

THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE OF ENERGY AND ENVIRONMENTAL AFFAIRS



Department of Agricultural Resources

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DEVAL L. PATRICK
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MAEVE VALLELY BARTLETT
Secretary

GREGORY C. WATSON
Commissioner

Attention Current and Past Dairy Farmers: Milk Producer's Security Fund Reimbursement

To: Current and Past Massachusetts Dairy Producers
From: Massachusetts Department of Agricultural Resources
Subject: Milk Producer's Security Fund
Date: December 8, 2014

The Milk Producer's Security Fund (the Fund) was established in 1984 under Massachusetts General Law Chapter 10 Section 48 to serve as a security net that would allow for Massachusetts's independent dairy producers, those not a member of a full-service cooperative, to receive payment for their milk in the event of a milk dealer default. Payments of five cents per hundredweight were made by milk dealers on behalf of independent producers to the state treasurer and into the Fund from 1984 to 1997. Since payment suspension, money has remained in the fund and accrued interest, so that a total of approximately \$2.1 million exists in the Fund today.

In December 2013, Governor Deval Patrick signed into law Chapter 191 of the Acts of 2013, an Act Relative to the Milk Producer's Security Fund Reimbursement, thereby allowing for money held in the Fund to be reimbursed back to those dairy producers who paid in. The legislation states that a contributing producer, after application approved by the commissioner, may be eligible to be "reimbursed up to an amount equal to the monies paid by the applicant into the fund minus any funds previously distributed to said applicant plus a pro rata share of the interest earned by the fund". The Commissioner shall establish criteria for the approval of such applications, and shall not authorize any reimbursement that will result in the Fund's balance to be less than one million dollars.

The Massachusetts Department of Agricultural Resources (Department) is currently working on the reimbursement process and anticipates payment by early 2015. Current or past dairy farmers who may have contributed to the Milk Producer Security Fund, or anyone with information related to those who may have paid into the Fund are strongly encouraged to reach out to the Department **as soon as possible**.

All questions, comments or requests for information related to the Milk Producer Security Fund Reimbursement should be directed to Catherine de Ronde at (617) 626-1811, Fax (617) 626-1850, or Catherine.de.Ronde@state.ma.us.