



Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

Dairy Indemnity Payment Program Expanded to Assist with Livestock Losses due to Contamination

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BANGOR, Maine, Dec. 9, 2021 – Dairy producers are now eligible to receive a payment for loss of dairy cows because of contamination, including from per- and polyfluoroalkyl substances (PFAS). The U.S. Department of Agriculture (USDA) updated the Dairy Indemnity Payment Program (DIPP) to address permanent milk contaminations.

“As dairy producers continue to grapple with the market impacts of the pandemic and prolonged drought conditions, tragic cases of PFAS contamination have further distressed certain dairy operations in Maine,” said Administrator Zach Ducheneaux. “Before the publication of this rule, DIPP provided indemnities for contaminated milk and milk products, but it did not provide relief for producers who needed to remove affected cows. Going forward, DIPP will provide much-needed compensation to dairy producers who lose their cows to chemical contamination, through no fault of their own. We are also working closely with USDA’s Natural Resources Conservation Service to target assistance through the Environmental Quality Incentives Program and other conservation programs to help producers safely dispose of and address resource concerns created by affected cows.”

“Forever chemicals are not only a dangerous threat to public health, our environment, and water systems—they are a threat to farmers’ livelihoods. Dairy producers are already struggling because of the pandemic, they shouldn’t be burdened by circumstances out of their control,” said Congresswoman Chellie Pingree (D-Maine). “I’m grateful the USDA is providing new flexibility to address the individual circumstances of producers affected by PFAS and I look forward to continuing to work with the department and other federal agencies on additional ways to address this issue plaguing our nation, farmers, and communities.”

PFAS are a class of toxic chemicals that are found in consumer and industrial products including firefighting foam, nonstick coatings and food packaging. Contamination from PFAS is considered permanent due to the long lifespan of the chemicals. Because cows affected by PFAS contamination

will not be able to produce non-contaminated milk in the future, the new rule will provide compensation for contaminated cows including deceased or depopulated cows that occurred from start of the contamination through the application period. The new rule also updates the indemnity period for all DIPP claims for contaminated milk products from 18 months to 3 months.

Each state has its own regulatory control over the maximum levels of PFAS in commercial dairy products.

How to Apply

DIPP provides cow indemnification to dairy producers when a public regulatory agency directs them to remove their raw milk from the commercial market because milk and dairy cows have been permanently contaminated. These milk and dairy cows are no longer eligible to be commercially marketed due to contamination caused by PFAS.

To be eligible to receive DIPP payments, the producer must provide:

- Inventory of all contaminated cows and heifers including deceased and depopulated cows since the contamination occurred.
- A depopulation/disposal plan describing how, where and when cows will be depopulated and disposed.
- Approval of depopulation/disposal plan from applicable public agency.
- Remediation efforts undertaken by producer.
- Documentation the cows are not marketable through normal cull cow market facilities.
- Have produced whole milk that was removed from the commercial market pursuant to the direction of a public agency.
- Not have been responsible for the milk contamination.
- Not have been indemnified for the same loss from another source.
- Certify compliance with Highly Erodible Land Conservation (HELC) and Wetland conservation (WC) provisions.
- Submit a completed FSA-373B to the FSA local office no later than December 31 following the end of the fiscal year in which the loss occurred.

DIPP cow indemnity payments will be paid on 100% of fair market value according to the Livestock Indemnity Program pay rate for the application claim year.

More Information

In addition to DIPP updates, FSA also updated the Dairy Margin Coverage (DMC) program, including updating how payments are calculated and rolling out a new Supplemental DMC. To learn more, read [the news release](#) or a copy of the rule available [here](#).

To learn more or to participate in DIPP, producers should contact their local [USDA Service Center](#). Service Center staff continue to work with agricultural producers via phone, email, and other digital tools. Because of the pandemic, some [USDA Service Centers](#) are open to limited visitors. Contact your Service Center to set up an in-person or phone appointment. Additionally, more information related to USDA's response and relief for producers can be found at farmers.gov/coronavirus.

USDA touches the lives of all Americans each day in so many positive ways. In the Biden-Harris Administration, USDA is transforming America's food system with a greater focus on more resilient local and regional food production, fairer markets for all producers, ensuring access to healthy and nutritious food in all communities, building new markets and streams of income for farmers and producers using climate smart food and forestry practices, making historic investments in infrastructure and clean energy capabilities in rural America, and committing to equity across the Department by removing systemic barriers and building a workforce more representative of America. To learn more, visit www.usda.gov.

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