

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

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

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

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

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

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

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

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

Approved by the Governor, May 8, 2007.