

USDA Dairy Safety-Net Program Signup to Begin October 12 for the 2021 Coverage Period

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Income-over-feed margin for April triggers second payment for 2020

WASHINGTON, June 18, 2020 – The U.S. Department of Agriculture’s Farm Service Agency (FSA) announces that Dairy Margin Coverage (DMC) safety-net signup for 2021 coverage will begin October 12 and will run through December 11, 2020. DMC has already triggered payments for two months for producers who signed up for 2020 coverage.

“If we’ve learned anything in the past six months, it’s to expect the unexpected,” said FSA Administrator Richard Fordyce. “Nobody would have imagined the significant impact that current, unforeseen circumstances have had on an already fragile dairy market. It’s during unprecedented times like these that the importance of offering agricultural producers support through the delivery of Farm Bill safety-net programs such as DMC becomes indisputably apparent.”

The April 2020 income over feed cost margin was \$6.03 per hundredweight (cwt.), triggering the second payment of 2020 for dairy producers who purchased the appropriate level of coverage under the [Dairy Margin Coverage](#) (DMC) program. The April margin reflects a more than a \$3 drop from the March \$9.15 cwt. income over feed cost margin.

As of June 15, FSA has issued more than \$100 million in much-needed 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.

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 Farm Service Agency, 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/DMC) or contact your local USDA service center. To locate your local FSA office, visit farmers.gov/service-center-locator.

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