

**UNITED STATES DEPARTMENT OF AGRICULTURE**

Farm Service Agency  
Washington, DC 20250

**Notice DMC-5**

**For:** State and County Offices

**Dairy Margin Coverage (DMC) Program 2019 Registration and Coverage Election**

**Approved by:** Acting Deputy Administrator, Farm Programs

*Bradley Karmen*

**1 Overview**

**A Background**

The Agriculture Improvement Act of 2018 (2018 Farm Bill) authorized the DMC Program to replace the Margin Protection Program for Dairy Producers (MPP-Dairy). Much like MPP-Dairy, the DMC Program is a voluntary program that provides dairy operations with risk management coverage that will pay participants when the difference, or margin, between the National price of milk and the average cost of feed falls below a certain level selected by the producers in a dairy operation.

The DMC Program offers participating dairy producers the following:

- catastrophic coverage at no cost to the producer, other than a \$100 administrative fee
- greater coverage at various levels for a premium in addition to the annual \$100 administrative fee for each year of participation.

Notice DMC-1 informs State and County Offices of the following:

- basic DMC Program provisions
- a forthcoming notice would provide guidance on the sign-up for the 2019 registration and coverage election period.

**B Purpose**

This notice:

- informs State and County Offices about the DMC Program's:
  - change to National average feed cost
  - 2019 registration and coverage election period
  - signup provisions
  - required notifications and outreach actions
- obsoletes Notice DMC-4.

**Disposal Date**

December 1, 2019  
6-21-19

**Distribution**

State Offices; State Offices relay to County Offices

## Notice DMC-5

### 2 Production History for 2019 DMC Signup

#### A Production History

Milk produced from cows and marketed commercially in the U.S. is eligible milk production for DMC. All eligible dairy operations for DMC **must** have an established production history approved by COC based on verifiable documentation of actual milk marketing of the dairy operation during the applicable periods. Milk production history for DMC will be determined by the date the dairy operation first began commercially marketing milk.

**Note:** See Notice DMC-1 for further information on establishing production history.

#### B DMC Production History

In most cases, production history established under MPP-Dairy on CCC-781 will be used as the production history for enrolling the dairy operation under DMC. Dairy operations that have **never** established production history **must** establish production history for DMC on CCC-800, Production History Establishment (Exhibit 1). A dairy operation is not considered “new” for establishing production history for any of the following occurrences:

- change in the name of the dairy operation
- change of the dairy taxpayer identification number for tax purposes
- relocation of the dairy operation to another State or county
- additional shareholders are added to the dairy operation
- family member, according to 5-PL, takes over the dairy operation
- dairy operation reorganizes and maintains at least 1 common member.

**Note:** A COC-approved production history established on CCC-781 under MPP-Dairy will automatically roll into DMC and be made available in the DMC software.

## Notice DMC-5

### 2 Production History for 2019 DMC Signup (Continued)

#### C Administrative Production History Establishment Provisions

County Offices administering DMC must do the following:

- establish dairy operation on an active farm and tract
- establish dairy operation in the administrative State and county
- load the dairy operation in MIDAS Business Partner.

#### D Production History Established Under MFP

Production history previously established on CCC-781 for the Market Facilitation Program (MFP) will **not** be used for the DMC Program. Dairy operations that established production history for MFP **must** establish production history on CCC-800 according to DMC Program provisions.

More information will be forthcoming for dairy operations that established production history under MFP.

#### E Production History Bump

The last production history approved with applicable adjustments under MPP-Dairy will be used for DMC. No further bump adjustments will apply. Only dairy operations establishing new production history under DMC on CCC-800 in any DMC Program year will have the 2018 bump factor of 1.0186 applied to their production history.

#### F Determining Separate and Distinct Dairy Operations

A dairy producer that operates more than 1 dairy operation must:

- be determined separate and distinct
- complete a separate CCC-801 for each separate and distinct operation
- pay separate administrative and premium fees, if applicable.

## Notice DMC-5

### 2 Production History for 2019 DMC Signup (Continued)

#### F Determining Separate and Distinct Dairy Operations (Continued)

County Offices will determine whether a new dairy operation is separate and distinct if the dairy operation maintains **all** of the following:

- separate dairy barn facility
- separate dairy cattle that are not moved between the facilities
- separate feed
- separate records maintained per facility
- separate milk marketings
- separate milk tanks
- separate permits
- separate State licenses.

These criteria are the minimum standard used to determine whether a dairy operation is separate and distinct. STC's may choose to develop more stringent criteria.

**Note:** Dairy operations that participated in MPP-Dairy and were previously determined as separate and distinct will remain as constituted and **do not** need to be redetermined separate and distinct under DMC.

#### G Approving CCC-800

County Offices will review and determine the acceptability of each CCC-800 for initial production history establishment to ensure:

- accuracy and completeness
- appropriate signatures were provided according to 1-CM signature policy provisions
- proper determination of the new or existing dairy operation according to Notice DMC-1
- production history is being determined based on:
  - the relevant period from verifiable source documentation
  - applicable elected production history establishment option for new dairy operations.

Only CCC-800's thoroughly reviewed according to this subparagraph will be processed and signed by COC or designee.

## Notice DMC-5

### 3 2019 DMC Signup Provisions

#### A Registration and Coverage Election Period

Dairy operations can register for 2019 DMC coverage beginning **June 17, 2019, through COB September 20, 2019**. Dairy operations that enroll for 2019 will retroactively have their DMC coverage begin on January 1, 2019.

When registering for DMC, the dairy operation **must**:

- be commercially marketing milk at the time of their initial registration and at the time of their annual coverage election in DMC, except as provided by subparagraph C
- have a production history established and approved by COC according to paragraph 2
- submit a completed CCC-801, Dairy Margin Coverage Contract and Annual Coverage Election (Exhibit 2) no later than COB September 20, 2019
- pay a nonrefundable \$100 administrative fee before the registration period ends on COB September 20, 2019, unless exempt according to subparagraph 4 A.

**Note:** CCC-801's submitted after COB September 20, 2019, must be disapproved. Late-filed provisions will **not** apply to the DMC Program.

**Reminder:** Dairy operations that have made coverage elections on the CCC-801 contract may amend the coverage election level until COB September 20, 2019.

#### B New Dairy Operation Registration

A new dairy operation that does not register during the most recent registration and coverage election period is required to do the following:

- submit CCC-800 and CCC-801 within 60 calendar days from the date on which the dairy operation first commercially markets milk
- elect coverage that begins on the first day the dairy operation commercially marketed milk, if approved.

