

Welch 1st Degree #6

AMENDMENT NO. _____ Calendar No. _____

Purpose: To modify the dairy margin coverage program.

IN THE SENATE OF THE UNITED STATES—119th Cong., 2d Sess.**S.** _____

To provide for the reform and continuation of agricultural
and other programs of the Department of Agriculture
through fiscal year 2031, and for other purposes.

Referred to the Committee on _____ and
ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. WELCH

Viz:

1 At the end of subtitle B of title I, add the following:

2 **SEC. 12____. DAIRY MARGIN COVERAGE.**

3 (a) **TERMINATION OF ADMINISTRATIVE FEE.**—Sec-
4 tion 1404 of the Agricultural Act of 2014 (7 U.S.C. 9054)
5 is amended by striking subsection (c) and inserting the
6 following:

7 “(c) **NO FEES.**—No participating dairy operation
8 shall be required to pay a fee to participate in dairy mar-
9 gin coverage.”.

10 (b) **DAIRY MARGIN COVERAGE PAYMENTS.**—Section
11 1406(a)(1)(A) of the Agricultural Act of 2014 (7 U.S.C.
12 9056(a)(1)(A)) is amended by striking “For purposes”

1 and inserting “Except in the case of coverage under sec-
2 tion 1407(b)(1), for purposes”.

3 (c) PREMIUMS FOR DAIRY MARGIN COVERAGE.—
4 Section 1407 of the Agricultural Act of 2014 (7 U.S.C.
5 9057) is amended—

6 (1) in subsection (a), in the matter preceding
7 paragraph (1), by inserting “under subsection (c)”
8 after “dairy margin coverage”;

9 (2) by striking subsection (b) and inserting the
10 following:

11 “(b) PREMIUMS AND ELECTION.—

12 “(1) NO PREMIUMS FOR FIRST 6,000,000
13 POUNDS OF PRODUCTION.—For the first 6,000,000
14 pounds of milk marketings included in the produc-
15 tion history of a participating dairy operation, the
16 participating dairy operation may participate in
17 dairy margin coverage without paying any premium
18 and without making an annual coverage election.

19 “(2) PRODUCER ELECTION.—A participating
20 dairy operation may elect tier II coverage under sub-
21 section (c) on an annual basis in a manner pre-
22 scribed by the Secretary that maximizes participa-
23 tion in dairy margin coverage under tier II.”; and

24 (3) in subsection (g)—

1 (A) in the matter preceding paragraph (1),
2 by striking “tables contained in subsections (b)
3 and” and inserting “table contained in sub-
4 section”; and

5 (B) in paragraphs (1) and (2)(B), by strik-
6 ing “coverage level in a tier” each place it ap-
7 pears and inserting “a tier II coverage level
8 under subsection (c)”.

9 (d) EFFECT OF FAILURE TO PAY PREMIUMS.—Sec-
10 tion 1408 of the Agricultural Act of 2014 (7 U.S.C. 9058)
11 is amended—

12 (1) in subsection (a)—

13 (A) in the matter preceding paragraph (1),
14 by striking “fails to pay the required annual
15 administrative fee under section 1404 or”;

16 (B) in paragraph (1), by striking “admin-
17 istrative fee or premiums, as the case may be”
18 and inserting “premiums”; and

19 (C) in paragraph (2), by striking “until
20 the fees or” and inserting “for tier II coverage
21 under section 1407(c) until the”; and

22 (2) in subsection (b), by striking “administra-
23 tive fees and”.