



# FACT SHEET

UNITED STATES DEPARTMENT OF AGRICULTURE  
FARM SERVICE AGENCY

December 2009

## Dairy Economic Loss Assistance Payment (DELAP) Program

### Overview

The USDA Farm Service Agency (FSA) Dairy Economic Loss Assistance Payment (DELAP) Program provides a one-time payment to assist dairy producers who have recently experienced low milk prices and high production costs. DELAP payments are intended to help offset economic losses that producers have incurred.

The Agricultural Appropriations Act for fiscal year 2010 provides \$290 million in direct payments to dairy operations that produced milk in the United States and commercially marketed the milk between February and July 2009.

### Eligibility Requirements

To be eligible to receive DELAP program benefits, a dairy producer in the U.S. must:

- have produced milk in the U.S. and commercially marketed the milk produced any time between February 2009 through July 2009;
- be a producer who is, or whose members are, a citizen of, or a legal resident alien in the U.S. who directly or indirectly shares in the risk of producing milk; and who is entitled to a share of the commercial production available for marketing from the dairy operation;
- provide proof of monthly milk production commercially marketed by all persons in the eligible dairy operation during February 2009 through July 2009;
- submit an accurate and complete request for benefits if production data are not available in the administrative FSA county office;
- have annual average adjusted nonfarm income of \$500,000 or less;
- comply with USDA provisions for highly erodible land and wetlands;
- not have been convicted of a controlled substance violation.

Producers may have interest in more than one dairy operation.

Also, FSA may make payments for losses suffered by an eligible producer who is deceased or a dissolved entity. A representative who has authority to enter into a contract for the producer or the producer's estate must sign the request for DELAP benefits. The representative must provide proof of authority to sign for the estate or dissolved entity. If a producer is a dissolved general partnership or joint venture, all members of the general partnership or joint venture at the time of dissolution or their duly-authorized representatives must sign the request for DELAP benefits.

### When and Where to Apply

No application to receive DELAP program benefits is required if a dairy operation or producer's records are currently available in the FSA county office from previous participation in a fiscal year 2009 dairy program administered by FSA. FSA will use existing production data maintained by the FSA county office for the months of February through July 2009 to calculate and issue payments.

Dairy producers who do not have production records at the FSA county office, and who have not been contacted to obtain such data for the months of February through July 2009, may apply to receive DELAP benefits during the 30-day application period beginning Dec. 17, 2009. The deadline to submit requests for DELAP program benefits is January 19, 2010.

During the application period, dairy producers may request benefits to FSA by mail, e-mail or fax to:

Deputy Administrator for Farm Programs  
FSA-USDA-STOP 0512  
1400 Independence Avenue, SW  
Washington, DC 20250-0512  
ATTN: DELAP Program

The information may also be faxed to 202-690-1536 or emailed to Danielle.Cooke@wdc.usda.gov.

No specific application form is required for the DELAP program. The request for benefits may be in the form of a letter or memo that includes all of the following:

- Name and location of the dairy operation;
- Contact information for the dairy operation, including telephone number;
- Name, percentage share, and tax identification number for the entity or individual producer receiving a share of the payment;
- Proof of production for the qualifying months.

### Calculating Benefits

FSA will calculate payments based on each qualifying dairy operation's total pounds of production commercially marketed during the months of February 2009 through July 2009, multiplied by two, up to six million pounds per dairy operation. A national per hundredweight payment rate will be calculated by dividing the available funding of \$290 million, less a reserve established by FSA, by the total pounds of eligible production approved for payment.

Payments to eligible dairy producers will be calculated by multiplying the established payment rate by the dairy producer's share of the dairy operation's eligible production

payment quantity.

### More Information

To find more information about FSA programs, contact your local FSA office or USDA Service Center, or visit the FSA on the World Wide Web at <http://www.fsa.usda.gov>.

---

**The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD). To file a complaint of Discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, SW., Washington, DC 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.**