A new dairy operation that **does not** meet the 60-calendar day requirement to register **cannot** register until the next annual coverage election period for coverage for the following calendar year.

**Note:** County Offices **must** take manual CCC-800's and CCC-801's for new dairy operations until software is made available to enter in the automated system. County Offices must hold the checks received for administrative fees and premium fees, and record the remittances on FSA-603. Do **not** enter checks into NRRS.

Additional information will be forthcoming on how to process checks for manual applications.

**3 2019 DMC Signup Provisions (Continued)**

**C Dairy Operations That Stopped Marketing in 2019**

For 2019 **only**, if the dairy operation commercially marketed milk for any calendar days in 2019, the dairy operation is eligible to participate in DMC for the days the dairy was in operation. For the dairy operation to be eligible in these circumstances the dairy operation must do the following:

- submit the dairy operation's final 2019-month milk marketing statement
- submit a completed CCC-801 by COB September 20, 2019
- submit a completed CCC-802, Dairy Margin Coverage Dissolution (Exhibit 3).

**Note:** These dairy operations are not eligible for the premium rate discount provided in subparagraph 4 D; however, applicable premiums will be prorated based on the months and applicable number of days the dairy was in operation in 2019.

County Offices will load the contract into the software, submit CCC-802, the final month milk marketing statement, and any other applicable documents to the State Office for review. After review, the State Office will load the documents on the SharePoint site.

**D Administrative Signup Provisions**

County Offices administering DMC must ensure the eligible dairy operation is commercially marketing milk at the time of enrollment in DMC, except as provided in subparagraph C.

To meet payment eligibility, the dairy operation must meet the following requirements:

- ensure the dairy operation has certified compliance with HELC and WC provisions on AD-1026, according to 6-CP
- ensure CCC-902 is completed for entity members and for a foreign person determination **only** as applicable, according to 5-PL, Part 3.

## Notice DMC-5

### 3 2019 DMC Signup Provisions (Continued)

#### E Approving CCC-801

COC or designee will:

- be satisfied that all applicable DMC eligibility requirements have been met (according to Notice DMC-1) before approving the applicable CCC-801
- **not** approve the CCC-801 until notified funding authorization is complete
- **not** approve the CCC-801 without an approved CCC-800 or CCC-781
- **not** approve the CCC-801 without payment of the administrative fee, unless waived
- **not** approve the CCC-801 that was requested or received after COB September 20, 2019, **except** for a new operation according to subparagraph B
- **not** approve CCC-801's for a joint venture **unless** all members of the joint venture who share in the milk marketed commercially from the dairy operation have been identified on CCC-801 and all that are participating in DMC have signed CCC-801.

#### F Withdrawing CCC-801

CCC-801 can be withdrawn **only** during the annual coverage election period. The administrative fee for a withdrawn CCC-801 will **not** be refunded.

Producers in the dairy operation **must** request in writing in the CCC-801 "Remarks" section that they are withdrawing CCC-801 from the DMC Program and sign and date beside the written statement. County Offices will write "withdrawn" across the front of CCC-801 and file in the producer folder. A dairy operation may change coverage elections at any time during an open coverage election period.

## Notice DMC-5

### 4 2019 DMC Coverage and Fee Provisions

#### A Administrative Fee

All dairy operations participating in DMC are required to pay the \$100 administrative fee. The administrative fee is non-refundable and due by the end of the annual coverage election period. The administrative fee must be received and recorded by the County Office before the DMC contract can be approved.

The administrative fee may be waived for dairy producers qualifying for an exemption based on the following:

- limited resource farmer or rancher
- beginning farmer or rancher
- socially disadvantaged farmer or rancher
- veteran farmer or rancher.

Dairy producers **must** certify their qualification for the waiver of the administrative fee on CCC-860, according to 1-CM, paragraph 950. CCC-860 **must** be on file when CCC-801 for the applicable coverage year is submitted.

#### B Premium Buy-Up Coverage for 2019

Notice DMC-1, subparagraph 3 A provides the schedule of premiums applicable to each margin coverage level. A participating dairy operation that purchases buy-up coverage during the annual coverage election period is required to pay a premium fee, in addition to the administrative fee.

#### C Premium Payment Provisions

For 2019, the total premium is **due by COB September 20, 2019**.

A dairy operation may pay their premium fees according to any of the following:

- in full or in partial at the time of coverage election
- by assignment using the code "19DMC"
- in full by COB September 20, 2019
- offset by receivable, if applicable.

**Note:** A new dairy operation registering for coverage after September 20, 2019, **must** pay the premium in full at the time of enrollment.



## Notice DMC-5

### 4 2019 DMC Coverage and Fee Provisions (Continued)

#### D Premium Rate Lock-In

The 2018 Farm Bill allows dairy operations the opportunity in 2019 to lock-in the selected coverage levels for 5 years and receive a 25 percent discount on DMC premiums. Dairy operations can **only** make the lock-in election during the 2019 registration and coverage election period. After the 2019 coverage election period, the option to lock-in is **not** available. However, new dairy operations that have not previously established production history have the option to lock-in until 2022. Dairy operations that choose the lock-in must:

- pay the administrative fee annually, unless exempt
- agree to the same elected coverage level percentage and threshold election for the full 5-year term beginning January 1, 2019
- sign CCC-801 annually to certify the dairy operation is still commercially marketing milk.

#### E MPP-Dairy Premium Repayment Credits

Notice MPP-70, subparagraph 2 H instructs County Offices to maintain credit elections made on CCC-785, Margin Protection Program for Dairy Producers (MPP-Dairy) Premium Repayment Option Election Application, for MPP-Dairy premium repayments in the dairy operation's DMC file folder until the dairy operation registers for DMC. Dairy operations that elected credit repayments will have the credit applied to their DMC premium balances. Once the DMC software is open, County Offices will enter the credit amount to the applicable dairy operation. Any unused credit balance will be forwarded for use during the next coverage year until expended. If a credit balance remains after the 2023 premium balance is paid or when a dairy operation dissolves, the balance will not be cashed out.

#### F Failure to Pay Fees

Failure to pay the administrative fee by the end of the coverage election period will result in the following:

- if an annual enrollment, disapproval of the contract
- if a 5-year lock-in enrollment, establishment of a receivable immediately following the end of the coverage period.

Failure to pay premium fees by the due date will result in the following:

- establishment of a receivable 30 calendar days after the due date
- not receiving an indemnity payment until all premiums have been paid in full.

