



Farm Service Agency
U.S. DEPARTMENT OF AGRICULTURE

Dairy Margin Coverage Program Enrollment for 2021 Opens Oct. 13

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Enhancements to Online Dairy Decision Tool Now Available

CHIPPEWA FALLS, WISCONSIN, Oct. 8, 2020 – The U.S. Department of Agriculture (USDA) will begin accepting applications for the [Dairy Margin Coverage](#) (DMC) program on Tuesday, October 13, 2020 for 2021 enrollment.

“This year has been a market roller coaster for the dairy industry, and the Dairy Margin Coverage program is a valuable tool dairy producers can use to manage risk,” said Bill Northey, USDA’s Under Secretary for Farm Production and Conservation, during a roundtable at a dairy in Chippewa Falls, Wisconsin. “We were excited to roll out this new and improved program through the 2018 Farm Bill, and if you haven’t enrolled in previous years, we highly encourage you to check it out.”

Signup runs through Dec. 11, 2020. DMC is a voluntary risk management program that offers protection to dairy producers when the difference between the all-milk price and the average feed price (the margin) falls below a certain dollar amount selected by the producer. DMC payments triggered for seven months in 2019 and three months so far in 2020. More than 23,000 operations enrolled in DMC in 2019, and more than 13,000 in 2020.

Updated Dairy Decision Tool

To determine the appropriate level of coverage for a specific dairy operation, producers can utilize the recently updated online dairy decision tool. The [decision tool](#) is designed to assist producers with calculating total premium costs and administrative fees associated with participation in DMC. An [informational video](#) is available, too.

Improvements to the decision tool, made in cooperation with representatives from the University of Minnesota and University of Wisconsin, include historical analysis that illustrates what DMC indemnity payments might have been had the program been available over the previous two decades. The analysis indicates that over the course of time, DMC payments made to producers exceed premiums

paid. These decision tool enhancements provide a more comprehensive decision support experience for producers considering DMC.

Additional Support for Dairy Producers

In addition to DMC, USDA offers a variety of programs that have helped dairy producers, including insurance, disaster assistance, and conservation programs. Most recently, the Coronavirus Food Assistance Program 1 provided \$1.75 billion in direct relief to dairy producers who faced price declines and additional marketing costs due to COVID-19 in early 2020. Now, signup is underway for the Coronavirus Food Assistance Program 2, which provides another round of assistance for dairy producers and many other eligible producers.

More Information

For more information, visit [farmers.gov DMC webpage](https://farmers.gov/dmc), or contact your local USDA Service Center. To locate your local FSA office, visit farmers.gov/service-center-locator.

All USDA Service Centers are open for business, including some that are open to visitors to conduct business in person by appointment only. All Service Center visitors wishing to conduct business with the FSA, Natural Resources Conservation Service, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel, and visitors must adhere to social distancing guidelines. Visitors are required to wear a face covering during their appointment. Field work will continue with appropriate social distancing. Our program delivery staff will be in the office, and they will be working with our producers in office, by phone, and using online tools. More information can be found at farmers.gov/coronavirus.

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