

For: State and County Offices

2024 DMC Contracts for Dissolved Dairy Operations

Approved: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

Dairy operations that dissolved in 2024 before or during the 2024 DMC Coverage Election Period requested participation in 2024 DMC for the days they marketed milk in 2024. Because the dairy operations were not commercially marketing milk at the time of application, the dissolved dairy operations were not eligible for 2024 DMC.

The National Office amended the DMC rule through a technical amendment published on May 9, 2024, to allow enrollment in 2024 DMC for dairy operations that dissolved on January 1, 2024, through April 29, 2024. Dissolved dairy operations that have not already submitted a CCC-801 contract may do so during a 2-week period from May 9, 2024, through May 23, 2024.

B Purpose

This notice provides guidance to State and County Offices on:

- accepting manual CCC-801’s from dissolved dairy operations from May 9, 2024, through May 23, 2024
- processing manual CCC-801’s received before April 30, 2024, for dissolved dairy operations
- processing 2024 dairy operation dissolutions.

C Contact

Contact Douglas Kilgore, PSD, by e-mail to Douglas.e.kilgore@usda.gov with questions about this notice.

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| Disposal Date | Distribution |
| September 1, 2024 | State Offices; State Offices relay to County Offices |

Notice DMC-89

2 DMC Contracts for Dissolved Dairy Operations

A 2024 DMC Enrollment for Dissolved Dairy Operations

The technical amendment published on May 9, 2024, allows dairy operations that dissolved in 2024 before or during the 2024 DMC Coverage Election Period to be eligible for enrollment in 2024 DMC for the days the dairy operation marketed milk in 2024. If dissolved dairy operations have **not** already done so, they may complete a manual CCC-801 contract from May 9, 2024, through May 23, 2024.

County Offices will:

- accept a manual 2024 CCC-801 with producer signature and date
- instruct the dairy operation to:
 - answer “yes” in item 9 of CCC-801
 - enter the following statement in item 30 of CCC-801 “The dairy operation was in business commercially, marketing milk in 2024 during the period of January 1, 2024, through [date of dissolution].”
- if not waived, accept and process the administrative fee through NRRS by using the miscellaneous income accounting
- approve the manual CCC-801.

The National Office will review 2024 dissolved dairy operations CCC-801’s received from May 9, 2024, through May 23, 2024. County Offices will add the following documents for the dissolved dairy operations to the DMC State Office SharePoint site located at <https://usdagcc.sharepoint.com/sites/FPAC-FSA-DairyMarginCoverageDMC/Lists/2024%20DMC%20Enrollment%20for%20Dissolved%20Operations/AllItems.aspx>.

- signed and approved CCC-801 contract
- signed and approved CCC-802 dissolution
- final milk marketing statement.

The National Office will review the documents and record the 2024 contract into the DMC software and notify the State Office by e-mail once the contract has been recorded.

Notice DMC-89

2 DMC Contracts for Dissolved Dairy Operations (Continued)

B 2024 Dissolved Dairy Operation CCC-801's Received Before April 30, 2024

Notice DMC-86 provided guidance to County Offices on accepting manual CCC-801's for 2024 dissolved dairy operations. County Offices will add to the DMC software all manual CCC-801's received before April 30, 2024, that include producer signatures dates within the enrollment period. The DMC administrative fee should be re-recorded in the DMC software according to the following:

- County Office user activates the Miscellaneous Income admin fee remittance
- State users will delete the Miscellaneous Income receipt associated to the activated remittance
- County Office will record a new receipt from the activated remittance and apply the collection to the DMC administrative fee outstanding bill and deactivate the remittance.

C 2024 Dissolved Dairy Operation Dissolutions

County Offices will accept and process CCC-802's for 2024 dissolved dairy operations according to 1-DMC, subparagraph 71 B.

3 Action

A State Office Action

State Offices will ensure that County Offices:

- are immediately informed of the contents of this notice
- forward DMC program questions through their State Office to the National Office.

B County Office Action

County Offices will:

- accept CCC-801's from 2024 dissolved dairy operations beginning May 9, 2024, through May 23, 2024, and submit to the National Office
- enter CCC-801's in the DMC software for 2024 dissolved dairy operations received before April 30, 2024
- accept CCC-802's for dissolved dairy operations and follow procedure regarding dairy dissolutions once the CCC-802 is entered in the system
- forward questions about this notice to the State Office Price Support.