

Editorial Notes

REFERENCES IN TEXT

This Act, referred to in subsec. (b), is Pub. L. 113-79, Feb. 7, 2014, 128 Stat. 649, known as the Agricultural Act of 2014. For complete classification of this Act to the Code, see Short Title note set out under section 9001 of this title and Tables.

AMENDMENTS

2018—Pub. L. 115-334, §1401(k)(4)(B)–(D), designated existing provisions as subsec. (a), inserted heading, substituted “The Secretary shall continue to administer a dairy margin coverage program” for “Not later than September 1, 2014, the Secretary shall establish and administer a margin protection program”, substituted “dairy margin coverage payment” for “margin protection payment” in two places, and added subsec. (b).

Pub. L. 115-334, §1401(k)(4)(A), substituted “Dairy margin coverage” for “Establishment of margin protection program for dairy producers” in section catchline.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115-334 effective on Jan. 1, 2019, see section 1401(m) of Pub. L. 115-334, set out as a note under section 9051 of this title.

§ 9054. Participation of dairy operations in dairy margin coverage**(a) Eligibility**

All dairy operations in the United States shall be eligible to participate in dairy margin coverage to receive dairy margin coverage payments.

(b) Registration process**(1) In general**

The Secretary shall specify the manner and form by which a participating dairy operation may register to participate in dairy margin coverage, including the establishment of a date each calendar year by which a dairy operation shall register for the calendar year.

(2) Extension of election period for 2018 calendar year**(A) In general**

The Secretary shall extend the election period for the 2018 calendar year by not less than 90 days after February 9, 2018, or such additional period as the Secretary determines is necessary for dairy operations to make new elections to participate for that calendar year, including dairy operations that elected to so participate before February 9, 2018.

(B) Retroactive program option

In the case of a dairy operation that, by operation of subsection (d) (as in effect on the day before December 20, 2018), was ineligible to participate in the margin protection program for any part of calendar year 2018, the Secretary shall establish a new election period for that calendar year that ends on a date that is not less than 90 days after December 20, 2018, and the Secretary determines is necessary for dairy operations to make new elections to participate in the margin protection program (as in effect on the day before December 20, 2018) for that

calendar year, including dairy operations that elected to participate in the livestock gross margin for dairy program under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.) before February 9, 2018.

(3) Election period for 2019 calendar year

For the 2019 calendar year, the Secretary shall—

(A) open the election period not later than 60 days after the effective date described in section 1401(m) of the Agriculture Improvement Act of 2018; and

(B) hold that election period open for not less than 90 days.

(4) Treatment of multiproducer dairy operation**(A) In general**

If a participating dairy operation is operated by more than 1 dairy producer, the dairy producers of the dairy operation who elect to participate shall be treated as a single dairy operation for purposes of participating in dairy margin coverage.

(B) Rule of construction

Subparagraph (A) shall not be construed to allow a producer to adjust the proportion of their share covered under tier I or tier II premiums from the proportion covered for the operation.

(5) Treatment of producers with multiple dairy operations

If a dairy producer operates 2 or more dairy operations, each dairy operation of the producer shall separately register to participate in dairy margin coverage.

(c) Annual administrative fee**(1) Administrative fee required**

Each participating dairy operation shall—

(A) pay an administrative fee to register to participate in dairy margin coverage; and

(B) pay the administrative fee annually through the duration of dairy margin coverage specified in section 9059 of this title.

(2) Amount of fee

The administrative fee for a participating dairy operation shall be \$100.

(3) Use of fees

The Secretary shall use administrative fees collected under this subsection to cover administrative costs incurred to carry out dairy margin coverage.

(4) Exemption

A limited resource, beginning, veteran, or socially disadvantaged farmer, as defined by the Secretary, shall be exempt from the administrative fee under this subsection.

(Pub. L. 113-79, title I, §1404, Feb. 7, 2014, 128 Stat. 690; Pub. L. 115-123, div. F, §60101(b)(2), Feb. 9, 2018, 132 Stat. 311; Pub. L. 115-334, title I, §1401(d), (e), (k)(5), Dec. 20, 2018, 132 Stat. 4512, 4517.)

Editorial Notes

REFERENCES IN TEXT

The Federal Crop Insurance Act, referred to in subsec. (b)(2)(B), is subtitle A of title V of act Feb. 16, 1938,

ch. 30, 52 Stat. 72, which is classified generally to subchapter I (§1501 et seq.) of chapter 36 of this title. For complete classification of this Act to the Code, see section 1501 of this title and Tables.

Section 1401(m) of the Agriculture Improvement Act of 2018, referred to in subsec. (b)(3)(A), is section 1401(m) of Pub. L. 115–334, which is set out as a note under section 9051 of this title.

