

USDA Urges Dairy Producers to Choose Protections by Dec. 5

In modern agriculture, there is much we can control, but two dynamics remain beyond our reach: weather and markets. The unpredictability of both, and sudden changes in either, can disrupt any family farming operation.

Kansas dairy producers know these dynamics firsthand. The 2014 Farm Bill provides a safety net, in the form of the new Margin Protection Program for dairy, so that when unforeseen swings in markets occur, dairy producers are better protected and family businesses remain strong.

The Margin Protection Program for dairy, which replaces the Milk Income Loss Contract program, was created by the Farm Bill to shield against when the margin — the difference between the price of milk and feed costs — falls below the levels of coverage selected by participating dairy producers.

However, this safety net is not automatic. You must visit your Farm Service Agency office to enroll before Dec. 5 to lock in these protections through 2018. For just \$100 you can cover 90 percent of your production at \$4 margin swings and with affordable incremental premiums, you can cover \$8 margin swings. In fact, if you enroll this year, you will even receive a slight increase in production protection that won't be available in the future. It's a small step to take to ensure your business is covered

If you're not sure how the Margin Protection Program works or what it will mean for your operation, USDA's online resource can help. Go to www.fsa.usda.gov/mpptool, type in your specific operation data and explore price projections and market scenarios to determine what level of coverage is best for you. (You can also compare the data to see how the program would have helped in previous years like 2008 when margins dropped from \$8 to \$3 in just three months.) The online resource is on a secure website that can be accessed from your computer, mobile phone or tablet, 24 hours a day, seven days a week.

You also have a chance to share your comments and help shape the Margin Protection Program for the future. According to statistics, more than 90 percent of dairy farms are family-owned and operated, often by multiple generations. USDA is committed to supporting family farmers and creating strong opportunities for the next generation of dairy farmers. But we need to hear from you about best to make the Margin Protection Program work for farming families.

Submitted your comments to us via the **regulations.gov** website at <http://go.usa.gov/GJSA> or send them by mail to: Danielle Cooke, Special Programs Manager, Price Support Division, FSA, USDA, STOP 0512, 1400 Independence Ave. SW., Washington, DC, 20250-0512. Although enrollment in the Margin Protection Program ends Dec. 5, 2014, comments will still be accepted until Dec. 15, 2014.

Don't wait to enroll - - act today. Today's market conditions are strong, but as previous years have shown, markets can turn on a dime, costing you so much more if you don't have a safety net to protect you.

Adrian J. Polansky is State Executive Director for USDA's Farm Service Agency in Kansas. To learn more about the Margin Protection Program for dairy, contact your local USDA Farm Service Agency county office at offices.usda.gov or visit us on the web at www.fsa.usda.gov.