 retary shall use the authority provided under section
19 808 of title 5, United States Code.

20 (d) ADJUSTMENT AUTHORITY RELATED TO TRADE
21 AGREEMENTS COMPLIANCE.—

22 (1) REQUIRED DETERMINATION; ADJUST-
23 MENT.—If the Secretary determines that expendi-
24 tures under subtitles A through E that are subject
25 to the total allowable domestic support levels under

1 the Uruguay Round Agreements (as defined in sec-
2 tion 2 of the Uruguay Round Agreements Act (19
3 U.S.C. 3501)), as in effect on the date of enactment
4 of this Act, will exceed such allowable levels for any
5 applicable reporting period, the Secretary shall, to
6 the maximum extent practicable, make adjustments
7 in the amount of such expenditures during that pe-
8 riod to ensure that such expenditures do not exceed
9 such allowable levels.

10 (2) CONGRESSIONAL NOTIFICATION.—Before
11 making any adjustment under paragraph (1), the
12 Secretary shall submit to the Committee on Agri-
13 culture of the House of Representatives or the Com-
14 mittee on Agriculture, Nutrition, and Forestry of
15 the Senate a report describing the determination
16 made under that paragraph and the extent of the
17 adjustment to be made.

18 **SEC. 1602. SUSPENSION OF PERMANENT PRICE SUPPORT**
19 **AUTHORITY.**

20 (a) AGRICULTURAL ADJUSTMENT ACT OF 1938.—
21 The following provisions of the Agricultural Adjustment
22 Act of 1938 shall not be applicable to the 2008 through
23 2012 crops of covered commodities, peanuts, and sugar
24 and shall not be applicable to milk during the period be-

1 ginning on the date of enactment of this Act through De-
2 cember 31, 2012:

3 (1) Parts II through V of subtitle B of title III
4 (7 U.S.C. 1326 et seq.).

5 (2) In the case of upland cotton, section 377 (7
6 U.S.C. 1377).

7 (3) Subtitle D of title III (7 U.S.C. 1379a et
8 seq.).

9 (4) Title IV (7 U.S.C. 1401 et seq.).

10 (b) AGRICULTURAL ACT OF 1949.—The following
11 provisions of the Agricultural Act of 1949 shall not be ap-
12 plicable to the 2008 through 2012 crops of covered com-
13 modities, peanuts, and sugar and shall not be applicable
14 to milk during the period beginning on the date of enact-
15 ment of this Act and through December 31, 2012:

16 (1) Section 101 (7 U.S.C. 1441).

17 (2) Section 103(a) (7 U.S.C. 1444(a)).

18 (3) Section 105 (7 U.S.C. 1444b).

19 (4) Section 107 (7 U.S.C. 1445a).

20 (5) Section 110 (7 U.S.C. 1445e).

21 (6) Section 112 (7 U.S.C. 1445g).

22 (7) Section 115 (7 U.S.C. 1445k).

23 (8) Section 201 (7 U.S.C. 1446).

24 (9) Title III (7 U.S.C. 1447 et seq.).

1 (10) Title IV (7 U.S.C. 1421 et seq.), other
2 than sections 404, 412, and 416 (7 U.S.C. 1424,
3 1429, and 1431).

4 (11) Title V (7 U.S.C. 1461 et seq.).

5 (12) Title VI (7 U.S.C. 1471 et seq.).

6 (c) **SUSPENSION OF CERTAIN QUOTA PROVISIONS.**—
7 The joint resolution entitled “A joint resolution relating
8 to corn and wheat marketing quotas under the Agricul-
9 tural Adjustment Act of 1938, as amended”, approved
10 May 26, 1941 (7 U.S.C. 1330 and 1340), shall not be
11 applicable to the crops of wheat planted for harvest in the
12 calendar years 2008 through 2012.

13 **SEC. 1603. PAYMENT LIMITATIONS.**

14 (a) **EXTENSION OF LIMITATIONS.**—Sections 1001
15 and 1001C(a) of the Food Security Act of 1985 (7 U.S.C.
16 1308, 1308–3(a)) are amended by striking “Farm Secu-
17 rity and Rural Investment Act of 2002” each place it ap-
18 pears (other than in subsection (d)(1) of section 1001 of
19 such Act) and inserting “**[2007 Farm Bill]**”.