**Note:** A dairy operation that pays all outstanding premiums will be retroactively eligible for DMC payments if all other eligibility requirements have been met.

## 5 General DMC Provisions

### A Notifying Dairy Operations

County Offices **must** immediately notify dairy operations of the availability of the DMC Program and the opening of the 2019 registration and coverage election signup period. Dairy operations that have established production history under MPP-Dairy signup will receive a letter (Exhibit 4) notifying them of the 2018 Farm Bill provisions and providing the dairy operation's production history which is needed for the dairy operations to view their risk management options using the DMC Decision Tool.

To facilitate distribution, the National Office will provide an Excel file with the verified production history by dairy operation posted to the DMC SharePoint site for State Offices to access. State Offices will forward the applicable information to the County Offices. County Offices **must**:

- verify the production history is correct for each dairy operation
- mail the letter in Exhibit 4 to each dairy operation
- exclude from the mailing the dairy operations that:
  - dissolved before 2019
  - established production history for MFP purposes only.

A Word version of the letter template may be accessed by State Offices from the DMC SharePoint site located at

**<https://sharepoint.fsa.usda.net/mgr/daftp/psd/policy/Dairy%20Margin%20Coverage%20DMC/Forms/AllItems.aspx>** County Offices have the option to mail merge the electronic file data into the letter. Mail merge instructions will also be provided on the SharePoint site. The letter template will be available in a version formatted for mail merges, and in a version with normal formatting. State Offices shall disseminate the letter, mail merge steps and Excel mailing spreadsheet to the County Offices.

### B Outreach Activities and Resources

County Offices are encouraged to conduct extensive outreach activities to promote the DMC Decision Tool and signup period through the actions in subparagraphs 6 A and B.

Resources available will include:

- DMC Fact Sheet located at **[www.fsa.usda.gov/news-room/fact-sheets/index](http://www.fsa.usda.gov/news-room/fact-sheets/index)**
- “milk-can” information card will soon be made available on the DAFP Training Intranet located at **<https://inside.fsa.usda.gov/program-areas/daftp/daftp-training/index>**
- DMC Employee Resource Toolkit available on the Outreach Intranet page located at **<https://inside.fsa.usda.gov/operations/office-of-outreach/program-toolkits/index>**
- DMC Stakeholder Toolkit available on the Outreach Internet page located at **[www.fsa.usda.gov/outreach](http://www.fsa.usda.gov/outreach)** under “Outreach Programs”.

Additional information about Farm Bill activity can be found at **[www. Farmers.gov](http://www.Farmers.gov)**.

**5 General DMC Provisions (Continued)**

**C DMC Decision Tool**

A web-based decision tool is available at [www.fsa.usda.gov/dmc](http://www.fsa.usda.gov/dmc) to assist dairy producers with examining various coverage options suitable for their dairy operation. State and County Offices should promote the link extensively to assist producers in determining available options.

**D DMC Regulations**

DMC regulations were filed for public inspection at the Office of the Federal Register (FR) on June 14, 2019, and will be published in the FR on June 18, 2019. The regulations are provided in 7 CFR Part 1430, Subpart D. County Offices will provide a copy of the rule to dairy cooperatives and partner organizations.

**E National Average Feed Cost Change for Alfalfa Hay**

The 2018 Farm Bill required the collection of premium and supreme alfalfa hay prices. USDA regulations are adopting a revision of the alfalfa hay price to include high quality alfalfa in the National average feed cost calculation. For DMC, the premium and supreme alfalfa hay prices as reported by NASS will be used in a 50 percent blend with 50 percent of the nonpremium alfalfa hay prices that were previously used in MPP-Dairy.

Consequently, the 2019 DMC margin rates as reported will be adjusted to reflect the change, including the premium hay as part of the calculation. Early estimates of this change to the alfalfa component to the National average feed cost will increase the feed cost calculation by 3 percent.

**F Handbook Update**

The forthcoming 1-DMC will provide DMC program policy and procedure.

**6 Action Required**

**A State Office Action**

SED's, STC's, DD's, and SOC's will:

- ensure that County Offices immediately notify producers of the contents of this notice using all available sources with available funding
- promote the DMC signup period and DMC Decision Tool link at all informational meetings/events
- contact partners and stakeholders to request presentation time for DMC
- ensure County Offices are conducting extensive outreach to all dairy producers to promote participation in signup
- review by county, DMC outreach activities entered and tracked in OTIS
- direct questions about this notice to the National Office according to subparagraph D.

## Notice DMC-5

### 6 Action Required (Continued)

#### B County Office Action

County Offices will:

- immediately inform all dairy operations, cooperatives, associations, and other stakeholder organizations in their county of the contents of this notice by any of the following outreach activities:
  - over-the-counter contact
  - issuing newsletters, with available funding
  - electronically issuing GovDelivery newsletters to all county subscribers (texts where applicable)
  - hosting and participating in informational/outreach meetings, workshops, or field days
  - scheduling DMC presentations with dairy cooperatives and associations
  - sharing all DMC materials (news releases, fact sheets, quick fact cards, PSA's) with stakeholders
  - promoting the DMC Decision Tool link
  - making telephone calls to producers and stakeholders
  - sending letters to dairy operations according to Exhibit 4
- forward questions about this notice to the State Office specialist.

#### C Redelegation of Authority

The authority to approve CCC-800, CCC-801, CCC-802, and all other program documents **must** be redelegated, in writing, to the next authority. The following table provides exceptions to redelegate authority for approval.

<b>IF the producer is a...</b>	<b>THEN approval authority is...</b>
State, Federal, or non-Federal County Office employee	CED.
COC member	DD.
STC member	SED.
CED	COC.

Questionable cases may be referred to the next higher authority for determination.

## Notice DMC-5

### 6 Action Required (Continued)

#### D National Office Contact Information

State Offices can contact any of the following with questions about this notice.

<b>Name</b>	<b>Telephone</b>	<b>E-mail</b>
Doug Kilgore	202-720-9011	douglas.e.kilgore@usda.gov
Angela Payton	202-720-0482	angela.payton@usda.gov
J. Latrice Hill	202-690-1700	fsaoutreach@usda.gov

## CCC-800, Dairy Margin Coverage (DMC) Production History Establishment

## A Example of CCC-800

The following is an example of CCC-800.

