

emption or exclusion from any provision of the Commodity Exchange Act [7 U.S.C. 1 et seq.] or any regulation of the Commodity Futures Trading Commission.

(b) Covered swap agreements

No covered swap agreement shall be void, voidable, or unenforceable, and no party to a covered swap agreement shall be entitled to rescind, or recover any payment made with respect to, a covered swap agreement under any provision of Federal or State law, based solely on the failure of the covered swap agreement to comply with the terms or conditions of an exemption or exclusion from any provision of the Commodity Exchange Act [7 U.S.C. 1 et seq.] or any regulation of the Commodity Futures Trading Commission.

(c) Preemption

Sections 27 to 27f of this title shall supersede and preempt the application of any State or local law that prohibits or regulates gaming or the operation of bucket shops (other than anti-fraud provisions of general applicability) in the case of—

- (1) a hybrid instrument that is predominantly a banking product; or
- (2) a covered swap agreement.

(Pub. L. 106-554, §1(a)(5) [title IV, §408], Dec. 21, 2000, 114 Stat. 2763, 2763A-461; Pub. L. 111-203, title VII, §725(g)(1)(C), July 21, 2010, 124 Stat. 1694.)

AMENDMENT OF SECTION

Pub. L. 111-203, title VII, §§725(g)(1)(C), 754, July 21, 2010, 124 Stat. 1694, 1754, provided that, effective on the later of 360 days after July 21, 2010, or, to the extent a provision of subtitle A (§§711-754) of title VII of Pub. L. 111-203 requires a rulemaking, not less than 60 days after publication of the final rule or regulation implementing such provision of subtitle A, this section is amended as follows:

- (1) *in subsection (c), by striking “in the case” and all that follows through “a hybrid” and inserting “in the case of a hybrid”, by striking “; or” and inserting a period, and by striking paragraph (2); and*
- (2) *by striking subsection (b) and by redesignating subsection (c) as subsection (b).*

REFERENCES IN TEXT

The Commodity Exchange Act, referred to in subssecs. (a) and (b), is act Sept. 21, 1922, ch. 369, 42 Stat. 998, as amended, which is classified generally to this chapter. For complete classification of this Act to the Code, see section 1 of this title and Tables.

CODIFICATION

Section was enacted as part of the Legal Certainty for Bank Products Act of 2000, and also as part of the Commodity Futures Modernization Act of 2000, and not as part of the Commodity Exchange Act which comprises this chapter.

EFFECTIVE DATE OF 2010 AMENDMENT

Amendment by Pub. L. 111-203 effective on the later of 360 days after July 21, 2010, or, to the extent a provision of subtitle A (§§711-754) of title VII of Pub. L. 111-203 requires a rulemaking, not less than 60 days after publication of the final rule or regulation implementing such provision of subtitle A, see section 754 of

Pub. L. 111-203, set out as a note under section 1a of this title.

CHAPTER 2—COTTON STANDARDS

Sec.

51. Short title.
- 51a. Extension of classification facilities to cotton growers.
- 51a-1. Contracts with cooperatives furnishing classers; amount and type of payment.
- 51b. Licensing samplers; revocation and suspension of license.
52. Use of nonofficial standards prohibited; sales by sample excepted.
53. Licensing classifiers; revocation and suspension of license.
54. Classification by Department of Agriculture; certification thereof; effect of certificate; regulations for classification.
55. Fees and charges for cotton classing and related services; criteria; disposition of monies and samples.
56. Establishment of cotton standards; furnishing copies of established standards sold.
57. Disposition of proceeds of sale of cotton and of copies of standards.
- 57a. Agreements with cotton associations, etc., in foreign countries to establish cotton standards.
58. General inspection and sampling of cotton.
59. Offenses in relation to cotton standards.
60. Penalties for violations.
61. General regulations, investigations, tests, etc., by Secretary.
- 61a. Annual review meetings with cotton industry representatives; purposes, etc.
62. Definitions.
63. Liability of principal for act of agent.
64. Appropriation for expenses; appointment by Secretary of officers and agents; compensation.
65. Separability.

§ 51. Short title

This chapter shall be known by the short title of “United States Cotton Standards Act.”

(Mar. 4, 1923, ch. 288, §1, 42 Stat. 1517.)

EFFECTIVE DATE

Section 14 of act Mar. 4, 1923, provided: “That this Act [enacting this chapter] shall become effective on and after Aug. 1, 1923.”

§ 51a. Extension of classification facilities to cotton growers

The Secretary of Agriculture is requested to extend to cotton growers facilities for the classification of cotton authorized in this chapter, with such supervision of licensed classifiers as he shall deem necessary under authority of the United States Cotton Futures Act.

(Mar. 4, 1933, ch. 284, §1, 47 Stat. 1621.)

REFERENCES IN TEXT

The United States Cotton Futures Act, referred to in text, is part A of act Aug. 11, 1916, ch. 313, 39 Stat. 476, as amended, which was repealed by section 4 of act Feb. 10, 1939, ch. 2, 53 Stat. 1. For complete classification of this Act to the Code prior to its repeal, see Tables.

