SUPPORT HB1660 & SB1239

Topic: Dairy Producer Margin Coverage Premium Assistance Program Bill Patron: Wilt and Obenshain

Overview:

This legislation extends the Dairy Producer Margin Coverage Premium Assistance Program. It offers financial relief to Virginia's struggling dairy farmers <u>and</u> encourages better environmental performance by requiring participating dairy farms to implement management practices that improve water quality.

From the beginning of 2017, Virginia has lost 39% of all of its dairy farms. The federal Dairy Margin Coverage (DMC) program offers protection when the difference between milk price and the average feed price falls below a certain dollar amount selected by the producer. Virginia's assistance program is designed to benefit all producers, but specifically small to mid-size dairy farms.

Reasons to support:

- Removes the sunset to continue to encourage participation in the Dairy Margin Coverage (DMC) program and Nutrient Management Plans (NMP). The original bill was tied to the life of the current Farm Bill which expires in 2023.
- Clarifies that the DMC program is authorized through the current Farm Bill and will be reauthorized federally every five years as part of future Farm Acts or Farm Bills.
- Creates a special nonreverting fund to be known as the Dairy Producer Margin Coverage
- Premium Assistance Program Fund to fund the program as more producers participate in the program.
- Encourages conservation practices by requiring producers to have a nutrient management plan (NMP) or resource management plan (RMP) to be eligible for reimbursement.



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This position was taken by Virginia Conservation Network (VCN)'s Legislative Committee and Board of Directors and is supported by Virginia's conservation community. For a complete list of VCN positions, visit www.vcnva.org/bill-tracker. VCN is committed to building a powerful, diverse, and highly-coordinated conservation movement focused on protecting our Commonwealth's natural resources today and for tomorrow.