20 (b) **LIMITATION ON MARKETING LOAN GAINS AND**
21 **LOAN DEFICIENCY PAYMENTS.**—Section 1001(d)(1) of
22 the Food Security Act of 1985 (7 U.S.C. 1308(d)(1)) is
23 amended by striking “any crop year” and inserting “any
24 of the 2002 through 2007 crop years”.

1 (c) ATTRIBUTION REQUIREMENTS.—Section 1001 of
2 the Food Security Act of 1985 (7 U.S.C. 1308) is amend-
3 ed—

4 (1) in subsection (a)—

5 (A) by redesignating paragraphs (2) and
6 (3) as paragraphs (4) and (5), respectively; and

7 (B) by inserting after paragraph (1) the
8 following new paragraphs:

9 “(2) ENTITY.—

10 “(A) IN GENERAL.—The term ‘entity’
11 means—

12 “(i) an organization that (subject to
13 the requirements of this section and sec-
14 tion 1001A) is eligible to receive a pay-
15 ment under a provision of law referred to
16 in subsection (b) or (c);

17 “(ii) a corporation, joint stock com-
18 pany, association, limited partnership, lim-
19 ited liability company, limited liability
20 partnership, charitable organization, grant-
21 or of a revocable trust, or other similar en-
22 tity (as determined by the Secretary); and

23 “(iii) an organization that is partici-
24 pating in a farming operation as a partner

1 in a general partnership or as a participant
2 in a joint venture.

3 “(B) EXCLUSION.—The term ‘entity’ does
4 not include a general partnership or joint ven-
5 ture.

6 “(3) INDIVIDUAL.—The term ‘individual’
7 means—

8 “(A) a natural person, and any minor child
9 of the natural person (as determined by the
10 Secretary), who, subject to the requirements of
11 this section and section 1001A, is eligible to re-
12 ceive a payment under a provision of law re-
13 ferred to in subsection (b), (c), or (d); and

14 “(B) a natural person participating in a
15 farming operation as a partner in a general
16 partnership, a participant in a joint venture, a
17 grantor of a revocable trust, or a participant in
18 a similar entity (as determined by the Sec-
19 retary).”; and

20 (2) by adding at the end the following new sub-
21 section:

22 “(h) CONTRIBUTION OF PAYMENTS TO INDIVIDUALS
23 AND ENTITIES.—

24 “(1) INTERESTS WITHIN SAME ENTITY.—Any
25 individual or entity that is an owner of an entity, in-

1 including a shareholder, may not collectively receive
2 payments, directly or indirectly, that are attributable
3 to the ownership interest in the entity for a crop
4 year that exceed an amount equal to the applicable
5 dollar amounts specified in subsections (b)(1) and
6 (c)(1).

7 “(2) ALL INTERESTS.—An individual or entity
8 may not receive, directly or indirectly, through all
9 ownership interests of the individual or entity, from
10 all sources, payments for a crop year that exceed an
11 amount equal to the applicable dollar amounts speci-
12 fied in subsections (b)(1) and (c)(1).”.

13 (d) TRANSITION.—Section 1001 of the Food Security
14 Act of 1985 (7 U.S.C. 1308), as in effect on the day before
15 the date of the enactment of this Act, shall continue to
16 apply with respect to the 2007 crop of any covered com-
17 modity.

18 **SEC. 1604. ADJUSTED GROSS INCOME LIMITATION.**

19 (a) EXTENSION.—Section 1001D of the Food Secu-
20 rity Act of 1985 (7 U.S.C. 1308–3a) is amended—

21 (1) in subsection (b)(2), by striking “Farm Se-
22 curity and Rural Investment Act of 2002” each
23 place it appears and inserting “**【2007 Farm Bill】**”;
24 and

1 (2) in subsection (e), by striking “2007” and
2 inserting “2012”.

3 (b) DENIAL OF PROGRAM BENEFITS FOR VIOLA-
4 TIONS.—Subsection (c) of section 1001D of the Food Se-
5 curity Act of 1985 (7 U.S.C. 1308–3a) is amended to read
6 as follows:

7 “(c) CERTIFICATION OF COMPLIANCE; EFFECT OF
8 VIOLATION.—

9 “(1) CERTIFICATION.—To comply with the limi-
10 tation under subsection (b), an individual or entity
11 shall provide to the Secretary—

12 “(A) a certification by a certified public ac-
13 countant or another third party that is accept-
14 able to the Secretary that the average adjusted
15 gross income of the individual or entity does not
16 exceed the limitation specified in that sub-
17 section; or

18 “(B) information and documentation re-
19 garding the adjusted gross income of the indi-
20 vidual or entity through other procedures estab-
21 lished by the Secretary.

