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New Dairy Revenue Protection Insurance Plan Available Nationwide *Sign-up Begins October 9*

WASHINGTON, Aug. 8, 2018 – The U.S. Department of Agriculture’s (USDA) Risk Management Agency (RMA) today announced a new insurance plan for dairy producers that insures against unexpected declines in quarterly milk sales. Sign-up for the new product begins Tuesday, October 9, 2018, with the first available coverage starting the first quarter of 2019.

“Expanding the Federal crop insurance program to markets that need it is key to an effective farm safety net. Because of cooperation with partners like the American Farm Bureau Federation, we are able to offer this new product in a way that it can be flexible based on the needs of dairy producers,” said Bill Northey, Under Secretary, Farm Production and Conservation.

The new plan, called Dairy Revenue Protection, provides insurance for the difference between the final revenue guarantee and actual milk revenue if prices fall. It also provides a greater choice of prices, from those that focus on cheese to fresh milk, protein or butterfat. Coverage levels are available from 70 to 95 percent of revenue. Dairy Revenue Protection is available in all counties in all 50 states.

Participating producers are not precluded from participation in the USDA Farm Service Agency’s Margin Protection Plan.

Those interested in purchasing Dairy Revenue Protection must do so through an agent selling on behalf of an approved insurance provider. A list of crop insurance agents is available at all USDA Service Centers and online at the RMA Agent Locator, located at www.rma.usda.gov/tools/agent.html.

Dairy Revenue Protection was developed and approved through the Federal Crop Insurance Act’s 508(h) process, which allows private parties to develop insurance products that are in the best interests of producers, follow sound insurance principles and are actuarially appropriate.

Dairy Revenue Protection is another risk management tool in the toolbox available to dairy producers. Federal crop insurance helps producers and owners manage risks and strengthens the rural economy. Additional information regarding Dairy Revenue Protection is available on the RMA website’s Livestock page, located at www.rma.usda.gov/livestock/.

For more information about crop insurance and the modern farm safety net, visit www.rma.usda.gov.

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