This form is available electronically. (See Page 2 for Privacy Act and Paperwork Reduction Act Statements)

<b>CCC-800</b> (06-17-19)		<b>U.S. DEPARTMENT OF AGRICULTURE</b> Commodity Credit Corporation		<b>For County Office Use Only</b>																																																													
<b>DAIRY MARGIN COVERAGE (DMC)          PRODUCTION HISTORY ESTABLISHMENT</b>		1. <input type="checkbox"/> A. Initial Establishment <input type="checkbox"/> B. Correction																																																															
		2. Admin State Name:																																																															
		3. Admin County Name:																																																															
		4. Farm Number:																																																															
		5. Tract Number:																																																															
		6. Dairy Operation Number:																																																															
<b>PART A DAIRY OPERATION INFORMATION</b>																																																																	
7. Dairy Operation Name and Address																																																																	
8. What date did the dairy operation first begin to commercially market milk?																																																																	
<table border="1"> <tr> <td>IF the dairy operation started marketing milk...</td> <td>BUT...</td> <td>Skip To</td> </tr> <tr> <td>on or before January 1, 2013</td> <td>before January 1, 2014</td> <td>Part B</td> </tr> <tr> <td>after January 1, 2013</td> <td>on or before January 1 of the previous calendar year</td> <td>Part C</td> </tr> <tr> <td>on or after January 1, 2014</td> <td>before January 1 of the current calendar year</td> <td>Part D</td> </tr> <tr> <td>after January 1 of the previous calendar year</td> <td></td> <td>Part D</td> </tr> <tr> <td>on or after January 1 of the current year</td> <td></td> <td>Part D</td> </tr> </table>						IF the dairy operation started marketing milk...	BUT...	Skip To	on or before January 1, 2013	before January 1, 2014	Part B	after January 1, 2013	on or before January 1 of the previous calendar year	Part C	on or after January 1, 2014	before January 1 of the current calendar year	Part D	after January 1 of the previous calendar year		Part D	on or after January 1 of the current year		Part D																																										
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<b>PART B EXISTING DAIRY OPERATION PRODUCTION HISTORY ESTABLISHMENT</b>																																																																	
9. Enter the total marketings for the dairy operation for each applicable calendar year below:																																																																	
2011: lbs.		2012: lbs.		2013: lbs.																																																													
<b>PART C NEW DAIRY OPERATION TO DMC FULL CALENDAR YEAR PRODUCTION HISTORY ESTABLISHMENT</b>																																																																	
10. Enter the year for which the milk marketing information has been provided with the total marketings for the specified calendar year in Item 10A.																																																																	
10A. Calendar Year:		10B. Total Milk Marketings: lbs.																																																															
<b>PART D NEW DAIRY OPERATION PARTIAL YEAR PRODUCTION HISTORY ESTABLISHMENT</b>																																																																	
Complete Option I and/or Option II to determine the highest marketings that may be used to establish the production history.																																																																	
<b>Option I Actual production history as adjusted by the seasonal index.</b>																																																																	
11. Enter the actual milk marketings for each month the dairy has been in operation beginning with the first full month of production as indicated in Item 8. For months with no production enter "0". If you are a seasonal dairy producing operation, meaning, your dairy operation customarily operates only a specific number of months annually, check here: <input type="checkbox"/> If this box is checked, indicate the number of months your seasonal dairy operation will produce milk on an annual basis: _____ months																																																																	
<table border="1"> <thead> <tr> <th>Mo.</th> <th>Year</th> <th>Marketings</th> <th>Index</th> <th>Mo.</th> <th>Year</th> <th>Marketings</th> <th>Index</th> <th>Mo.</th> <th>Year</th> <th>Marketings</th> <th>Index</th> </tr> </thead> <tbody> <tr> <td>Jan</td> <td></td> <td>lbs.</td> <td>.0842</td> <td>May</td> <td></td> <td>lbs.</td> <td>.0879</td> <td>Sep</td> <td></td> <td>lbs.</td> <td>.0799</td> </tr> <tr> <td>Feb</td> <td></td> <td>lbs.</td> <td>.0780</td> <td>Jun</td> <td></td> <td>lbs.</td> <td>.0839</td> <td>Oct</td> <td></td> <td>lbs.</td> <td>.0824</td> </tr> <tr> <td>Mar</td> <td></td> <td>lbs.</td> <td>.0868</td> <td>Jul</td> <td></td> <td>lbs.</td> <td>.0845</td> <td>Nov</td> <td></td> <td>lbs.</td> <td>.0801</td> </tr> <tr> <td>Apr</td> <td></td> <td>lbs.</td> <td>.0849</td> <td>Aug</td> <td></td> <td>lbs.</td> <td>.0836</td> <td>Dec</td> <td></td> <td>lbs.</td> <td>.0838</td> </tr> </tbody> </table>						Mo.	Year	Marketings	Index	Mo.	Year	Marketings	Index	Mo.	Year	Marketings	Index	Jan		lbs.	.0842	May		lbs.	.0879	Sep		lbs.	.0799	Feb		lbs.	.0780	Jun		lbs.	.0839	Oct		lbs.	.0824	Mar		lbs.	.0868	Jul		lbs.	.0845	Nov		lbs.	.0801	Apr		lbs.	.0849	Aug		lbs.	.0836	Dec		lbs.	.0838
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Apr		lbs.	.0849	Aug		lbs.	.0836	Dec		lbs.	.0838																																																						
12. Calculate and enter annual production history by using the sum of available full month milk marketings above divided by the sum of the seasonal index percentages for the applicable months. Or, if this is a seasonal dairy, as indicated by a check in the box in Item 11, calculate and enter annual production history by using the sum of available full month milk marketings above divided by the sum of the index percentages, dividing the result by 12, and multiplying the result by the number of months indicated in Item 11.																																																																	
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<b>Option II The annual production history will be based on the herd size of the participating dairy operation relative to the national rolling herd average data published by USDA.</b>																																																																	
13. Enter the number of dairy cows in the herd for the year the dairy operation started commercially marketing milk, including dry cows (excludes heifers not yet fresh):																																																																	
14. National annual milk production per cow (use NASS data as published for the year the dairy operation started marketing milk):																																																																	
15. Calculate annual production history by multiplying Item 13 and Item 14 and enter amount:																																																																	
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<b>Producer Choice</b>																																																																	
16. Dairy operation selection of the desired option from Option I in Item 12 or Option II in Item 15.																																																																	
<input type="checkbox"/> Option I <input type="checkbox"/> Option II																																																																	

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [http://www.ascr.usda.gov/complaint\\_filing\\_cust.html](http://www.ascr.usda.gov/complaint_filing_cust.html) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: [program.intake@usda.gov](mailto:program.intake@usda.gov). USDA is an equal opportunity provider, employer, and lender.

