

**CHAPTER 27**  
**SB 10-FN - FINAL VERSION**

02/09/2017 0136s  
23Mar2017... 0762h  
23Mar2017... 1040h  
04/06/2017 1394EBA

2017 SESSION

17-0247  
08/10

SENATE BILL            ***10-FN***

AN ACT                relative to dairy farmer relief.

SPONSORS:            Sen. Bradley, Dist 3; Sen. D'Allesandro, Dist 20; Sen. Fuller Clark, Dist 21; Sen. Morse, Dist 22; Rep. Hinch, Hills. 21; Rep. Umberger, Carr. 2

COMMITTEE:          Energy and Natural Resources

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AMENDED ANALYSIS

     This bill creates a program to repay licensed milk producers from losses they may have incurred during the 2016 drought.

     This bill also makes an appropriation to the department of agriculture, markets and food to fund the New Hampshire dairy producer drought relief program.

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Explanation:          Matter added to current law appears in ***bold italics***.  
                         Matter removed from current law appears ~~[in brackets and struck through.]~~  
                         Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Seventeen*

AN ACT                    relative to dairy farmer relief.

*Be it Enacted by the Senate and House of Representatives in General Court convened:*

1            27:1 Findings. The general court finds that many New Hampshire permitted or licensed milk  
2 producers have suffered significant financial loss as a result of diminished crops due to the drought  
3 during 2016. As a result, several permitted or licensed milk producers have ceased milk production.  
4 These farms enhance our natural landscape through their pastures, forests, and agricultural  
5 structures, from which our citizens derive great pleasure and to which so many of our tourists are  
6 attracted. Also locally-produced milk is important to the state's ability to feed itself and the farms  
7 on which milk is produced help maintain vital agricultural services in our communities.

8            27:2 New Subdivision; New Hampshire Dairy Producer Drought Relief Program. Amend RSA  
9 184 by inserting after section 111 the following new subdivision:

New Hampshire Dairy Producer Drought Relief Program

11           184:112 Definitions. In this subdivision:

12           I. "Department" means the department of agriculture, markets, and food.

13           II. "Forages" means hay, haylage, silage, and pasture.

14           III. "Homegrown feed" means forages and grain, or a composite in any combination grown  
15 on land owned or leased by the producer.

16           IV. "New producer" means a producer who initiated milk production in 2016.

17           V. "Producer" means a dairy farmer, as permitted or licensed under this chapter, engaged  
18 in the business of producing milk in New Hampshire and sold wholesale or retail for any purpose.

19           184:113 Implementation.

20           I. In order to qualify for the New Hampshire dairy producer drought relief program, a  
21 producer shall complete and submit an application in which the department shall be provided proof  
22 of homegrown feed loss due to drought along with records of milk production for the 2016 calendar  
23 year.

24           II. The department shall design and provide such forms and applications as necessary to  
25 calculate and process the program and shall supply such forms and applications to any producer  
26 upon request.

27           III. Any producer electing to participate in the New Hampshire dairy drought relief  
28 program shall complete and submit an application no later than 30 days after the effective date of

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1 this subdivision.

2 IV. For the purposes of verification of an application and claim, such records and data kept  
3 by the producer or producer's agent, the United States Department of Agriculture Farm Service  
4 Agency, the United States Department of Agriculture Agricultural Marketing Service Dairy  
5 Marketing Program, the university of New Hampshire cooperative extension service, Dairy  
6 Marketing Services LLC, or the producer's lender, cooperative, insurance agent, crop insurance  
7 representative, or processor shall be provided to the department along with the completed  
8 application. The department shall review such records and data in support of an application.

9 V. A new producer's annual milk production for 2016 shall be prorated based on its actual  
10 milk production.

11 VI. The applicant producer shall sign a release allowing the department access to  
12 production and crop records and permit the department on-site access for program verification  
13 purposes. The producer shall allow the department to make random inspections and audits of  
14 records, as necessary, in order to verify production. Information provided to the department is  
15 proprietary to the producer and the department and is to be used solely for program verification and  
16 determining payment. In no way shall such information provided be made public except for (a) the  
17 percentage of homegrown feed loss approved by the department, and (b) total payment to the  
18 producer.

19 VII. The applicant producer shall sign a form provided by the department attesting, to the  
20 best of the producer's knowledge, that the records and data provided by the producer are accurate  
21 and truthful.

22 184:114 Calculation of Payment.

23 I. The homegrown cost of feed shall be \$6.10 per hundredweight of milk produced.

24 II. To arrive at the amount to be paid to the producer, the cost of feed in paragraph I shall  
25 be multiplied by the percentage of homegrown feed loss in 2016 over either the year 2015 due to  
26 drought or the year 2014 due to drought, at the producer's discretion, and that product shall be  
27 multiplied further by the producer's total milk production in hundredweight of milk produced in  
28 2016. There shall be subtracted from that amount any drought-related payments received by the  
29 producer from the federal government.

30 III. Proof of loss shall be in the form of a notice of loss or other typical documentation of loss  
31 from a competent authority, including but not limited to such agencies as the United States  
32 Department of Agriculture Farm Service Agency or crop insurance agent.

33 IV. If the amount appropriated for dairy producer drought relief by the general court is  
34 insufficient to pay each producer entirely and in whole in the manner as outlined in this section,  
35 any such final distribution shall be prorated and reduced proportionally for the benefit of all the  
36 producer applicants. The reduced amount shall then be distributed accordingly.

37 V. Any unexpended funds, after final distribution, shall be returned to the general fund.

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1           VI. Should a producer cease to be a producer for any reason on or before December 31,  
2 2020, the producer shall reimburse the state the entire amount paid to the producer under this  
3 program. The department of health and human services, dairy sanitation program (dairy  
4 sanitation) shall provide the department of justice a list of all permitted or licensed dairies. This list  
5 shall be provided on December 31 of each year from 2017 through 2020. Should the department of  
6 justice find that any producer is no longer permitted or licensed under this chapter by dairy  
7 sanitation then the department of justice shall collect reimbursement for the state of the amount  
8 paid to the producer.

9           VII. The administration and distribution of any funds appropriated for the purposes of this  
10 subdivision shall be administered by the department, which shall be exempt from the provisions of  
11 RSA 541-A.

12       27:3 Appropriation. There is hereby appropriated to the department of agriculture, markets,  
13 and food the sum of \$2,000,000 for the fiscal year ending June 30, 2017 to pay milk producers  
14 permitted or licensed under RSA 184 for relief from the 2016 drought under RSA 184:112 through  
15 RSA 184:114.

16       27:4 Milk Producers Emergency Fund Board; Membership. Amend RSA 184:109, I(a) to read as  
17 follows:

18           (a) The commissioner, *or designee*.

19       27:5 Effective Date. This act shall take effect upon its passage.

Approved: April 25, 2017  
Effective Date: April 25, 2017