AMENDMENTS

2018—Pub. L. 115–334, §1401(k)(5)(A), substituted “dairy margin coverage” for “margin protection program” in section catchline.

Subsec. (a). Pub. L. 115–334, §1401(k)(5)(B), substituted “eligible to participate in dairy margin coverage to receive dairy margin coverage payments” for “eligible to participate in the margin protection program to receive margin protection payments”.

Subsec. (b)(1). Pub. L. 115–334, §1401(k)(5)(C), substituted “dairy margin coverage” for “the margin protection program”.

Pub. L. 115–123, §60101(b)(2)(A)(i), inserted “, including the establishment of a date each calendar year by which a dairy operation shall register for the calendar year” before period at end.

Subsec. (b)(2). Pub. L. 115–334, §1401(e)(2), designated existing provisions as subpar. (A), inserted heading, and added subpar. (B).

Pub. L. 115–123, §60101(b)(2)(A)(iii), added par. (2). Former par. (2) redesignated (3).

Subsec. (b)(3). Pub. L. 115–334, §1401(d)(2), added par. (3) and struck out former par. (3). Prior to amendment, text read as follows: “If a participating dairy operation is operated by more than 1 dairy producer, all of the dairy producers of the participating dairy operation shall be treated as a single dairy operation for purposes of participating in the margin protection program.”

Pub. L. 115–123, §60101(b)(2)(A)(ii), redesignated par. (2) as (3). Former par. (3) redesignated (4).

Subsec. (b)(4). Pub. L. 115–334, §1401(d)(2), added par. (4). Former par. (4) redesignated (5).

Pub. L. 115–123, §60101(b)(2)(A)(ii), redesignated par. (3) as (4).

Subsec. (b)(5). Pub. L. 115–334, §1401(k)(5)(C), substituted “dairy margin coverage” for “the margin protection program”.

Pub. L. 115–334, §1401(d)(1), redesignated par. (4) as (5).

Subsec. (c)(1), (3). Pub. L. 115–334, §1401(k)(5)(C), substituted “dairy margin coverage” for “the margin protection program” wherever appearing.

Subsec. (c)(4). Pub. L. 115–123, §60101(b)(2)(B), added par. (4).

Subsec. (d). Pub. L. 115–334, §1401(e)(1), struck out subsec. (d). Text read as follows: “A dairy operation may participate in the margin protection program or the livestock gross margin for dairy program under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.), but not both.”

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 2018 AMENDMENT

Amendment by Pub. L. 115–334 effective on Jan. 1, 2019, see section 1401(m) of Pub. L. 115–334, set out as a note under section 9051 of this title.

Amendment by Pub. L. 115–123 applicable beginning with the 2018 calendar year, see section 60101(b)(5) of Pub. L. 115–123, set out as a note under section 9051 of this title.

§ 9055. Production history of participating dairy operations

(a) Production history

(1) In general

Except as provided in paragraph (4) and subsection (b), when a dairy operation first registers to participate in dairy margin coverage,

the production history of the dairy operation for dairy margin coverage is equal to the highest annual milk marketings of the participating dairy operation during any one of the 2011, 2012, or 2013 calendar years.

(2) Adjustment

In the subsequent calendar years ending before January 1, 2019, the Secretary shall adjust the production history of a participating dairy operation determined under paragraph (1) to reflect any increase in the national average milk production.

(3) Continued applicability of base production history

A production history established for a dairy operation under paragraph (1) shall be the base production history for the dairy operation in subsequent years (as adjusted under paragraph (2), as applicable).

(4) Base production history adjustment for participating dairy operations with production of less than 5,000,000 pounds

(A) In general

If the amount determined under paragraph (1) is less than 5,000,000 pounds, the production history of the dairy operation for dairy margin coverage shall be equal to—

(i) the amount determined under paragraph (1); plus

(ii) 75 percent of the amount described in subparagraph (B).

(B) Amount

The amount referred to in subparagraph (A)(ii) is, with respect to a dairy operation, the amount equal to—

(i) the production volume of such dairy operation for the 2019 milk marketing year; minus

(ii) the amount determined under paragraph (1).

(b) Election by new dairy operations

(1) Dairy operations with less than 1 year of production history

In the case of a participating dairy operation that has been in operation for less than a year, the participating dairy operation shall elect 1 of the following methods for the Secretary to determine the production history of the participating dairy operation:

(A) The volume of the actual milk marketings for the months the participating dairy operation has been in operation extrapolated to a yearly amount.

(B) An estimate of the actual milk marketings of the participating dairy operation based on the herd size of the participating dairy operation relative to the national rolling herd average data published by the Secretary.

(2) Dairy operations with 1 year or more of production history

In the case of a participating dairy operation that was not in operation prior to January 1, 2014, that has not established a production history, and that has been in operation for equal to or longer than 1 year, the partici-