

**TITLE 7 - AGRICULTURE****CHAPTER 35A - PRICE SUPPORT OF AGRICULTURAL COMMODITIES****SUBCHAPTER I - GENERAL PROVISIONS****§ 1435. Production of commodities for conversion into alcohol or hydrocarbons for use as motor fuels or other fuels; terms and conditions; determinations; payments, etc., for program**

(a) The Secretary of Agriculture shall permit, subject to such terms and conditions as the Secretary shall prescribe, all or any part of the acreage set aside or diverted under the Agricultural Act of 1949 [7 U.S.C. 1421 et seq.] from the production of a commodity for any crop year to be devoted to the production of any commodity for conversion into alcohol or hydrocarbons for use as motor fuel or other fuel, if the Secretary of Agriculture determines that such production is desirable in order to provide an adequate supply of commodities for such conversion, is not likely to increase the cost of price support programs, and will not adversely affect farm income.

(b) (1) During any year in which no set-aside or diversion of acreage is in effect under the Agricultural Act of 1949 [7 U.S.C. 1421 et seq.] the Secretary of Agriculture may formulate and administer a program for the production, subject to such terms and conditions as he may prescribe, of commodities for conversion into alcohol or hydrocarbons for use as motor fuel or other fuel. Under such program, producers of wheat, feed grains, upland cotton, and rice shall be paid incentive payments to devote a portion of their acreage to such production.

(2) The payments under this subsection shall be made at such rate or rates as the Secretary of Agriculture determines to be fair and reasonable, taking into consideration the participation necessary to ensure an adequate supply of commodities for such conversion.

(3) The Secretary may issue any regulations necessary to carry out the provisions of this subsection.

(4) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

(Pub. L. 95–113, title XX, § 2001, as added Pub. L. 96–294, title II, § 260(a), June 30, 1980, 94 Stat. 709.)

**References in Text**

The Agricultural Act of 1949, referred to in subsecs. (a) and (b)(1), is act Oct. 31, 1949, ch. 792, 63 Stat. 1051, as amended, which is classified principally to this chapter (§ 1421 et seq.). For complete classification of this Act to the Code, see Short Title note set out under section 1421 of this title and Tables.

**Codification**

Section was enacted as part of the Food and Agriculture Act of 1977 as added by the Biomass Energy and Alcohol Fuels Act of 1980 which is title II of the Energy and Security Act, and not as part of the Agricultural Act of 1949 which is classified principally to this chapter. For complete classification of the 1949 Act to the Code, see Short Title note set out under section 1421 of this title and Tables.