

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice SP-109**For:** State and County Offices**Milk Loss Program (MLP) Frequently Asked Questions (FAQ's) and Answers****Approved by:** Acting Deputy Administrator, Farm Programs**1 MLP FAQ's****A Background**

On September 12, 2023, the National Office conducted the MLP training. During the training, several questions were raised by State and County Office participants.

B Purpose

This notice provides MLP FAQ's (Exhibit 1).

C Contacts

The following table provides contacts if there are questions about this notice.

IF located in a....	THEN contact...
County Office	State Office.
State Office	either of the following as applicable for MLP policy: <ul style="list-style-type: none">• Douglas Kilgore, PSD, by either of the following:<ul style="list-style-type: none">• e-mail to douglas.e.kilgore@usda.gov• telephone at 202-720-9011• Angela Pope, PSD, by either of the following:<ul style="list-style-type: none">• e-mail to angela.pope@usda.gov• telephone at 202-720-0482.

Disposal Date

February 1, 2024

Distribution

State Offices; State Offices relay to County
Offices

Frequently Asked Questions and Answers**Q1: Is all dumped milk eligible for MLP?**

A1: No, only milk dumped in calendar years 2020, 2021, and 2022 that was dumped due to weather events where no payment was received, or partial payment was received for the dumped milk.

Q2: Is milk dumped due to antibiotics eligible for MLP?

A2: No, milk dumped due to antibiotics is not eligible.

Q3: What are eligible weather events?

A3: Drought, wildfires, hurricanes, floods, derechos, excessive heat, winter storms, freeze, polar vortex, and smoke exposure. Tornadoes are an eligible weather event for 2022.

Q4: Is a federal disaster declaration required for MLP?

A4: No, a federal disaster declaration is not required for eligibility in MLP.

Q5: How will a dairy operation know if the milk marketing organization paid for the dumped milk due to a weather event?

A5: The dairy operation will need to review the marketing statement for the applicable month and determine if pounds of milk production were recorded for each milk pick up. If recorded on the marketing statement most likely the organization paid for the dumped milk.

Q6: How are the pounds of dumped milk determined?

A6: MLP determines the average daily milk production for the month proceeding the month milk was dumped as the base period. The average daily milk production from the base period is multiplied by the number of days milk was dumped in the claim period and multiplied by the number of cows in the dairy operation herd.

Q7: What milk price is used to determine my payment for dumped milk through MLP?

A7: The milk marketing statement is required to be provided at MLP application which provides the gross payment price for the applicable month. The net payment price the affected dairy operation received is determined by deducting the hauling rate fee by cwt and the \$0.15 promotion fee deduction from the gross payment price.

Q8: What determines how many days of dumped milk loss are eligible for MLP?

A8: The MLP eligible period begins on the day milk was dumped or removed and not marketed on the commercial market and ends on the day milk was last dumped or removed.

Frequently Asked Questions and Answers (Continued)

Q9: If I received an insurance indemnity payment for my dumped milk, am I eligible for MLP?

A9: If insurance paid for part of the value of the dumped milk, MLP will provide an additional payment up to the fair market value of the dumped milk.

Q10: Do affected dairy operations applying for MLP need to complete eligibility forms?

A10: Yes, the following forms are to be completed for MLP if not on file with FSA- AD-2047, CCC-860, CCC-901, CCC-902, FSA-510 if applicable, and AD-1026

Q11: Are MLP payments factored?

A11: Yes, MLP payments are factored. A 90 percent factor for SDA affected farmers and 75 percent factor for all other farmers.