## CCC-800, Dairy Margin Coverage (DMC) Production History Establishment (Continued)

## A Example of CCC-800 (Continued)

CCC-800 (06-17-19)				Page 2 of 2
PART E DAIRY OPERATION'S ESTABLISHED PRODUCTION HISTORY AND CERTIFICATION				For County Office Use Only
17A. FSA representative will enter the applicable production history for the dairy operation as established in Part B, Part C, or Part D, as applicable.			lbs.	
17B. Bump Adjustment Factor.			1.0186	
17C. Established Production History.			lbs.	
18. Producer Name	19. Signature of Producer (By)	20. Title/Relationship of the Individual Signing in the Representative Capacity	21. Date (MM-DD-YYYY)	
PART F CCC ACCEPTANCE AND APPROVAL				
22. COC or Designee Signature		23. Date (MM-DD-YYYY)	24. COC Determination <input type="checkbox"/> Approved <input type="checkbox"/> Disapproved	
25. Remarks				
<p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a – as amended). The authority for requesting the information identified on this form is the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), the Agricultural Improvement Act of 2018 (Pub. L. 115-334) and 7 CFR 1430. The information will be used to determine eligibility to participate in and receive benefits under the Dairy Margin Coverage for dairy producers. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility to participate in and receive benefits under the Dairy Margin Coverage for dairy producers.</p> <p><b>Paperwork Reduction Act (PRA) Statement:</b> This information collection is exempted from the Paperwork Reduction Act as specified in 7 U.S.C. 9091(c)(2)(B).</p> <p>The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. <b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b></p>				

## CCC-800, Dairy Margin Coverage (DMC) Production History Establishment (Continued)

**B Instructions for Completing CCC-800**

The following table provides instructions for completing CCC-800.

Item	Instructions
1	FSA representative must check box A for initial establishment or box B for correction.
2	FSA representative must enter applicable administrative State name.
3	FSA representative must enter applicable administrative county name.
4	FSA representative must enter the farm number.
5	FSA representative must enter the tract number.
6	FSA representative must enter the dairy operation number.
7	Dairy operation must enter the name and address of the dairy operation.
8	Dairy operation enters the month, date and year the dairy operation first began to commercially market milk.
9	If the dairy operation started marketing milk on or before January 1, 2013, the dairy operation enters the verified marketings per year for each applicable calendar year. If there are not marketings for that year, enter zero.
10A–10B	If the dairy operation started marketing milk on or after January 1, 2014, but on or before January 1 of the previous calendar year, dairy operation enters the calendar year in 10A and the total milk marketings for the selected year in 10B.
11	Dairy operation will enter the year and the exact milk marketings for each full month the dairy has been operating, beginning with the first full month of production from the date indicated in Item 8. Enter zero for months with no production. If this is a seasonal dairy, the dairy operation will check the box and enter the number of months the dairy will market milk on an annual basis.
12	FSA representative will calculate and enter the annual production history by using the sum of available full month milk marketings divided by the sum of the seasonal index percentages for the applicable months.
13	Dairy operation will enter the number of dairy cows as reported by the dairy operation.
14	FSA representative will enter the National annual milk production per cow for the year the dairy operation started marketing milk.  <b>Note:</b> The 2019 rolling herd average is 23,149 pounds.
15	FSA representative will calculate the annual production history for Option 2 by multiplying Item 13 and Item 14.



## CCC-800, Dairy Margin Coverage (DMC) Production History Establishment (Continued)

## B Instructions Completing CCC-800 (Continued)

Item	Instructions
16	Dairy operation selects the extrapolated production history calculation in Option 1 or the National annual herd average calculation in Option 2 by checking the respective box.
17A	FSA representative will enter the applicable production history for the dairy operation as established in Part B, Part C, or Part D, as applicable.
17B	FSA representative will recognize the bump adjustment factor of 1.0186 applies only to new dairy operations establishing a production history for the first time on the CCC-800.
17C	FSA representative enters the resulting production history after the bump adjustment factor has been applied to Item 17A.
18	The producer with an interest in the dairy operation indicated in Item 4 will print their name.
19	The producer with an interest in the dairy operation in Item 4 must sign, unless not participating in DMC.  <b>Note:</b> If signature authority is on file for the legal entity, only the signature of the person signing in a representative capacity is required, according to 1-CM.
20	The producer will enter their title or relationship of the individual signing in the representative capacity.
21	The producer enters the date of the signature.
22	COC or COC designee signs the document.
23	COC or COC designee dates the document.
24	COC or COC designee must check the box to approve or disapprove.
25	If disapproved, COC or COC designee must enter any noteworthy remarks about the disapproval.

## CCC-801, Dairy Margin Coverage (DMC) Contract and Annual Coverage Election

## A Example of CCC-801

The following is an example of CCC-801.

