

Coverage Level	Premium per Cwt.
\$4.50	\$0.010
\$5.00	\$0.025
\$5.50	\$0.040
\$6.00	\$0.055
\$6.50	\$0.090
\$7.00	\$0.217
\$7.50	\$0.300
\$8.00	\$0.475

(3) Special rule

The premium per hundredweight specified in the table contained in paragraph (2) for each coverage level (except the \$8.00 coverage level) shall be reduced by 25 percent for each of calendar years 2014 and 2015.

(c) Premium per hundredweight for production in excess of 4 million pounds

(1) In general

For milk marketings in excess of 4,000,000 pounds included in the production history of a participating dairy operation, the premium per hundredweight for each coverage level is specified in the table contained in paragraph (2).

(2) Producer premiums

The following annual premiums apply:

Coverage Level	Premium per Cwt.
\$4.00	None
\$4.50	\$0.020
\$5.00	\$0.040
\$5.50	\$0.100
\$6.00	\$0.155
\$6.50	\$0.290
\$7.00	\$0.830
\$7.50	\$1.060
\$8.00	\$1.360

(d) Time for payment of premium

The Secretary shall provide more than 1 method by which a participating dairy operation may pay the premium required under this section in any manner that maximizes participating dairy operation payment flexibility and program integrity.

(e) Premium obligations

(1) Pro-ration of premium for new participants

In the case of a participating dairy operation that first registers to participate in the margin protection program for a calendar year after the start of the calendar year, the participating dairy operation shall pay a pro-rated premium for that calendar year based on the portion of the calendar year for which the participating dairy operation purchases the coverage.

(2) Legal obligation

A participating dairy operation in the margin protection program for a calendar year shall be legally obligated to pay the applicable premium for that calendar year, except that the Secretary may waive that obligation, under terms and conditions determined by the Secretary, for any participating dairy operation in the case of death, retirement, permanent dissolution of a participating dairy oper-

ation, or other circumstances as the Secretary considers appropriate to ensure the integrity of the program.

(Pub. L. 113-79, title I, §1407, Feb. 7, 2014, 128 Stat. 691.)

§ 9058. Effect of failure to pay administrative fees or premiums

(a) Loss of benefits

A participating dairy operation that fails to pay the required annual administrative fee under section 9054 of this title or is in arrears on premium payments under section 9057 of this title—

(1) remains legally obligated to pay the administrative fee or premiums, as the case may be; and

(2) may not receive margin protection payments until the fees or premiums are fully paid.

(b) Enforcement

The Secretary may take such action as necessary to collect administrative fees and premium payments for participation in the margin protection program.

(Pub. L. 113-79, title I, §1408, Feb. 7, 2014, 128 Stat. 693.)

§ 9059. Duration

The margin protection program shall end on December 31, 2018.

(Pub. L. 113-79, title I, §1409, Feb. 7, 2014, 128 Stat. 693.)

§ 9060. Administration and enforcement

(a) In general

The Secretary shall promulgate regulations to address administrative and enforcement issues involved in carrying out the margin protection program.

(b) Reconstitution

The Secretary shall promulgate regulations to prohibit a dairy producer from reconstituting a dairy operation for the purpose of the dairy producer receiving margin protection payments.

(c) Administrative appeals

Using authorities under section 1308(h) of this title and subtitle H of the Department of Agriculture Reorganization Act (7 U.S.C. 6991 et seq.), the Secretary shall promulgate regulations to provide for administrative appeals of decisions of the Secretary that are adverse to participants of the margin protection program.

(Pub. L. 113-79, title I, §1410, Feb. 7, 2014, 128 Stat. 693.)

REFERENCES IN TEXT

The Department of Agriculture Reorganization Act, referred to in subsec. (c), probably means the Department of Agriculture Reorganization Act of 1994 which is title II of Pub. L. 103-354, Oct. 13, 1994, 108 Stat. 3209. Subtitle H of the Act is classified principally to subchapter VIII (§6991 et seq.) of chapter 98 of this title. For complete classification of this Act to the Code, see Tables.