22 “(2) TWO-YEAR DENIAL OF PAYMENTS FOR
23 VIOLATION.—An individual or entity shall be ineli-
24 gible to receive payments covered under subsection
25 (b)(2) for a crop year, and the succeeding crop year,

1 in which the Secretary determines that the indi-
2 vidual or entity engaged in an activity in which the
3 primary purpose of the activity was to avoid the ap-
4 plication of the limitation under subsection (b) to
5 the individual or entity or any other individual or
6 entity.

7 “(3) EXTENDED INELIGIBILITY FOR CERTAIN
8 VIOLATIONS.—The Secretary may deny payments
9 covered under subsection (b)(2) for a period of up
10 to five crop years to an individual or entity if the
11 Secretary determines that the individual or entity,
12 for the benefit of the individual or entity or any
13 other individual or entity, knowingly engaged in or
14 aided in—

15 “(A) the creation of fraudulent documents
16 to avoid the application of the limitation under
17 subsection (b);

18 “(B) the failure to disclose material infor-
19 mation relevant to the administration of this
20 section; or

21 “(C) the commission of other similar ac-
22 tions, as identified in regulations issued by the
23 Secretary.”.

1 **SEC. 1605. ADJUSTMENTS OF LOANS.**

2 Section 162 of the Federal Agriculture Improvement
3 and Reform Act of 1996 (7 U.S.C. 7282) is amended—

4 (1) in subsection (a), by inserting “(except for
5 cotton)” after “commodity”;

6 (2) in subsection (b), by striking “Farm Secu-
7 rity and Rural Investment Act of 2002” and insert-
8 ing “**【2007 Farm Bill】**”; and

9 (3) by adding at the end the following new sub-
10 section:

11 “(d) **ADJUSTMENT IN LOAN RATE FOR COTTON.**—

12 “(1) **ADJUSTMENT AUTHORITY.**—The Secretary
13 may make appropriate adjustments in the loan rate
14 for cotton for differences in quality factors.

15 “(2) **REVISIONS TO QUALITY ADJUSTMENTS**
16 **FOR UPLAND COTTON.**—

17 “(A) **REVISION.**—Within 180 days after
18 the date of the enactment of the **【2007 Farm**
19 **Bill】**, the Secretary, after consultation with the
20 private sector as provided in paragraph (3),
21 shall implement revisions in the administration
22 of the marketing assistance loan program for
23 upland cotton to more accurately and efficiently
24 reflect market values for upland cotton.

1 “(B) MANDATORY REVISIONS.—The revi-
2 sions required under subparagraph (A) shall in-
3 clude the following:

4 “(i) The elimination or adjustment of
5 warehouse location differentials to reflect
6 market conditions.

7 “(ii) The establishment of differentials
8 for the various quality factors and staple
9 lengths of cotton based on a three-year,
10 weighted moving average of the weighted
11 designated spot market regions as deter-
12 mined by regional production.

13 “(iii) The elimination of any artificial
14 split in the premium or discount between
15 upland cotton with a 32 or 33 staple
16 length due to micronaire;

17 “(iv) A mechanism to ensure that no
18 premium or discount is established that ex-
19 ceeds the premium or discount associated
20 with a leaf grade that is one better than
21 the applicable color grade.

22 “(C) DISCRETIONARY REVISIONS.—The re-
23 visions under subparagraph (A) may include, at
24 a minimum, the following:

1 “(i) The use of non-spot market price
2 data, in addition to spot market price data,
3 that would enhance the accuracy of the
4 price information used in determining
5 quality adjustments under this subsection.

6 “(ii) Adjustments in the premiums or
7 discounts associated with upland cotton
8 with a staple length of 33 or above due to
9 micronaire with the goal of eliminating any
10 unnecessary artificial splits in the calcula-
11 tions of such premiums or discounts.

12 “(iii) Such other adjustments deter-
13 mined appropriate by the Secretary, after
14 consultations conducted in accordance with
15 paragraph (3).

