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# **Related Topics**

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## **Margin Protection Program for Dairy**

The Margin Protection Program for Dairy (MPP-Dairy) is a voluntary risk management program for dairy producers authorized by the 2014 Farm Bill through Dec. 31, 2018. Significant changes to MPP-Dairy for the 2018 coverage year are further authorized by the Bipartisan Budget Act of 2018. The MPP-Dairy offers 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.

### **Changes to MPP-Dairy**

Based on feedback from dairy producers, Congress made several changes to MPP-Dairy in the Bipartisan Budget Act of 2018, including:

- Calculations of the margin period is monthly rather than bi-monthly.
- Covered production is increased to 5 million pounds on the Tier 1 premium schedule, and premium rates for Tier 1 are substantially lowered.
- An exemption from paying an administrative fee for limited resource, beginning, veteran, and disadvantaged producers.
  Dairy operators enrolled in the previous 2018 enrollment period that qualify for this exemption under the new provisions may request a refund.

USDA is mailing postcards advising dairy producers of the changes. For more information, contact your local USDA service center. (http://offices.usda.gov/)

### 2018 Registration and Re-Enrollment Period

The registration and re-enrollment period for coverage year 2018 will begin April 9, 2018, and continues through June 1, 2018. Dairy operations must make a new coverage election for 2018, even if you enrolled during the previous 2018 signup period. Coverage elections made for 2018 will be retroactive to January 1, 2018.

## **About the Program**

The program offers dairy producers: (1) catastrophic coverage, at no cost to the producer, other than an annual \$100

administrative fee (which is waived in some cases); and (2) various levels of buy-up coverage. Read more on our fact sheet (/Assets/USDA-FSA-Public/usdafiles/FactSheets/2018/mpp\_dairy\_program\_april\_2018.pdf).

### **Tool to Explore Coverage Options**

USDA has a web tool (/programs-and-services/farm-bill/farm-safety-net/dairy-programs/mpp-decision-tool/index) to help producers determine the level of coverage under the MPP-Dairy that will provide them with the strongest safety net under a variety of conditions. The online resource allows dairy farmers to quickly and easily combine unique operation data and other key variables to calculate their coverage needs based on price projections. Producers can also review historical data or estimate future coverage based on data projections. The secure site can be accessed via computer, smartphone, tablet or any other platform.

## Results of 2017 MPP-Dairy Enrollment

- Table 1: MPP-Dairy Production History (/Assets/USDA-FSA-Public/usdafiles/Price-Support/pdf/MPP-Dairy/table\_1\_dairy\_production\_history.pdf) (PDF)
- Table 2: MPP-Dairy Count of operations by coverage level (/Assets/USDA-FSA-Public/usdafiles/Price-Support/pdf/MPP-Dairy/table\_2\_dairy\_count\_of\_operations-by\_coverage\_level.pdf) (PDF)
- Table 3: MPP-Dairy Production History by Coverage Level (/Assets/USDA-FSA-Public/usdafiles/Price-Support/pdf/MPP-Dairy/table\_3\_production\_history\_by\_coverage\_level.pdf) (PDF)
- Table 4: MPP-Dairy Production History Eligible for Payments (/Assets/USDA-FSA-Public/usdafiles/Price-Support/pdf/MPP-Dairy/table\_4\_production\_history\_eligible\_for\_payment.pdf) (PDF)

## Results of 2016 MPP-Dairy Enrollment

- Table 1: MPP-Dairy Production History (/Assets/USDA-FSA-Public/usdafiles/MPP-Dairy/mpp\_dairy\_production\_history.pdf) (PDF)
- Table 2: MPP-Dairy Count of operations by coverage level (/Assets/USDA-FSA-Public/usdafiles/MPP-Dairy/dairy\_count\_of\_operations\_by\_coverage\_level.pdf) (PDF)
- Table 3: MPP-Dairy Production History by Coverage Level (/Assets/USDA-FSA-Public/usdafiles/MPP-Dairy/dairy\_production\_history\_by\_coverage\_level.pdf) (PDF)
- Table 4: MPP-Dairy Production History Eligible for Payments (/Assets/USDA-FSA-Public/usdafiles/MPP-Dairy/dairy\_production\_history\_eligible\_for\_payments..pdf) (PDF)