This form is available electronically. <b>CCC-801</b> (06-17-19)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation		(See Page 2 for Privacy Act and Paperwork Reduction Act Statements) <b>For County Office Use Only</b>	
<b>DAIRY MARGIN COVERAGE (DMC)          CONTRACT AND ANNUAL COVERAGE ELECTION</b>				1. Admin State Name:	
				2. Admin County Name:	
				3. Dairy Operation Number:	
				4. Coverage Year:	
<b>PART A GENERAL INFORMATION</b>					
5. Dairy Operation Name and Address					
6. Does the dairy operation currently produce and commercially market milk? (For 2019, if you commercially produced milk for any calendar months in 2019, indicate "YES")				YES	NO
7. Does the dairy operation elect to lock in your coverage levels through Dec. 31, 2023? <i>Note: Even though locked in, annual filing of the CCC-801 is required</i>				<input type="checkbox"/>	<input type="checkbox"/>
<b>PART B COVERAGE LEVEL ELECTION</b>					
8. Approved Production History:					lbs.
<b>9. Coverage Level Percentage Election</b> Check one desired level:					
<input type="checkbox"/> 5%	<input type="checkbox"/> 25%	<input type="checkbox"/> 45%	<input type="checkbox"/> 65%	<input type="checkbox"/> 85%	
<input type="checkbox"/> 10%	<input type="checkbox"/> 30%	<input type="checkbox"/> 50%	<input type="checkbox"/> 70%	<input type="checkbox"/> 90%	
<input type="checkbox"/> 15%	<input type="checkbox"/> 35%	<input type="checkbox"/> 55%	<input type="checkbox"/> 75%	<input type="checkbox"/> 95%	
<input type="checkbox"/> 20%	<input type="checkbox"/> 40%	<input type="checkbox"/> 60%	<input type="checkbox"/> 80%		
<b>10. Tier I Coverage Level Threshold Election</b> Check one desired level:					
<input type="checkbox"/> \$4.00 (CAT)	<input type="checkbox"/> \$5.50	<input type="checkbox"/> \$7.00	<input type="checkbox"/> \$8.50		
<input type="checkbox"/> \$4.50	<input type="checkbox"/> \$6.00	<input type="checkbox"/> \$7.50	<input type="checkbox"/> \$9.00		
<input type="checkbox"/> \$5.00	<input type="checkbox"/> \$6.50	<input type="checkbox"/> \$8.00	<input type="checkbox"/> \$9.50		
<b>11. Tier II Coverage Level Threshold Election</b> <i>Can only be different than the Tier I coverage level threshold if the coverage level elected in Item 10 is \$8.50, \$9.00 or \$9.50.</i> Check one desired level:					
<input type="checkbox"/> \$4.00 (CAT)	<input type="checkbox"/> \$5.50	<input type="checkbox"/> \$7.00			
<input type="checkbox"/> \$4.50	<input type="checkbox"/> \$6.00	<input type="checkbox"/> \$7.50			
<input type="checkbox"/> \$5.00	<input type="checkbox"/> \$6.50	<input type="checkbox"/> \$8.00			
<b>PART C CALCULATED TOTALS AND PAYMENT AMOUNTS (County Office Use Only)</b>					
12. Calculated Amount Due			13. Amount Received and/or Credited		
A. Administrative Fee due:	\$		A. Administrative Fee paid or waived:	\$	
B. Calculated Premium due no later than Sept. 1 of the applicable coverage year:	\$		B. 2014 -2017 Premium Credit	\$	
			C. Premium Amount Paid:	\$	
C. Total Amount Due:	\$		D. Total Amount Received/Credited:	\$	
			E. Total Balance Due:	\$	
<small>In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.</small>					
<small>Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.</small>					
<small>To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.ascr.usda.gov/complaint_filing_cust.html">http://www.ascr.usda.gov/complaint_filing_cust.html</a> and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture Office of the Assistant Secretary for Civil Rights 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.intel@usda.gov">program.intel@usda.gov</a>. USDA is an equal opportunity provider, employer, and lender.</small>					

## CCC-801, Dairy Margin Coverage (DMC) Contract and Annual Coverage Election (Continued)

## A Example of CCC-801 (Continued)

CCC-801 (06-17-19)				Page 2 of 2	
PART D CERTIFICATION AND SIGNATURES					
<p>This Contract to participate in the Dairy Margin Coverage (DMC) Program is entered into between the CCC and the undersigned producers in the dairy operation identified below and above in Part A. The undersigned producer or producers may hereafter collectively be referred to as "the Participant." The Participant agrees to comply with the terms and conditions contained in this Contract. By signing this contract, the Participant agrees to participate in the Dairy Margin Coverage Program for the stipulated contract period from the date the Contract is executed by the CCC. As such, the participant will be legally obligated to pay the annual administrative fee for the duration of the DMC program and all associated premiums for buy-up coverage elected by the participant. The participant also agrees to the coverage threshold and coverage level percentage elected above for the applicable calendar year of coverage or lock in period. By signing below, the Participant (1) agrees to the established production history in Part B; (2) agrees to abide by the terms and conditions contained therein; and (3) agrees to comply with the regulations governing the applicable program eligibility. This program or activity will be conducted on a nondiscriminatory basis without regard to race, color, religion, national origin, age, sex, marital status, or disability. The terms and conditions of this contract are contained in this form CCC-801 and any addendum thereto. Payments under the DMC program may be reduced by a certain percentage due to a sequester order required by Congress and issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985. Should a payment reduction be necessary, FSA will reduce the payment by the required amount. Producers on the operation must share in the risk of production, and must contribute capital, land, labor, equipment or management to the operation commensurate with their share of the proceeds. By signing this contract, producers acknowledge that a production history establishment form CCC-781 or a CCC-800 was completed by an authorized representative of the dairy operation above and acknowledge that the production history established and entered above will be used for the duration of the program in accordance with regulations at 7 CFR part 1430, subpart D. The dairy operation also authorizes their milk cooperative or handler to release evidence of a beginning or final monthly milk marketing for the dairy operation identified in Item 5 above, directly to the FSA County Office, for purposes of the DMC program. It is the dairy operations responsibility to inform FSA immediately if they stop commercially marketing milk.</p>					
14. Producer Name	15. Share %	16. Commensurate (NO)	17. Participating (NO)	18. Refuse Payment (YES)	19. Point of Contact
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Signature of Producer (By)		21. Title/Relationship of the Individual Signing in the Representative Capacity		22. Date (MM-DD-YYYY)	
14. Producer Name	15. Share %	16. Commensurate (NO)	17. Participating (NO)	18. Refuse Payment (YES)	19. Point of Contact
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Signature of Producer (By)		21. Title/Relationship of the Individual Signing in the Representative Capacity		22. Date (MM-DD-YYYY)	
14. Producer Name	15. Share %	16. Commensurate (NO)	17. Participating (NO)	18. Refuse Payment (YES)	19. Point of Contact
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Signature of Producer (By)		21. Title/Relationship of the Individual Signing in the Representative Capacity		22. Date (MM-DD-YYYY)	
PART E CCC ACCEPTANCE AND APPROVAL					
23A. COC or Designee Signature		23B. Date (MM-DD-YYYY)		23C. COC Determination <input type="checkbox"/> Approved <input type="checkbox"/> Disapproved	
24. Remarks					
<p><b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a – as amended). The authority for requesting the information identified on this form is the Commodity Credit Corporation Charter Act (15 U.S.C. 714 et seq.), the Agricultural Improvement Act of 2018 (Pub. L. 115-334) and 7 CFR 1430. The information will be used to determine eligibility to participate in and receive benefits under the Dairy Margin Coverage for dairy producers. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility to participate in and receive benefits under the Dairy Margin Coverage Program.</p> <p><b>Paperwork Reduction Act (PRA) Statement:</b> This information collection is exempted from the Paperwork Reduction Act as specified in 7 U.S.C. 9091(c)(2)(B).</p> <p>The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. <b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b></p>					

## CCC-801, Dairy Margin Coverage (DMC) Contract and Annual Coverage Election (Continued)

**B Instructions for Completing CCC-801**

The following table provides instructions for completing CCC-801.

