



Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

More Time Provided for Dairy Producers to Enroll in DMC Program

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Contact: FPAC.BC.Press@usda.gov

New Signup Deadline for Dairy Margin Coverage is September 27

WASHINGTON, Sept. 19, 2019 – The U.S. Department of Agriculture (USDA) today extended the deadline to September 27 for dairy producers to enroll in the [Dairy Margin Coverage](#) (DMC) program for 2019. The deadline had been September 20.

Authorized by the 2018 Farm Bill and available through USDA's Farm Service Agency (FSA), the program offers reasonably priced protection to dairy producers when the difference between the all-milk price and the average feed cost (the margin) falls below a certain dollar amount selected by the producer.

"More than 21,200 dairy operations have already signed up for DMC, but we're providing an additional week to help ensure interested producers have time to come into the office," said Bill Northey, USDA Under Secretary for Farm Production and Conservation. "With smaller margins and increased feed costs, DMC has resulted in almost \$230 million in payments disbursed. I know that some farmers may still be cautious given their experiences with former dairy support programs, but producers who have not signed up yet should come into a local office to learn how much money the program can put into their pockets."

Almost half of the producers who have signed up so far are taking advantage of the 25 percent premium discount by locking in for five years of margin protection coverage. FSA has launched a new web visualization of the DMC data, which is [available here](#).

Margin payments have triggered for each month from January through July. Dairy producers who elect higher coverage levels could be eligible for payments for all seven months. Under certain levels, the amount paid to dairy farmers will exceed the cost of the premium.

For example, a dairy operation that chooses to enroll for 2019 with an established production history of 3 million pounds (30,000 cwt.) and elects the \$9.50 coverage level on 95 percent of production will pay \$4,275 in total premium payments for all of 2019 and receive \$15,437.50 in DMC payments for all margin payments announced to date. Additional payments will be made if calculated margins remain below the \$9.50/cwt. level for any remaining months of 2019.

“My message to those dairy producers who are hurting out there: Don’t leave this kind of financial assistance on the table,” said Northey, who announced the deadline extension today as part of a hearing in front of the U.S. House of Representatives Committee on Agriculture. “Producers across the country have told us that DMC is a great risk management tool that works well, and it can work for you, too.”

More Information

On December 20, 2018, President Trump signed into law the 2018 Farm Bill, which provides support, certainty and stability to our nation’s farmers, ranchers and land stewards by enhancing farm support programs, improving crop insurance, maintaining disaster programs and promoting and supporting voluntary conservation.

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

Farm Service Agency:

1400 Independence Ave.
SW Washington, DC 20250

Contact:

FPAC Press Desk

FPAC.BC.Press@usda.gov