

For: FSA Offices

Signup for the FY 2008 Through FY 2012 Milk Income Loss Contract (MILC) Program

Approved by: Deputy Administrator, Farm Programs



1 Overview

A Background

Section 1502 of the Food, Conservation, and Energy Act of 2008 (2008 Act) reauthorizes the MILC Program for the period beginning October 1, 2007, and ending on September 30, 2012, with some minor changes to the program's provisions. The reauthorization of the MILC program allows continued financial assistance on a monthly basis to dairy operations in connection with production sold in the commercial market when domestic prices fall below a specified level.

State and County Offices were informed of the following at the 2008 National Farm Bill Training Conference:

- legislative changes to MILC program provisions
- up-to-date information about the status of the MILC program implementation
- further details and instructions on the MILC sign-up period would be provided in a future notice.

MILC program regulations were filed for public inspection at the Office of the Federal Register on December 1, 2008, and were published in FR on December 4, 2008.

B Purpose

This notice informs State and County Offices of the following:

- signup information for the MILC program
- general information about the MILC program procedures for applying for benefits.

Disposal Date	Distribution
July 1, 2009	All FSA Offices; State Offices relay to County Offices.

Notice LD-605

2 MILC Program Signup

A MILC Production Start Month Selection

During the MILC program signup, participating producers in a dairy operation **must** select a month of commercially marketed production for which CCC shall begin issuing payments to the dairy operation. Beginning with the month selected by the dairy operation, MILC payments will be issued based on the selected month's production and for each consecutive month's production thereafter, whenever a payment rate is in effect, until the earlier of the following:

- maximum payment quantity is reached
- the applicable FY ends.

Note: If no payment rate is in effect for the MILC production start month selected by the dairy operation, the dairy operation's payment will begin with the production from the next month in which there is a rate in effect following the selected MILC production start month.

B Signup Period

The MILC program signup will be conducted in the following 2 phases:

- initial signup, according to subparagraph C
- extended signup, according to subparagraph D.

Eligible producers may file CCC-580 anytime during the established timeframes for each respective signup period. Only **one** CCC-580 should be submitted for the dairy operation during either signup. Producers shall file CCC-580's in the county where the dairy operation is physically located or in the administrative County Office for the dairy operation.

C Initial Signup Phase

The initial signup for the MILC program will begin on Monday, **December 22, 2008**, and will end **January 21, 2009**. Producers that submit CCC-580's during the 30-calendar-day initial signup phase can make the following MILC production start month selections:

- **FY 2009, either** of the following:
 - the month CCC-580 is submitted and any month that precedes the month CCC-580 is submitted
 - any month remaining in FY 2009, according to normal start month selection provisions provided in 11-LD

Notice LD-605

2 MILC Program Signup (Continued)

C Initial Signup Phase (Continued)

- **FY 2010 through 2012**, any month for each FY may also be selected during the initial signup phase according to normal production start month provisions provided in 11-LD.

Note: CCC-580's submitted **after** the initial signup period will be considered a submission during the extended signup period as provided by subparagraph D.

D Extended Signup Phase

Extended signup begins on **January 22, 2009**, after the initial signup ends. The extended signup will continue throughout the duration of the MILC program, ending on **September 30, 2012**. Producers that submit CCC-580's during the extended signup can select as the MILC production start month for their dairy operation either:

- the month CCC-580 is submitted
- from the remaining months in FY in which CCC-580 is submitted for which the payment rate is not known and according to MILC production start month selection provisions provided in 11-LD.

3 General MILC Program Information

A Manual CCC-580's

eMILC web-based CCC-580 and payment processing software will **not** be in the State and County Offices by the beginning of CCC-580 signup. Therefore, County Offices shall take manual CCC-580's for MILC benefits. A future PS notice will be issued to provide instructions for recording and processing CCC-580's, payments, and collections through the web-based CCC-580 and payment processing software.

The projected field delivery date for CCC-580 software is scheduled for a January 2009 release. However, this date is tentative and subject to change.

B Status of 11-LD Revision

PSD has revised 11-LD to update policy and procedures according to 2008 Act provisions. This revision was issued on November 18, 2008.

Notice LD-605

3 General MILC Program Information (Continued)

C Contact Information

If there are questions about this notice, State Offices shall contact the appropriate individual according to this table.

Contact	Telephone Number	E-mail Address	Program Area
Dani Cooke	202-720-1919	Danielle.Cooke@wdc.usda.gov	MILC policy and procedure
Asime Atuboyedia	202-720-8223	Asime.Atuboyedia@wdc.usda.gov	eMILC automation

4 Action

A State Office Action

SED's and STC's shall:

- ensure that County Offices immediately notify producers of the contents of this notice using all available sources
- supervise and monitor MILC to ensure that policies and procedures in this notice and 11-LD are being uniformly followed by County Offices
- direct questions about this notice to the National Office according to subparagraph 3 C.

B County Office Action

County Offices shall:

- inform all dairy operations of MILC requirements and signup information through:
 - over-the-counter discussion
 - newsletters
 - other methods of communication, as applicable
- accept CCC-580 beginning December 22, 2008, according to 11-LD
- forward questions about the contents of this notice through the State Office specialist.