### Results of 2015 MPP-Dairy Enrollment

- Table 1: MPP-Dairy Production History (/Assets/USDA-FSA-Public/usdafiles/Price-Support/pdf/MPP-Dairy/ta\_1\_mpp\_production\_history.pdf) (PDF)
- Table 2: MPP-Dairy Count of operations by coverage level (/Assets/USDA-FSA-Public/usdafiles/Price-Support/pdf/MPP-Dairy/ta\_2\_mpp\_ct\_ops\_by\_cvge\_lev.pdf) (PDF)
- Table 3: MPP-Dairy Production History by Coverage Level (/Assets/USDA-FSA-Public/usdafiles/Price-Support/pdf/MPP-Dairy/ta\_3\_prod\_hist\_cvge\_lvl.pdf) (PDF)
- Table 4: MPP-Dairy Production History Eligible for Payments (/Assets/USDA-FSA-Public/usdafiles/Price-Support/pdf/MPP-Dairy/ta\_4\_mpp\_prod\_hist\_elig\_pmts.pdf) (PDF)
- Table 5: MPP-Dairy Percent of history covered by state (/Assets/USDA-FSA-Public/usdafiles/Price-Support/pdf/MPP-Dairy/ta\_5\_mpp\_pct\_hist\_cvrd\_st.pdf) (PDF)

### **Prices**

Read the details on how the prices below are used in the MPP calculation (/Assets/USDA-FSA-Public/usdafiles/Price-Support /pdf/MPP-Dairy/mpp-prices.pdf) (PDF 90.5 KB).

Month	Pay Periods	Corn (\$/bu)	Alfalfa Hay	Soybean	All Milk<	Final Feed Costs for	Milk Margin Above Feed	Milk Margin	
	Periods	(\$/bu)	(\$/ton)	Meal (\$/ton)	(\$/cwt)	MPP-D (\$/cwt)	Costs (\$/cwt)	/pay Period*	

201	8

February	3.38	155.00	362.85	15.30	8.41651	6.88349	
January	3.29	152.00	322.59	16.10	7.98295	8.11705	

# 2017

December	6	3.23	148.00	319.22	17.20	7.83901	9.36099	0.07405
November		3.15	148.00	313.52	18.10	7.71129	10.38871	9.87485
October	5	3.26	152.00	315.23	17.90	7.89667	10.00333	0.00010
September	3	3.27	149.00	307.70	17.80	7.81095	9.98905	9.99619
August	4	3.27	147.00	301.05	18.00	7.73467	10.26533	0.07400
July		3.49	152.00	326.04	17.30	8.22287	9.07713	9.67123
June	3	3.43	152.0	300.72	17.30	7.97239	9.32760	0.07003
Мау		3.45	155.00	307.63	16.70	8.08574	8.61426	8.97093
April	2	3.43	148.00	305.67	16.50	7.95398	8.54602	8.94898
March		3.49	135.00	320.34	17.30	7.94807	9.35192	0.94696
February		3.44	129.00	334.42	18.50	7.91572	10.58428	10.82023
January	<b>'</b>	3.40	128.00	332.34	18.90	7.84382	11.05618	10.82023

# 2016

December		3.33	129.00	321.02	18.80	7.69922	11.10078	10.54246
November	6	3.23	130.00	322.41	17.60	7.61586	9.98414	10.54246
October	_	3.29	135.00	323.27	16.60	7.75505	8.84495	0.40405
September	5	3.22	137.00	337.95	17.30	7.81525	9.48475	9.16485
August	4	3.21	138.00	340.80	17.10	7.83917	9.26083	8.42515
July		3.60	140.00	371.49	16.10	8.51053	7.58947	0.42515
June	- 3	3.82	142.00	408.57	14.80	9.04648	5.75351	F 76077
May		3.68	147.00	376.35	14.50	8.72797	5.77202	5.76277
April		3.58	153.00	303.81	15.00	8.16972	6.83027	7.14868
March	2	3.57	144.00	276.22	15.30	7.83291	7.467087	7.14606
February		3.57	142.00	273.61	15.70	7.78632	7.913670	0.00000
January	] T	3.66	147.00	279.56	16.10	7.99511	8.104886	8.00928

# 2015

December	6	3.65	150.00	289.78	17.20	8.10060	9.099397	9.55705
November		3.60	150.00	308.60	18.20	8.18529	10.01471	9.55705
October	5	3.67	156.00	327.97	17.70	8.48496	9.21504	9.08207
September		3.68	157.00	333.62	17.50	8.55091	8.94909	
August	4	3.68	159.00	357.85	16.70	8.75641	7.94360	7.69510
July		3.80	169.00	375.71	16.60	9.15341	7.44659	7.09510
June	3	3.58	178.00	335.03	16.90	8.74170	8.15831	7.99534

