



News Release



For Immediate Release

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FSA Begins MILC Signup

Bozeman, MT – The USDA Farm Service Agency (FSA) began signup for the Milk Income Loss Contract Program (MILC) Dec. 22, 2008. Signup will continue through the program's expiration date of Sept. 30, 2012. The program affects eligible dairies from Oct., 2007 through Sept., 2012.

The 2008 Farm Bill reauthorized the MILC Program with three key changes. Under the 2008 Act, the MILC payment rate and the per-operation poundage limit are modified, depending on when the milk is produced.

In addition, a "feed cost adjuster," is introduced over the life of the 2008 Act, which adjusts the \$16.94 per hundredweight (cwt.) trigger price depending on the extent to which feed costs increase.

The 2008 Act also increased the production limit per operation to 2.985 million pounds for each fiscal year from Oct. 2008 through Aug. 2012.

Changes have been made to the provisions for payment eligibility to add an adjusted gross income (AGI) limit. If the individual or entity has annual non-farm AGI for the relevant base period greater than \$500,000, the individual or entity is not eligible for MILC benefits.

Eligible dairy producers are those who commercially produce milk in the United States. To receive program approval, producers must enter into a MILC contract with CCC and provide monthly milk marketing data. Dairy producers can apply for MILC at their local FSA offices.

The MILC program compensates dairy producers when domestic milk prices fall below a specified level.

For further information on MILC and other programs administered by FSA, contact your local USDA Service Center or logon to the Montana FSA website at <http://www.fsa.usda.gov/mt>.

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