



Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

Update to Dairy Margin Coverage to Provide an Additional \$12,410,105 for California Dairy Producers

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The U.S. Department of Agriculture will begin issuing additional payments next week for dairy producers who enrolled in 2020 and 2021 coverage through the Dairy Margin Coverage (DMC). USDA's Farm Service Agency (FSA) updated the feed cost calculation by using 100% premium alfalfa hay rather than 50% premium hay in determining the monthly margin, which means an additional \$12,410,105 for dairy producers in California. Payments will be retroactive to Jan. 1, 2020. Dairy operations with 2020 and 2021 contracts will be paid automatically for the applicable months.

"Updating feed cost calculations for DMC to include 100 percent premium hay will help producers to receive more payments," FSA Acting State Executive Director Jacque Johnson said. "This update builds on other efforts of the Biden-Harris Administration to improve DMC and other key USDA dairy programs."

In addition to updating the feed cost, [USDA announced other dairy-related updates](#), including the start of the 2022 DMC signup as well as the new Supplemental DMC. Both will run from Dec. 13, 2021 to Feb. 18, 2022. DMC is an important safety-net program. So far in 2021, DMC payments have triggered for January through October for more than \$1.0 billion. This includes \$98,169,643 for California.

More Information? ?

To learn more or to participate in DMC, producers should contact their local [USDA Service Center](#). To determine the appropriate level of DMC coverage for a specific dairy operation, producers can also use the [online dairy decision tool](#). 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. Producers should contact their 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.?

Farm Service Agency:

1400 Independence Ave.
SW Washington, DC 20250

Contact:

FPAC Press Desk
FPAC.BC.Press@usda.gov