

USDA Opens 2020 Enrollment for Dairy Margin Coverage Program

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WASHINGTON, Oct. 7, 2019 - Dairy producers can now enroll in the [Dairy Margin Coverage \(DMC\)](#) for calendar year 2020. USDA's Farm Service Agency (FSA) opened signup today for the program that helps producers manage economic risk brought on by milk price and feed cost disparities.

"We know it's tough out there for American farmers, including our dairy producers," said Bill Northey, Under Secretary for Farm Production and Conservation. "As Secretary Perdue said, farmers are pretty good at managing through tough times, and we know that more dairy farmers will be able to survive with this 2018 Farm Bill and its risk mitigation measures, like the Dairy Margin Coverage program."

The DMC program offers reasonably priced 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. The deadline to enroll in DMC for 2020 is Dec. 13, 2019.

Dairy farmers earned more than \$300 million dollars from the program in 2019 so far. Producers are encouraged to take advantage of this very important risk management tool for 2020.

All producers who want 2020 coverage, even those who took advantage of the 25 percent premium discount by locking in the coverage level for five years of margin protection coverage are required to visit the office during this signup period to pay the annual administrative fee.

"Dairy producers should definitely consider coverage for 2020 as even the slightest drop in the margin can trigger payments," said Northey. "Dairy producers should consider enrolling in DMC to guard against what has been, for several years, an extremely unforgiving market."

More Information

The 2018 Farm Bill created DMC, improving on the previous safety net for dairy producers. DMC is one of many programs that FSA and other USDA agencies are implementing to support America's farmers.

For more information on enrolling in DMC and taking advantage of an online dairy decision tool that assists producers in selecting coverage for 2020, visit the [DMC webpage](#).

For additional questions and assistance, contact your local USDA service center. To locate your local FSA office, visit farmers.gov/service-locator.

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