16 “(3) CONSULTATION WITH PRIVATE SECTOR.—

17 “(A) PRIOR TO REVISION.—Prior to imple-
18 menting any revisions to the administration of
19 the marketing assistance loan program for up-
20 land cotton, the Secretary should endeavor to
21 consult with an existing private sector com-
22 mittee whose membership includes representa-
23 tives of the production, ginning, warehousing,
24 cooperative, and merchandising segments of the
25 United States cotton industry and that has de-

1 veloped recommendations concerning such revi-
2 sions.

3 “(B) UPON REVIEW.—The Secretary shall
4 also consult with the committee referred to in
5 subparagraph (A) when conducting a review of
6 adjustments in the operation of the loan pro-
7 gram as provided in paragraph (4).

8 “(C) INAPPLICABILITY OF FEDERAL ADVI-
9 SORY COMMITTEE ACT.—The Federal Advisory
10 Committee Act (5 U.S.C. App.) shall not apply
11 to consultations under this paragraph with the
12 committee referred to in subparagraph (A).

13 “(4) REVIEW OF ADJUSTMENTS.—The Sec-
14 retary may review the operation of the upland cotton
15 quality adjustments implemented pursuant to this
16 subsection and may make further revisions to the
17 administration of the loan program, by either revok-
18 ing or revising the actions taken pursuant to para-
19 graph (2)(B) or by revoking or revising any actions
20 taken or authorized to be taken under paragraph
21 (2)(B).

22 “(5) ADJUSTMENTS IN EFFECT PRIOR TO REVI-
23 SION.—The quality differences (premiums and dis-
24 counts for quality factors) applicable to the upland
25 cotton loan program (prior to any revisions in ac-

1 cordance with this subsection) shall be established
2 by the Secretary by giving equal weight—

3 “(A) to loan differences for the preceding
4 crop; and

5 “(B) to market differences for such crop in
6 the designated United States spot markets.”.

7 **SEC. 1606. PERSONAL LIABILITY OF PRODUCERS FOR DEFICIENCIES.**
8

9 Section 164 of the Federal Agriculture Improvement
10 and Reform Act of 1996 (7 U.S.C. 7284) is amended by
11 striking “Farm Security and Rural Investment Act of
12 2002” each place it appears and inserting “[2007 Farm
13 Bill]”.

14 **SEC. 1607. EXTENSION OF EXISTING ADMINISTRATIVE AUTHORITY REGARDING LOANS.**
15

16 Section 166 of the Federal Agriculture Improvement
17 and Reform Act of 1996 (7 U.S.C. 7286) is amended in
18 subsections (a) and (c)(1) by striking “subtitle B and C
19 of title I of the Farm Security and Rural Investment Act
20 of 2002” each place it appears and inserting “subtitle B
21 of title I of the [2007 Farm Bill]”.

22 **SEC. 1608. ASSIGNMENT OF PAYMENTS.**

23 (a) IN GENERAL.—The provisions of section 8(g) of
24 the Soil Conservation and Domestic Allotment Act (16

1 U.S.C. 590h(g)), relating to assignment of payments, shall
2 apply to payments made under the authority of this title.

3 (b) NOTICE.—The producer making the assignment,
4 or the assignee, shall provide the Secretary with notice,
5 in such manner as the Secretary may require, of any as-
6 signment made under this section.

7 **SEC. 1609. TRACKING OF BENEFITS.**

8 As soon as practicable after the date of enactment
9 of this Act, the Secretary shall establish procedures to
10 track the benefits provided, directly or indirectly, to indi-
11 viduals and entities under titles I and II and the amend-
12 ments made by those titles.

13 **SEC. 1610. UPLAND COTTON STORAGE PAYMENTS.**

14 Beginning with the 2012 crop of upland cotton, the
15 Secretary may not use the funds of the Commodity Credit
16 Corporation to pay storage, handling, and other costs as-
17 sociated with the storage of upland cotton for which a
18 marketing assistance loan is made under section 1201.

19 **SEC. 1611. GOVERNMENT PUBLICATION OF COTTON PRICE**
20 **FORECASTS.**

21 Section 15 of the Agricultural Marketing Act (12
22 U.S.C. 1141j) is amended by striking subsection (d).

23 **SEC. 1612. TREATMENT OF FARMS WITH TOTAL BASE**
24 **ACRES OF 10 ACRES OR LESS.**

25 **【To be added】**