

## Selecting and Changing MILC Payment Start Month

With the start of Fiscal Year 2012 in the next few weeks, producers who expect to market more than 2,985,000 pounds of milk in the coming 12 months need to soon choose the month in FY 2012 (October 2011 – September 2012) when they wish their Milk Income Loss Contract Program (MILC) payments to start. *Note: the current Farm Bill stipulates that the production cap to qualify September 2012 production will be reduced to 2.4 million pounds. Production from previous months during Fiscal Year 2012 will count against the 2.4 million pounds.*

Dairy producers who are enrolled in MILC and want to change their start date for the Fiscal Year 2012 MILC payments to October have until September 14, 2011 to request the change. Additionally, producers who currently have October as their start month and would like to change it must also make that change by September 14, 2011.

Months with no payment rate don't count against the cap; but if October is your start month, payments will begin with the first month for which there is a payment rate.

Dairy producers are allowed to change their start month an unlimited number of times throughout their enrollment in MILC provided that the changes are made:

- On or before day 14 of the month prior to the new MILC production start-month.
- Before payment is sought;
- Before the original selected MILC production start-month has passed.

For example, if a dairy operation's current start-month for fiscal year 2012 is January, and the dairy operation decides to change the start-month to October, the new start-month would have to be selected by September 14, 2011.

If a dairy operation's current start-month for fiscal year 2012 is May 2012 and the dairy operation decides to change the start-month to March 2012, it can be changed to March, as long as it is done by February 14 – the month before the new start month.

If the start-month is never changed, it will remain the same throughout the MILC contract's duration. Contact your local FSA Office for further information about the MILC program.