

For: State and County Offices

Reminder of MILC Production Start Month Selection Policy

Approved by: Acting Deputy Administrator, Farm Programs



1 Overview

A Background

Producers who participated in MILC in FY 2009, designated on CCC-580, the month CCC shall begin issuing payments to the dairy operation. If the production start month is never modified by the producers in the dairy operation, the production start month designated on CCC-580 and on file with the County Office will remain the same for succeeding FY's throughout the duration of the MILC program.

Many producers may not have selected October as the start month last year because signup began in December. If a producer selected February as a start month, for example, that producer will not receive payments in October 2009 through January 2010 unless the producer changes the start month on CCC-580 according to 11-LD, paragraph 28. Dairy operations that did not select October as the start month last year that want their MILC payments to continue uninterrupted must designate October as the start month on CCC-580M by **COB September 14, 2009**.

B Purpose

This notice reminds State and County Offices of procedure for changing the MILC start month for FY 2010 and subsequent years.

Disposal Date	Distribution
June 1, 2010	State Offices; State Offices relay to County Offices

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1 Overview (Continued)

C Contact

For questions or situations **not** addressed in this notice, State Offices shall contact either of the following.

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2 Production Start Month Change Provisions

A Perpetual Designation

If the production start month for FY 2009 on the applicable CCC-580 is never modified by the producers in the dairy operation, then the production start month will remain in effect for FY 2010.

If the dairy producer does **not** want to change the start month for FY 2010, the month indicated on CCC-580 for FY 2009 will remain in effect and no action is necessary.

B When the Production Start Month Can Be Changed

Changes to the MILC production start month selected by the dairy operation **must** be submitted to the County Office, according to subparagraph D, on or before the 14th of the month before the:

- month originally selected by the dairy operation as their MILC production start month
- newly selected MILC production start month for the dairy operation.

Changes **must** be made in advance of payment rates being known by the public for both of the following:

- original production start month that the dairy operation is changing from
- production start month the dairy operation is changing to.

Notes: Otherwise, the MILC production start month can only be changed the following FY.

If the 14th of the month falls on a weekend, the dairy operation production start month selection **must** be made on the last workday preceding the weekend.

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2 Production Start Month Change Provisions (Continued)

C When the Production Start Month Cannot Be Changed

The production start month designated on CCC-580 cannot be changed if:

- the new month being selected has done either of the following:
 - already begun
 - already passed
- payment has already been issued for the previously selected month.

D MILC Production Start Month Change Request

MILC program participants may elect to change their production start month for a given FY. A change to a dairy operation's MILC production start month for FY 2010 must:

- be made according to production start month selection provisions provided in 11-LD, paragraphs 27 and 28 and selection rules applicable to MILC
- occur before payment has been issued for the previous month selected on CCC-580
- be designated on CCC-580M, Part B, according to instructions provided in 11-LD, paragraph 44.

E Examples of Change of Production Start Month for FY 2010

Example 1: The producer selected December as the production start month for FY 2009 and did **not** designate a production start month for FY 2010. Therefore, by perpetual designation, the production start month for the dairy operation for FY 2010 is December. However, on September 14, 2009, the producer submits CCC-580M to the County Office to change his or her production start month from December to October for FY 2010.

The producer's request is acceptable and the production start month for FY 2010 is approved for October 2009 production because the production start month change was submitted by the last day available to the producer to submit a change request to the production start month for FY 2010.

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2 Production Start Month Change Provisions (Continued)

E Examples of Change of Production Start Month for FY 2010 (Continued)

Example 2: The producer submits CCC-580 to the County Office on January 10, 2009, and selects February as the start month for FY 2009, and did **not** make a selection for any other FY. Therefore, by perpetual designation, the production start month for FY 2010 is February 2010. On September 20, 2009, the producer submits CCC-580M to the County Office to change his or her production start month from February 2010 to October 2009 for FY 2010.

The start month selection for FY 2010 is **not** acceptable. The producer must have submitted the production start month change request to the County Office by September 14, 2009. Because the change request was **not** submitted before the 14th of the month before the new month being selected by the dairy operation as their MILC production start month, the request **must** be disapproved.

3 Action

A State Office Action

SED's and STC's shall:

- publicize the contents of this notice immediately
- provide guidance to the County Office on the contents of this notice.

B County Office Action

County Offices shall:

- notify MILC participants of the contents of this notice
- forward questions about the contents of this notice through the State Office Specialist.