CODIFICATION

Section is comprised of section 1410 of Pub. L. 113-79. Subsec. (d) of section 1410 of Pub. L. 113-79 amended section 7253 of this title.

PART B—DAIRY PRODUCT DONATION PROGRAM

§ 9071. Dairy product donation program**(a) Program required; purpose**

Not later than 120 days after the date on which the Secretary certifies to Congress that the margin protection program is operational, the Secretary shall establish and administer a dairy product donation program for the purposes of—

- (1) addressing low operating margins experienced by participating dairy operations; and
- (2) providing nutrition assistance to individuals in low-income groups.

(b) Program trigger

The Secretary shall announce that the dairy product donation program is in effect for a month, and undertake activities under subsection (c) during the month, whenever the actual dairy production margin has been \$4.00 or less per hundredweight of milk for each of the immediately preceding 2 months.

(c) Required program activities**(1) In general**

Whenever the dairy product donation program is in effect under subsection (b), the Secretary shall immediately purchase dairy products, at prevailing market prices, until such time as one of the termination conditions specified in subsection (d)(1) is met.

(2) Consultation

To determine the types and quantities of dairy products to purchase under the dairy product donation program, the Secretary shall consult with public and private nonprofit organizations organized to feed low-income populations¹

(d) Termination of program activities**(1) Termination thresholds**

The Secretary shall cease activities under the dairy product donation program, and shall not reinstate activities under the program until the condition specified in subsection (b) is again met, whenever any one of the following occurs:

- (A) The Secretary has made purchases under the dairy product donation program for three consecutive months, even if the actual dairy production margin remains \$4.00 or less per hundredweight of milk.
- (B) The actual dairy production margin has been greater than \$4.00 per hundredweight of milk for the immediately preceding month.
- (C) The actual dairy production margin has been \$4.00 or less, but more than \$3.00, per hundredweight of milk for the immediately preceding month and during the same month—

- (i) the price in the United States for cheddar cheese was more than 5 percent above the world price; or

- (ii) the price in the United States for non-fat dry milk was more than 5 percent above the world price of skim milk powder.

(D) The actual dairy production margin has been \$3.00 or less per hundredweight of milk for the immediately preceding month and during the same month—

- (i) the price in the United States for cheddar cheese was more than 7 percent above the world price; or

- (ii) the price in the United States for non-fat dry milk was more than 7 percent above the world price of skim milk powder.

(2) Determinations

For purposes of this subsection, the Secretary shall determine the price in the United States for cheddar cheese and non-fat dry milk and the world price of cheddar cheese and skim milk powder.

(e) Distribution of purchased dairy products**(1) In general**

The Secretary of Agriculture shall distribute, but not store, the dairy products purchased under the dairy product donation program in a manner that encourages the domestic consumption of such dairy products by diverting them to persons in low-income groups, as determined by the Secretary.

(2) Use of public or private nonprofit organizations

The Secretary shall utilize the services of public and private nonprofit organizations for the distribution of dairy products purchased under the dairy product donation program. A public or private nonprofit organization that receives dairy products may transfer the products to another public or private nonprofit organization that agrees to use the dairy products to provide, without cost or waste, nutrition assistance to individuals in low-income groups.

(f) Prohibition on resale of products

A public or private nonprofit organization that receives dairy products under subsection (e) may not sell the products back into commercial markets.

(g) Use of Commodity Credit Corporation funds

As specified in section 9091(a) of this title, the funds, facilities, and authorities of the Commodity Credit Corporation shall be available to the Secretary for the purposes of implementing and administering the dairy product donation program.

(h) Duration

In addition to the termination conditions specified in subsection (d)(1), the dairy product donation program shall end on December 31, 2018.

(Pub. L. 113-79, title I, §1431, Feb. 7, 2014, 128 Stat. 695.)

SUBCHAPTER IV—SUPPLEMENTAL AGRICULTURAL DISASTER ASSISTANCE PROGRAMS

§ 9081. Supplemental agricultural disaster assistance**(a) Definitions**

In this section:

¹ So in original. Probably should be followed by a period.