

SENATE, No. 3465

STATE OF NEW JERSEY
219th LEGISLATURE

INTRODUCED FEBRUARY 17, 2021

Sponsored by:

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

Senator STEPHEN M. SWEENEY

District 3 (Cumberland, Gloucester and Salem)

Co-Sponsored by:

Senator Cruz-Perez

SYNOPSIS

Directs Department of Agriculture to pay annual premiums for the federal Dairy Margin Coverage Program to enrolled dairy farmers.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/11/2021)

1 AN ACT concerning reimbursement of certain premiums to dairy
2 farmers and supplementing Title 4 of the Revised Statutes.

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4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. a. The Department of Agriculture shall disburse annually to
8 each enrolled dairy farmer in the State the amount of the annual
9 premium paid by the enrolled dairy farmer for coverage under the
10 federal Dairy Margin Coverage Program. The department, pursuant
11 to the “Administrative Procedure Act,” P.L.1968, c.410 (C.52:14B-
12 1 et seq.), shall adopt rules and regulations establishing procedures
13 for the disbursement of funds to reimburse each enrolled dairy
14 farmer in the State the amount the enrolled dairy farmer has paid for
15 the annual premium for the federal Dairy Margin Coverage
16 Program.

17 b. The Department of Agriculture shall include in its annual
18 budget request to the Governor an amount equal to the moneys
19 necessary to pay the annual premiums for the federal Dairy Margin
20 Coverage Program for all enrolled dairy farmers in the State. The
21 Legislature shall appropriate the necessary funds to the department
22 for this purpose.

23 c. As used in this section:

24 “Department” means the Department of Agriculture.

25 “Enrolled dairy farmer” means a dairy farmer enrolled in the
26 federal Dairy Margin Coverage Program.

27 “Federal Dairy Margin Coverage Program” means the federal
28 Dairy Margin Coverage Program that replaced the former federal
29 Margin Protection Program for Dairy Producers pursuant to the
30 federal Agricultural Act of 2018.

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32 2. This act shall take effect immediately.

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STATEMENT

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37 This bill directs the Department of Agriculture to reimburse
38 annually each enrolled dairy farmer in the State the amount of the
39 annual premium paid by that farmer for coverage under the federal
40 Dairy Margin Coverage Program. The bill requires the department
41 to adopt rules and regulations to establish procedures to reimburse
42 enrolled dairy farmers the amount of the annual premium.

43 The bill would also require the department to include in its
44 annual budget request to the Governor an amount equal to the
45 moneys necessary to pay the annual premiums for the federal Dairy
46 Margin Coverage Program for all enrolled dairy farmers in the
47 State.

1 The federal Agricultural Act of 2018 (commonly referred to as
2 the 2018 Farm Bill) replaced the former federal Margin Protection
3 Program for Dairy Producers (MPP-Dairy) with the Dairy Margin
4 Coverage program (DMC). The DMC is a voluntary risk
5 management program for dairy producers that makes payments
6 when the national average income-over-feed-cost margin falls
7 below a farmer selected coverage level. The program provides
8 catastrophic coverage and various levels of buy-up coverage.
9 Farmers register for the DMC between June and December of a
10 given year. In 2019, 23 dairy farmers in New Jersey applied to
11 participate in the program.