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Enrollment for New Dairy Farm Risk Management Program to Begin Sept. 2

Starting **Sept. 2, 2014**, farmers can enroll in the new dairy Margin Protection Program (MPP). The voluntary program, established by the 2014 Farm Bill, provides financial assistance to participating farmers when the margin – the difference between the price of milk and feed costs – falls below the coverage level selected by the farmer.

The U.S. Department of Agriculture (USDA) also launched a new Web tool to help producers determine the level of coverage under the Margin Protection Program that will provide them with the strongest safety net under a variety of conditions. The online resource, available at www.fsa.usda.gov/mpptool, allows dairy farmers to quickly and easily combine unique operation data and other key variables to calculate their coverage needs based on price projections.

The Margin Protection Program, which replaces the Milk Income Loss Contract program, gives participating dairy producers the flexibility to select coverage levels best suited for their operation. Enrollment begins Sept. 2 and ends on Nov. 28, 2014, for 2014 and 2015. Participating farmers must remain in the program through 2018 and pay a minimum \$100 administrative fee each year. Producers have the option of selecting a different coverage level during open enrollment each year.

Dairy operations enrolling in the new program must comply with conservation compliance provisions and cannot participate in the Livestock Gross Margin dairy insurance program. Farmers already participating in the Livestock Gross Margin program may register for the Margin Protection Program, but the new margin program will only begin once their Livestock Gross Margin coverage has ended.

The 2014 Farm Bill also established the Dairy Product Donation Program. The program authorizes USDA to purchase and donate dairy products to nonprofit organizations that provide nutrition assistance to low-income families. Purchases only occur during periods of low dairy margins. Dairy operators do not need to enroll to benefit from the Dairy Product Donation Program.

Visit FSA online at www.fsa.usda.gov/factsheets, or stop by a local FSA office to learn more about the Margin Protection Program or the Dairy Product Donation Program.

Questions?

Please contact your local county FSA Service Center if you have any questions regarding this message.

Thank you,

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