May		3.62	192.00	320.23	16.70	8.86763	7.83237	
April	2	3.75	184.00	336.61	16.50	9.01788	7.48212	7.50415
March		3.81	172.00	357.83	16.60	9.07382	7.52618	7.50415
February	1	3.79	172.00	370.38	16.80	9.14461	7.65540	7.00554
January		3.81	174.00	380.02	17.60	9.26432	8.33569	7.99554

#### 2014

December		3.78	183.00	431.73	20.40	9.73550	10.66450	
November	6	3.58	184.00	441.39	23.00	9.60564	13.39436	12.02943
October	_	3.56	194.00	381.50	24.90	9.28099	15.61901	4E E1100
September	5	3.48	197.00	525.72	25.70	10.29629	15.40371	15.51136
August		3.63	209.00	490.30	24.10	10.36142	13.73858	13.21061
July	4	4.05	216.00	450.79	23.30	10.61731	12.68265	13.21001
June		4.49	222.00	501.72	23.20	11.54591	11.65409	11.95747
Мау	3	4.71	224.00	519.38	24.20	11.93913	12.26087	11.95747
April	2	4.71	206.00	514.01	25.30	11.65306	13.64694	13.87422
March		4.51	191.00	495.71	25.20	11.09850	14.10150	13.8/422

<sup>\*</sup>At a milk margin minus feed costs of \$8 or less, payments are possible depending on the level of coverage chosen by the dairy producer.

### Sources:

Corn, Alfalfa hay and All-milk full month prices (not preliminary) can be found in the National Agricultural Statistics Service (NASS) Agricultural Prices monthly publication (http://usda.mannlib.cornell.edu/MannUsda /viewDocumentInfo.do?documentID=1002).

Soybean Meal prices can be found in the Agricultural Marketing Service (AMS) daily Central Illinois Soybean Processor report (http://www.ams.usda.gov/mnreports/gx\_gr117.txt) . (Go to the 48% Soybean Meal R monthly price at the bottom of the report).

### **Payments**

 2016 May-June payments, by state (/Assets/USDA-FSA-Public/usdafiles/MPP-Dairy/2016%20MPP%20May-June%20payments%20by%20state.pdf)

### **Related Documents**

- Fact Sheet (/Assets/USDA-FSA-Public/usdafiles/FactSheets/2018/mpp\_dairy\_program\_april\_2018.pdf)
- News Release (/news-room/news-releases/2018/nr\_20180403\_rel\_0042)
- Regulation (https://www.federalregister.gov/articles/2016/04/13/2016-08482/margin-protection-program-for-dairy)

### MPP Forms: (http://www.fsa.usda.gov/news-room/news-releases/2016/nr\_20160412\_rel\_0090)

- CCC-781 (http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/CCC781.PDF)
- CCC-782 (http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/CCC782.PDF)
- CCC-782 Appendix (http://forms.sc.egov.usda.gov/efcommon/eFileServices/eForms/CCC782\_APPENDIX.PDF)

### **Handbook and Recent Notices**

- Handbook 1-MPP Margin Protection Program for Dairy Producers (/Assets/USDA-FSA-Public/usdafiles/MPP-Dairy/1\_MPP%20Amendment%206.pdf)
- MPP-50 MPP-Dairy 2016 Coverage Year Opt Out Option (/Assets/USDA-FSA-Public/usdafiles/MPP-

Dairy/mpp 50%20MPP-Dairy%202018%20Coverage%20Year%20Opt%20Out%20Option.pdf)

- MPP-51 MPP-Dairy Producers 2017 Premium Balance Due Letter (/Assets/USDA-FSA-Public/usdafiles/MPP-Dairy/mpp\_51%20MPP-Dairy%20Producers%202017%20Premium%20Balance%20Due%20Letter.pdf)
- MPP-52 Establishing Manual Receivables in NRRS for MPP-Dairy Producers 2017 Administrative and Premium Fees (/Assets/USDA-FSA-Public/usdafiles/MPP-
  - Dairy/mpp\_52%20Establishing%20Manual%20Receivables%20in%20NRRS%20for%20MPP-Dairy%20Producers%202017%20Administrative%20and%20Premium%20Fees.pdf)
- MPP-53 Announcing Signup Deadline for Registration and Coverage Election for 2018 MPP-Dairy (/Assets/USDA-FSA-Public/usdafiles/MPP-
  - Dairy/mpp\_53%20Announcing%20Signup%20Deadlines%20for%20Registration%20and%20Coverage%20Election%20for%202018.pdf
- MPP-54 MPP-Dairy Preparations for 2018 Re-enrollment (/Assets/USDA-FSA-Public/usdafiles/MPP-Dairy/mpp\_54%20MPP-Dairy%20Preparations%20for%202018%20Re-enrollment.pdf)



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