Item	Instructions
1	FSA representative will enter applicable administrative state name.
2	FSA representative will enter applicable administrative county name.
3	FSA representative will enter the dairy operation number.
4	FSA representative will enter the coverage year.
5	Dairy operation will enter the name and address of the dairy operation.
6	Dairy operation answers “Yes” or “No” to the following question: Does the dairy operation currently produce and commercially market milk? (For 2019 only, if the dairy operation commercially produced milk for any months in 2019, check “Yes”.)
7	Dairy operation answers “Yes” or “No” to the following question: Is the dairy operation electing to lock in coverage through December 31, 2023?
8	FSA representative enters the approved production history for the dairy operation.
9	Dairy operation selects one coverage level percentage election.
10	Dairy operation selects Tier 1 coverage level election threshold election for 5 million pounds of production history or less.
11	Dairy operation selects Tier 2 coverage level election threshold election for more than 5 million pounds or more.  <b>Note:</b> Can only be different if Tier 1 is above \$8.00.
12A	FSA representative enters the \$100 administrative fee due.
12B	FSA representative will enter the calculated premium due no later than September 1 of the applicable calendar year. (For 2019 only, Sep. 20, 2019.)
12C	FSA representative will enter the total amount due.
13A	FSA representative will enter the amount of administrative fee paid or waived.
13B	FSA representative will enter the amount of 2014-17 premium credit found on CCC-785 Item 15B.
13C	FSA representative will enter the amount of premium paid.
13D	FSA representative will enter the total amount received/credited.
13E	FSA representative will enter the total balance due.
14	The producer will print name.
15	The producer will enter the percentage share of the dairy operation.
16	The producer will check the “Commensurate (NO)” box if they do not make commensurate contributions of land, labor, management, equipment, or capital.
17	The producer will check the “Participating (NO)” box if they do not want to participate in the DMC program.
18	The producer will check the “Refuse Payment (YES)” box if they do not want to receive DMC payments.
19	The producer will check the “Point of Contact” box if they are the point of contact.
20	The producer signs the document.
21	The producer will enter the title/relationship of the individual signing in the representative capacity

## CCC-801, Dairy Margin Coverage (DMC) Contract and Annual Coverage Election (Continued)

**B Instructions for Completing CCC-801 (Continued)**

<b>Item</b>	<b>Instructions</b>
22	The producer will date the document.
23A	COC or COC designee will sign the document.
23B	COC or COC designee will date the document.
23C	COC or COC will determine the CCC-801 approved or disapproved.
24	If disapproved, the COC will make noteworthy comments on the reason for the disapproval.

## CCC-802, Dairy Margin Coverage (DMC) Dissolution Notification

## A Example of CCC-802

The following is an example of CCC-802.

This form is available electronically.		
CCC-802 (06-17-19)		U.S. DEPARTMENT OF AGRICULTURE Commodity Credit Corporation
DAIRY MARGIN COVERAGE (DMC) DISSOLUTION NOTIFICATION		For County Office Use Only
		1. Admin State Name:
		2. Admin County Name:
		3. Dairy Operation Number:
		4. Coverage Year:
		5. Contract Start Date:
<b>PART A - GENERAL INFORMATION</b>		
6. Dairy Operation Name and Address		7. Date Dairy Operation Stopped Commercially Marketing Milk
8. Please check the type of coverage for the Dairy Operation. <input type="checkbox"/> CAT Level <input type="checkbox"/> Premium Level		
<b>PART B - COVERAGE INFORMATION FOR THE APPLICABLE YEAR (For County Office Use Only)</b>		
9A. Number of days in contract period the dairy operation commercially marketed milk.		
9B. Enter the total premium from CCC-801 Part C - Item 12B.		\$
9C. Enter the pro-rated premium due based on the date of dissolution (Item 9A divided by 365 times Item 9B).		\$
9D. Enter total premium paid by the dairy operation for the coverage year:		
DMC Premium Credit Applied \$ + Cash Remittance: \$ = Total Premium Paid \$		
<b>PART C - PREMIUM BALANCE AMOUNT DUE BY THE DAIRY OPERATION (For County Office Use Only)</b>		
10. If the total premium paid (Item 9D Total) is less than the total premium due (Item 9C), enter the remaining premium owed by the dairy operation.		\$
<b>PART D - PREMIUM REFUND AMOUNT OWED TO THE DAIRY OPERATION (For County Office Use Only)</b>		
11. If the total premium paid is more than the total premium due, enter the premium refund due to the dairy operation: (Total of Item 9C - Item 9D)		\$
<b>IMPORTANT:</b> The premium refund CANNOT exceed the cash remittance amount in Item 9D. Enter only the cash remittance amount from Item 9D if applicable. DMC premium credits have no cash value and will be forfeited upon dissolution.		
<b>PART E - CERTIFICATION AND SIGNATURES</b>		
12A. Signature of Producer (By)	12B. Title/Relationship of the Individual Signing in the Representative Capacity	12C. Date (MM-DD-YYYY)
<b>PART F - CCC ACCEPTANCE AND APPROVAL (For County/State Office Use Only)</b>		
13A. STC or Designee Signature	13B. Status: <input type="checkbox"/> Approved <input type="checkbox"/> Disapproved	13C. Date (MM-DD-YYYY)
14. Remarks		
<b>NOTE:</b> The following statement is made in accordance with the Privacy Act of 1974 (5 USC 552a -- as amended). The authority for requesting the information identified on this form is the Commodity Credit Corporation Charter Act (19 U.S.C. 714 et seq.), the Agricultural Improvement Act of 2018 (Pub. L. 115-334) and 7 CFR 1430. The information will be used to determine eligibility to participate in and receive benefits under the Dairy Margin Coverage for dairy producers. The information collected on this form may be disclosed to other Federal, State, Local government agencies, Tribal agencies, and nongovernmental entities that have been authorized access to the information by statute or regulation and/or as described in applicable Routine Uses identified in the System of Records Notice for USDA/FSA-2, Farm Records File (Automated). Providing the requested information is voluntary. However, failure to furnish the requested information will result in a determination of ineligibility to participate in and receive benefits under the Dairy Margin Coverage for dairy producers.		
<b>Paperwork Reduction Act (PRA) Statement:</b> This information collection is exempted from the Paperwork Reduction Act as specified in 7 U.S.C. 9091(c)(2)(B).		
The provisions of appropriate criminal and civil fraud, privacy, and other statutes may be applicable to the information provided. <b>RETURN THIS COMPLETED FORM TO YOUR COUNTY FSA OFFICE.</b>		
In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its Agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.		
Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible Agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.		
To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at <a href="http://www.usda.gov/complaint">http://www.usda.gov/complaint</a> , <a href="http://www.usda.gov">http://www.usda.gov</a> and if any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW Washington, D.C. 20250-9410; (2) fax: (202) 690-7442; or (3) email: <a href="mailto:program.discrimination@usda.gov">program.discrimination@usda.gov</a> . USDA is an equal opportunity provider, employer, and lender.		

