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Dairy Producers Previously Enrolled in the Livestock Gross Margin Program Now Eligible for 2018 Margin Protection Program

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Retroactive Enrollment Begins March 25

WASHINGTON, March 22, 2019 — The U.S. Department of Agriculture (USDA) today announced that dairy producers who elected to participate in the [Livestock Gross Margin for Dairy Cattle Program](#) (LGM-Dairy) now have the opportunity to participate in the Margin Protection Program for Dairy (MPP-Dairy) for 2018 coverage. Sign-up will take place March 25 through May 10, 2019.

Producers enrolled in 2018 LGM-Dairy, administered by USDA's Risk Management Agency (RMA), previously were determined by the 2014 Farm Bill to be ineligible for coverage under MPP-Dairy, a safety net program available through USDA's Farm Service Agency (FSA).

"The 2018 Farm Bill included substantial changes to USDA dairy programs," said FSA Administrator Richard Fordyce. "This includes the ability for producers with LGM coverage to retroactively enroll in MPP-Dairy for 2018. It also integrated recent improvements to the MPP-Dairy in the new Dairy Margin Coverage program, beginning with the 2019 calendar year."

The MPP-Dairy program offers protection to dairy producers when the difference between the national all-milk price and the national average feed cost — the margin

— falls below a certain dollar amount selected by the producers in a dairy operation. LGM-Dairy is an insurance product that provides protection when feed costs rise or milk prices drop. The gross margin is the market value of milk minus feed costs.

This retroactive sign-up is only for dairy producers with 2018 LGM coverage who produced and commercially marketed milk in 2018 but did not obtain full year MPP-Dairy coverage. FSA will notify eligible producers by postcard and provide a one-time payment for all of the months in 2018 that had margins triggering MPP-Dairy assistance.

“I’m pleased that dairy producers will now be able to take advantage of enrolling in both Livestock Gross Margin and the Margin Protection Program for 2018 coverage,” RMA Administrator Martin Barbre said. “The 2018 Farm Bill gave dairy producers more options like these and when combined with the new Dairy Protection Program offered by RMA, that means more overall coverage for dairy producers.”

Eligible producers can enroll during the sign-up period at their local USDA service center. To locate your office, visit farmers.gov.

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Risk Management Agency:

1400 Independence Ave. SW Washington, DC 20250

Contact:

FPAC Press Desk

FPAC.BC.Press@usda.gov