

FIRST REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]  
HOUSE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NO. 259

## 98TH GENERAL ASSEMBLY

0989H.02T

2015

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### AN ACT

To amend chapter 261, RSMo, by adding thereto six new sections relating to the dairy industry.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 261, RSMo, is amended by adding thereto six new sections, to be  
2 known as sections 261.270, 261.275, 261.280, 261.285, 261.290, and 261.295, to read as  
3 follows:

**261.270. The provisions of sections 261.270 to 261.295 shall be known and may be  
2 cited as the "Missouri Dairy Revitalization Act of 2015".**

**261.275. 1. There is hereby created in the state treasury the "Missouri Dairy  
2 Industry Revitalization Fund", which shall consist of moneys appropriated to the fund.  
3 The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and  
4 30.180, the state treasurer may approve disbursements of the fund. Upon appropriation  
5 by the general assembly, moneys in the fund shall be used solely to enhance and improve  
6 Missouri's dairy and dairy processing industries in the manner provided for in sections  
7 261.270 to 261.295. Notwithstanding the provisions of section 33.080 to the contrary, any  
8 moneys remaining in the fund at the end of the biennium shall not revert to the credit of  
9 the general revenue fund. The state treasurer shall invest moneys in the fund in the same  
10 manner as other funds are invested. Any interest and moneys earned on such investments  
11 shall be credited to the fund.**

**12 2. Moneys appropriated from the general revenue fund to the Missouri dairy  
13 industry revitalization fund shall not exceed forty percent of the estimated sales tax  
14 revenue generated in the state from the sale of dairy products during the preceding fiscal**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 year, calculated under subsection 3 of this section, and shall be expended in the following  
16 order of priority:

17 (1) First, to the dairy producer margin insurance premium assistance program  
18 created under section 261.280;

19 (2) Second, to the Missouri dairy scholars program created under section 261.285;  
20 and

21 (3) Third, to the commercial agriculture program created under section 261.290.

22 3. Each fiscal year the University of Missouri shall conduct research, or contract  
23 with an independent research company to conduct research, to determine the estimated  
24 sales tax revenue generated in the state from the sale of dairy products. The cost for such  
25 calculation shall be paid out of the Missouri dairy industry revitalization fund. The  
26 estimated sales tax revenue generated in the state from the sale of dairy products shall be  
27 provided to the department of agriculture by October first of each year.

261.280. 1. The department of agriculture shall establish and administer, through  
2 the Missouri agricultural and small business development authority, a dairy producer  
3 margin insurance premium assistance program for the purpose of assisting dairy  
4 producers who participate in the federal margin protection program for dairy producers  
5 as contained in the federal Agricultural Act of 2014.

6 2. All dairy producers in the state who participate in the federal margin protection  
7 program for dairy producers shall be eligible to apply and participate in the dairy  
8 producer margin insurance premium assistance program. Dairy producers who wish to  
9 be considered for the program shall apply with the Missouri agricultural and small  
10 business development authority by January first of each year, and shall provide proof of  
11 participation in the federal margin protection program for dairy producers as contained  
12 in the federal Agricultural Act of 2014 by submitting a receipt of their paid annual federal  
13 premium payment. Eligible program participants shall receive reimbursement of seventy  
14 percent of their federal premium payment up to a maximum premium reimbursement rate  
15 of thirty-four cents per hundredweight of milk.

16 3. The University of Missouri and the Missouri agricultural and small business  
17 development authority shall provide risk management training for Missouri dairy  
18 producers on an annual basis.

261.285. 1. There is hereby established the "Missouri Dairy Scholars Program",  
2 which shall be administered by the department of agriculture. The program shall, upon  
3 appropriation, provide scholarships, subject to the eligibility criteria enumerated in this  
4 section, for eligible students in an agriculture-related degree program who make a

5 **commitment to work in the agriculture industry in Missouri as a condition of receiving**  
6 **such scholarship.**

7 **2. Subject to appropriations, each year the department of agriculture shall make**  
8 **available to eligible students up to eighty scholarships in the amount of five thousand**  
9 **dollars each to assist with the cost of eligible students' tuition and fees at a two-year or**  
10 **four-year college or university in Missouri. Such amount shall be paid out of the Missouri**  
11 **dairy industry revitalization fund created in section 261.275.**

12 **3. As used in this section, the term "eligible student" shall mean an individual who:**

13 **(1) Is a United States citizen and a Missouri resident who has graduated from a**  
14 **Missouri high school with a cumulative grade point average of at least two and one-half on**  
15 **a four-point scale or equivalent; except that, in any year in which there are less than eighty**  
16 **United States citizens and Missouri residents who shall be awarded scholarships,**  
17 **applicants who are legal United States residents who meet all other eligibility requirements**  
18 **shall be eligible for the remaining scholarships;**

19 **(2) Is pursuing or has attained an agriculture-related degree approved by the**  
20 **department of agriculture and offered by a two-year or four-year college or university in**  
21 **Missouri;**

22 **(3) Signs an agreement with the department of agriculture in which the recipient**  
23 **agrees to work in the agriculture industry in Missouri for at least two years for every one**  
24 **year the recipient received the Missouri dairy scholars scholarship;**

25 **(4) Maintains a cumulative grade point average of at least two and one-half on a**  
26 **four-point scale or equivalent while enrolled in the college or university program; and**

27 **(5) Works on a dairy farm or has a dairy-related internship for at least three**  
28 **months of each year the recipient receives the Missouri dairy scholars scholarship.**

**261.290. The University of Missouri's commercial agriculture program shall**  
2 **conduct an annual study of the dairy industry and shall develop a dairy-specific plan for**  
3 **how to grow and enhance the dairy and dairy processing industries in Missouri. The**  
4 **results of such study shall be reported to the department of agriculture and all agriculture-**  
5 **related legislative committee chairpersons by January first of each year. The costs for such**  
6 **study shall be subject to appropriations and shall be paid out of the Missouri dairy**  
7 **industry revitalization fund created under section 261.275.**

**261.295. The department of agriculture shall promulgate rules and regulations for**  
2 **the implementation of sections 261.270 to 261.295. Any rule or portion of a rule, as that**  
3 **term is defined in section 536.010, that is created under the authority delegated in this**  
4 **section and section 348.273 shall become effective only if it complies with and is subject to**  
5 **all of the provisions of chapter 536 and, if applicable, section 536.028. This section and**

6 **chapter 536 are nonseverable, and if any of the powers vested with the general assembly**  
7 **pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul**  
8 **a rule are subsequently held unconstitutional, then the grant of rulemaking authority and**  
9 **any rule proposed or adopted after August 28, 2015, shall be invalid and void.**

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