CODIFICATION

This section was not enacted as part of the United States Cotton Standards Act which comprises this chapter.

§ 51a-1. Contracts with cooperatives furnishing classers; amount and type of payment

On and after July 5, 1952, the Secretary may contract with cooperatives furnishing classers and other facilities for classing cotton and may pay for such services an amount, some part of which may be in kind, not in excess of the value of the samples.

(July 5, 1952, ch. 574, title I, §101, 66 Stat. 349.)

CODIFICATION

Section was enacted as part of the Department of Agriculture Appropriation Act, 1953, and not as part of the United States Cotton Standards Act which comprises this chapter.

§ 51b. Licensing samplers; revocation and suspension of license

Further to carry out the purposes of this chapter the Secretary of Agriculture is authorized to issue to any qualified person, upon presentation of satisfactory evidence of competency, a license to sample cotton. Any such license may be suspended or revoked by the Secretary of Agriculture whenever he is satisfied that such licensee is incompetent or has knowingly or carelessly sampled cotton improperly, or has violated any provision of this chapter or the regulations thereunder so far as the same may relate to him, or has used his license, or allowed it to be used, for any improper purpose. The Secretary of Agriculture may prescribe by regulation the conditions under which licenses may be issued hereunder, and may require any licensed sampler to give bond for the faithful performance of his duties and for the protection of persons affected thereby and may prescribe the conditions under which cotton shall be sampled by licensed samplers for the purpose of classification by officers of the Department of Agriculture, or by licensed cotton classifiers.

(Mar. 4, 1933, ch. 284, §2, 47 Stat. 1621.)

CODIFICATION

This section was not enacted as part of the United States Cotton Standards Act which comprises this chapter.

§ 52. Use of nonofficial standards prohibited; sales by sample excepted

It shall be unlawful (a) in or in connection with any transaction or shipment in commerce made after August 1, 1923, or (b) in any publication of a price or quotation determined in or in connection with any transaction or shipment in commerce after August 1, 1923, or (c) in any classification for the purposes of or in connection with a transaction or shipment in commerce after August 1, 1923, for any person to indicate for any cotton a grade or other class which is of or within the official cotton standards of the United States then in effect under this chapter by a name, description, or designation, or any system of names, description, or designation not used in said standards: *Provided*, That nothing herein shall prevent a transaction otherwise lawful by actual sample or on the basis of a private type which is used in good faith and not in evasion of or substitution for said standards.

(Mar. 4, 1923, ch. 288, §2, 42 Stat. 1517.)

§ 53. Licensing classifiers; revocation and suspension of license

The Secretary of Agriculture may, upon presentation of satisfactory evidence of competency, issue to any person a license to grade or otherwise classify cotton and to certificate the grade or other class thereof in accordance with the official cotton standards of the United States. Any such license may be suspended or revoked by the Secretary of Agriculture whenever he is satisfied, after reasonable opportunity afforded to the licensee for a hearing, that such licensee is incompetent or has knowingly or carelessly classified cotton improperly, or has violated any provision of this chapter or the regulations thereunder so far as the same may relate to him, or has used his license or allowed it to be used for any improper purpose. Pending investigation the Secretary of Agriculture, whenever he deems necessary, may suspend a license temporarily without a hearing.

(Mar. 4, 1923, ch. 288, §3, 42 Stat. 1517.)

§ 54. Classification by Department of Agriculture; certification thereof; effect of certificate; regulations for classification

Any person who has custody of or a financial interest in any cotton may submit the same or samples thereof, drawn in accordance with the regulations of the Secretary of Agriculture, to such officer or officers of the Department of Agriculture, as may be designated for the purpose pursuant to the regulations of the Secretary of Agriculture for a determination of the true classification of such cotton or samples, including the comparison thereof, if requested, with types or other samples submitted for the purpose. The final certificate of the Department of Agriculture showing such determination shall be binding on officers of the United States and shall be accepted in the courts of the United States as prima facie evidence of the true classification or comparison of such cotton or samples when involved in any transaction or shipment in commerce. The Secretary of Agriculture shall fix rules and regulations for submitting samples of cotton for classification providing that all samples shall be numbered so that no one interested in the transaction involved shall be known by any classifier engaged in the classification of such cotton samples.

(Mar. 4, 1923, ch. 288, §4, 42 Stat. 1517.)

§ 55. Fees and charges for cotton classing and related services; criteria; disposition of moneys and samples

(a) The Secretary of Agriculture shall cause to be collected such fees and charges for licenses issued to classifiers of cotton under section 53 of this title, for determinations made under section 54 of this title, and for the establishment of standards and sale of copies of standards under sections 56, 57, and 57a of this title, as will cover, as nearly as practicable, and after taking into consideration net proceeds from any sale of samples, the costs incident to providing services and standards under such sections, including administrative and supervisory costs. The Secretary may provide by regulation conditions under