

1 Sec. A. DAIRY MARGIN COVERAGE PROGRAM; PREMIUM
2 ASSISTANCE

3 (a) As used in this section:

4 (1) “Dairy Margin Coverage Program” or “DMC” is a voluntary
5 program authorized under the Farm Act that provides dairy operations with
6 risk management coverage that will pay producers when the difference
7 between the national price of milk and the average cost of feed falls below a
8 certain level selected by the Program participants.

9 (2) “Farm Act” means the federal Agriculture Improvement Act of
10 2018, Pub. L. No. 115-334.

11 (3) “Good standing” means an applicant under this section that:

12 (A) does not have an active enforcement violation under any Agency
13 of Agriculture, Food and Markets program that has reached a final order with
14 the Secretary and is not subject to an ongoing enforcement action initiated by
15 the Agency of Natural Resources; and

16 (B) is in compliance with all terms of a current grant agreement or
17 contract with the Secretary.

18 (4) “Milk producer” or “producer” means a person, partnership,
19 unincorporated association, or corporation who owns or controls one or more
20 dairy cows, dairy goats, or dairy sheep and sells or offers for sale a part or all
21 of the milk produced by the animals.

1 (5) “Secretary” means the Secretary of Agriculture, Food and Markets.

2 (b) The Secretary shall establish the Dairy Risk Management Assistance
3 Program (Assistance Program) for the purpose of assisting milk producers that
4 participate in the federal DMC management programs. A milk producer in
5 Vermont that participates in the DMC at the first-tier coverage level may apply
6 for reimbursement of premium payments from the Assistance Program. A
7 milk producer shall be eligible for assistance if the producer:

8 (1) is in good standing with the Agency of Agriculture, Food and
9 Markets and the Agency of Natural Resources; and

10 (2) provides proof of payment of an annual premium payment for
11 participation in Tier 1 of DMC.

12 (c)(1) A milk producer shall apply to the Secretary by July 1, 2022 to
13 participate.

14 (2) The Secretary shall reimburse eligible applicants in the order in
15 which the Secretary receives administratively complete applications. The
16 Secretary shall have the discretion to determine when an application is
17 administratively complete.

18 (3) After funds are exhausted, applicants shall no longer be eligible for
19 reimbursement from the Secretary unless or until additional funds are
20 appropriated to the Assistance Program.

21 Sec. B. APPROPRIATIONS

1 In addition to any other funds appropriated to the Agency of Agriculture,
2 Food and Markets in fiscal year 2022, \$2,000,000.00 is appropriated to the
3 Agency of Agriculture, Food and Markets for purposes of implementing the
4 Dairy Risk Management Assistance Program established under Sec. A of this
5 act. Funds appropriated under this section that are unexpended in fiscal year
6 2022 shall carry forward for use by the Agency of Agriculture, Food and
7 Markets in providing risk management assistance for dairy farmers in fiscal
8 year 2023.

9 Sec. C. EFFECTIVE DATE

10 Secs. A and B of this act (Dairy Risk Management Assistance Program) of
11 shall take effect on passage.