## CCC-802, Dairy Margin Coverage (DMC) Dissolution Notification (Continued)

**B Instructions for Completing CCC-802**

The following table provides instructions for completing CCC-802.

Item	Instructions
1	FSA representative must enter applicable administrative state name.
2	FSA representative must enter applicable administrative county name.
3	FSA representative must enter the dairy operation number.
4	FSA representative must enter the coverage year of the contract.
5	FSA representative must enter the contract start date.
6	Dairy operation must enter the dairy operation name and address.
7	Dairy operation must enter the date the dairy operation stopped commercially marketing milk.
8	Dairy operation will select the type of coverage either by checking the CAT level box or the premium level box.
9A	FSA representative will enter the number of days in the contract period the dairy operation commercially marketed milk in the coverage year.
9B	FSA representative will enter the total premium from the CCC-801 Part C- Item 12B.
9C	FSA representative will enter the pro-rated premium due based on the date of dissolution. The pro-rated premium can be calculated by dividing Item 9B (annual premium) by 365 days and multiplying that by Item 9A (number of contract days).
9D	<p>FSA representative will enter the total premium paid by the dairy operation for the coverage year.</p> <p>If the dairy operation applied a credit amount from previous MPP-Dairy repayments on the CCC-785 Item 15B, the amount is entered as DMC Premium Credit applied.</p> <p>If the dairy operation applied a cash remittance towards the premium paid, the amount is entered as Cash Remittance.</p> <p>The DMC premium credit and cash remittance will be added to complete the Total Premium Paid.</p>
10	FSA representative will determine if a premium balance is due by the dairy operation. If the total premium paid is less than the total premium due enter the remaining premium owed by the dairy operation. To calculate subtract Item 9C by the total of 9D and enter the amount.
11	<p>FSA representative will determine if a premium refund amount is owed to the dairy operation. If the total premium paid is more than the total premium due, enter the premium refund due to the dairy operation. To calculate subtract Item 9C from the total of Item 9D and enter the amount.</p> <p><b>Important:</b> The premium refund cannot exceed the cash remittance amount in Item 9D. Enter only the cash remittance amount from Item 9D if applicable.</p> <p>DMC premium credits have no cash value and will be forfeited upon dissolution.</p>

## CCC-802, Dairy Margin Coverage (DMC) Dissolution Notification (Continued)


**B Instructions for Completing CCC-802 (Continued)**

<b>Item</b>	<b>Instructions</b>
12A	The producer will sign the document.
12B	The producer will enter their title/relationship of the individual signing in the representative capacity.
12C	The producer will date the document.
13A	COC or COC designee will sign the document.
13B	COC or COC designee will approve or disapprove and check the respective box.
13C	COC or COC designee will date the document.
14	COC or COC designee will enter noteworthy remarks, if applicable.



## Example of Notification Letter to Dairy Operations

The following is an example of the notification letter that must be sent to eligible dairy operations.

 <b>United States Department of Agriculture</b>	
Farm Production and Conservation	<u>Date Field</u>
Farm Service Agency	<u>First Name Field, Last Name Field</u>
County Office Name	<u>Address Field</u>
Address	<u>City, State Zip Field</u>
City, St, Zip Code	
Voice: xxx-xxx-xxxx	Dear <u>First Name Field</u> :
Fax: xxx-xxx-xxxx	

You are receiving this letter to notify you of the sign-up provisions for the Dairy Margin Coverage (DMC) program. The Agricultural Improvement Act of 2018 (2018 Farm Bill) authorizes the creation of the Dairy Margin Coverage (DMC) program which replaces the Margin Protection Program for Dairy (MPP-Dairy).

**The DMC coverage election period begins on June 17, 2019 and ends COB September 20, 2019.** Your coverage will begin on January 1, 2019.

DMC offers 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. All dairy operations in the United States are eligible for the DMC program. Eligible dairy operations will have a production history determined by the county FSA office. Dairy operations will annually enroll for each year by paying the \$100 administrative fee unless qualifying for a waiver for limited resource, beginning, socially disadvantaged, or veteran farmers or ranchers.

**WHAT IS NEW WITH DMC**

- New Tier 1 coverage levels of \$8.50, \$9.00 and 9.50
- Expanded coverage options from 5 percent to 95 percent for covered production history
- Dairy operations with over 5 million pounds of production coverage who enroll at the \$8.50 level or higher will make a second election for Tier 2 production over 5 million lbs.
- A lock-in incentive with a 25 percent premium discount is available for dairy operations who lock-in coverage levels until 2023.
- A repayment of MPP-Dairy premiums paid during 2014-2017 above the amount of indemnity paid during the same time frame which can be paid as cash or used as credit for future DMC premiums

**WHAT YOU NEED TO DO**

- Visit your county office and complete the DMC Contract and Annual Coverage Election form CCC-801 for 2019 by September 20, 2019.
- Pay the \$100 administrative fee unless you are eligible for the administrative fee exemption as a limited resource, beginning, socially disadvantaged, or veteran farmer or rancher and complete form CCC-860
- According to Farm Service Agency records you currently have XXXXXXXX pounds of production history. Input your production history into the decision tool to accurately review your coverage options for risk management coverage.
- Evaluate your coverage election options using the DMC Decision Tool at <https://www.fsa.usda.gov/.../farm-safety-net/dairy-programs/mpp-decision-tool/index>

**Example of Notification Letter to Dairy Operations (Continued)**

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**WHO SHOULD I CONTACT FOR MORE INFORMATION**

Please contact your local Farm Service Agency (FSA) County Office <https://offices.sc.egov.usda.gov/locator/app> to discuss DMC details, schedule your appointment, and enroll by September 20, 2019. Additional details about the new DMC program and other FSA Farm Bill program changes can be found at [www.farmers.gov/farmbill](http://www.farmers.gov/farmbill).

Sincerely,

County Executive Director  
XXXX Farm Service Agency County Office

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