
May Margin Triggers Dairy Margin Coverage Program Payment

News Release | Kentucky | July 07, 2020

[View PDF](#)

WASHINGTON, July 7, 2020 – The U.S. Department of Agriculture’s Farm Service Agency (FSA) today announced that the May 2020 income over feed cost margin was \$5.37 per hundredweight (cwt.), triggering the third payment of 2020 for dairy producers who purchased the appropriate level of coverage under the [Dairy Margin Coverage](#) (DMC) program.

“This payment comes at a critical time for many dairy producers,” said FSA Administrator Richard Fordyce. “DMC has proved to be a worthwhile risk management tool, providing dairy producers with much-needed financial support when markets are most volatile.”

To date, FSA has issued more than \$176 million in program benefits to dairy producers who purchased DMC coverage for 2020.

Authorized by the 2018 Farm Bill, DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. Over 13,000 operations enrolled in the program for the 2020 calendar year.

Although DMC enrollment for 2020 coverage has closed, signup for 2021 coverage will begin October 13 and will run through December 11, 2020.

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel and visitors must adhere to social distancing guidelines. Visitors may also be required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at farmers.gov/coronavirus.

For more information, visit [farmers.gov DMC webpage](https://farmers.gov) or contact your local USDA Service Center. To locate your local FSA office, visit farmers.gov/service-center-locator.

Farm Service Agency:

1400 Independence Ave.
SW Washington, DC 20250

Contact:

FPAC Press Desk

FPAC.BC.Press@usda.gov