

HOUSE BILL 1389

M4

(71r3297)

ENROLLED BILL

— *Environmental Matters/ Education, Health, and Environmental Affairs* —

Introduced by **Delegates Conway, Beitzel, Bohanan, Cane, Eckardt, Elliott, Elmore, Haddaway, Jameson, Jennings, Kelly, Kullen, Mathias, McKee, Rudolph, Smigiel, Sossi, Stull, Walkup, and Wood**

Read and Examined by Proofreaders:

Proofreader.

Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this _____ day of _____ at _____ o'clock, _____ M.

Speaker.

CHAPTER _____

1 AN ACT concerning

2 **Agriculture – Crop Insurance Premium Program – Cost Share**

3 FOR the purpose of altering the Maryland Crop Insurance Premium Program to
4 include a certain cost share element in order to increase participation by
5 farmers in the State in the Federal Crop Insurance Program; authorizing the
6 Secretary of Agriculture to make a certain payment for certain qualifying crop
7 insurance products; prohibiting a cost share payment from exceeding a certain
8 amount; requiring the Secretary to submit a certain annual report to the
9 Governor and the General Assembly by a certain date; requiring the Secretary

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

Italics indicate opposite chamber / conference committee amendments.



1 to adopt certain regulations by a certain date; and generally relating to crop
2 insurance for farmers in the State.

3 BY repealing and reenacting, with amendments,
4 Article – Agriculture
5 Section 2–901 to be under the amended subtitle “Subtitle 9. Maryland Crop
6 Insurance Premium Cost Share Program”
7 Annotated Code of Maryland
8 (1999 Replacement Volume and 2006 Supplement)

9 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
10 MARYLAND, That the Laws of Maryland read as follows:

11 **Article – Agriculture**

12 Subtitle 9. Maryland Crop Insurance Premium **COST SHARE** Program.

13 2–901.

14 (a) There is a Maryland Crop Insurance Premium **COST SHARE** Program
15 which is established for the purpose of [encouraging eligible farmers to participate]
16 **INCREASING PARTICIPATION BY FARMERS IN THE STATE** in the Federal Crop
17 Insurance Program [administered by the United States Department of Agriculture]
18 **AND REDUCING A FARMER’S ECONOMIC LOSSES THAT RESULT FROM NATURAL**
19 **DISASTERS AND MARKET VOLATILITY.**

20 (b) (1) (I) The Secretary may [pay a farmer eligible to participate in
21 the Federal Crop Insurance Program not more than \$2 per acre for any Federal Crop
22 Insurance premium paid by the farmer] **PROVIDE A COST SHARE PAYMENT FOR A**
23 **QUALIFYING FEDERAL CROP INSURANCE PRODUCT PURCHASED BY A FARMER**
24 **IN THE STATE.**

25 (II) **A COST SHARE PAYMENT MADE UNDER THIS SECTION**
26 **MAY NOT EXCEED ~~10%~~ 8% OF THE NET BOOK PREMIUM, AS ESTABLISHED BY**
27 **THE FEDERAL CROP INSURANCE CORPORATION WITHIN THE RISK**
28 **MANAGEMENT AGENCY OF THE UNITED STATES DEPARTMENT OF**
29 **AGRICULTURE.**

30 (2) (I) The Department may distribute money under the Maryland
31 Crop Insurance Premium **COST SHARE** Program from funds provided in the budget.

1 **(II) THE SECRETARY SHALL SUBMIT AN ANNUAL REPORT**
 2 **TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE**
 3 **GOVERNMENT ARTICLE, THE GENERAL ASSEMBLY ON OR BEFORE AUGUST 1**
 4 **OF EACH YEAR THAT PROVIDES AN ESTIMATE OF THE AMOUNT OF FUNDS**
 5 **NEEDED TO PAY ~~10%~~ 8% OF THE NET BOOK PREMIUM FOR QUALIFYING**
 6 **FEDERAL CROP INSURANCE PRODUCTS EXPECTED TO BE PURCHASED BY**
 7 **FARMERS IN THE STATE IN THE FOLLOWING CROP YEAR.**

8 (c) **(1)** The Secretary may adopt regulations to implement the provisions
 9 of this subtitle.

10 **(2) ON OR BEFORE JANUARY 1, 2008, THE SECRETARY SHALL**
 11 **ADOPT REGULATIONS THAT ESTABLISH THE QUALIFICATIONS FOR A FARMER'S**
 12 **ELIGIBILITY TO RECEIVE A COST SHARE PAYMENT FOR CROP INSURANCE.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
 14 July 1, 2007.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.