

USDA Announces Important Updates

U.S. Department of Agriculture (USDA) Farm Service Agency (FSA) Administrator Juan Garcia today announced that beginning Feb. 5, USDA will issue payments to dairy farmers enrolled in the Milk Income Loss Contract (MILC) program for the September 2012 marketings. The American Taxpayer Relief Act of 2012 extended the authorization of the Food, Conservation, and Energy Act of 2008 (the 2008 Farm Bill) through 2013 for many programs administered by FSA, including MILC. The 2008 Farm Bill extension provides for a continuation of the MILC program through Sept. 30, 2013.

MILC payments are triggered when the Boston Class I milk price falls below \$16.94 per hundredweight, after adjustment for the cost of dairy feed rations. MILC payments are calculated each month using the latest milk price and feed cost.

As announced by FSA on Jan. 22, all dairy producers' MILC contracts are automatically extended to Sept. 30, 2013. Eligible producers therefore do not need to re-enroll in MILC. MILC operations with approved contracts will continue to receive monthly payments, if available.

The payment rate for September 2012 is approximately \$0.59 per hundredweight. The payment rate for October 2012 marketings is approximately \$0.02 per hundredweight. The payment rate for November 2012 marketings is zero.

Before the October MILC payment can be issued, dairy farmers must complete a new Average Adjusted Gross Income (AGI) form for 2013. The new form, CCC-933 Average Adjusted Gross Income (AGI) Certification and Consent to Disclosure of Tax Information, must be completed by producers before they can receive payments for a variety of programs administered by FSA and USDA's Natural Resources Conservation Service. Producers may obtain CCC-933 at their local USDA Service Center or online at www.fsa.usda.gov/cc933. Specific detail about AGI [may be found here](#).

Dairy operations may select a production start month other than October 2012. Producers who want to select a production start month other than October 2012 must visit their local FSA office between Feb. 1 and Feb. 28, 2013, also known as a relief period.

FSA will provide producers with information on program requirements, updates and signups as the information becomes available. For more information on MILC, contact a local FSA county office or visit the FSA website at www.fsa.usda.gov.