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"Connecting Cows, Cooperatives, Capitol Hill, and Consumers"

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USDA Provides Additional Data on Dairy Farms Enrolled in Margin Protection Program *More than Half of Those Enrolled in New Safety Net Choose Added Coverage*

ARLINGTON, VA – The U.S. Department of Agriculture provided more specific information Friday about the extent of coverage chosen by dairy farmers enrolled for 2015 in the new Margin Protection Program (MPP), including a state-by-state-breakdown of the percentage of farms using the new safety net.

Earlier this week, <u>the USDA announced</u> that more than half of U.S. dairy operations have enrolled in the MPP. Today, USDA provided an estimate that 55% of those farms elected to pay additional premiums to purchase a higher level of coverage, above the basic, \$4 per hundredweight level offered for \$100 per year.

NMPF President and CEO Jim Mulhern said that the enrollment level represents "a vote of confidence in this new program, and highlights the importance of the MPP at a time when farmers need protection as margins will be challenged because of adverse conditions. The debut of the MPP comes during a year when margins will be compressed, making it the right solution at the right time for our farmers."

The USDA clarified that 50.4% of the nation's dairy farms have enrolled in the MPP. The percentage ranges from a low in Wyoming of 5%, to a high in Nevada of 90%. The participation level in the ten largest dairy states was 51%, almost identical to the national average:

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Top 10 Dairy States – U.S. 2015 Margin Protection Program Enrollment

State	Licensed Dairy Operations (NASS 2013)	Milk Production (NASS 2013) (mil lbs.)	% Enrolled (at basic or buy up levels)	% Buy-up (within those that enrolled)	Estimated Enrolled Milk Production* (mil lbs.)
California	1,515	41,256	69%	35%	28,457
Wisconsin	10,860	27,572	54%	55%	14,895
New York	5,030	13,469	48%	57%	6,520
Idaho	550	13,431	66%	29%	8,816
Pennsylvania	7,200	10,565	30%	58%	3,171
Texas	460	9,610	71%	54%	6,790
Michigan	2,030	9,164	53%	48%	4,821
Minnesota	3,865	9,140	69%	73%	6,314
New Mexico	140	8,057	64%	17%	5,122
Washington	480	6,336	64%	58%	4,079
Top 10 States	32,130	148,600	51%	56%	88,985
United States	47,273	201,816	50.4%	55%	119,467

^{*}Extrapolated from 2013 production data and assumes that the operations that enrolled are representative of the respective state's milk production distribution.

The next MPP sign-up period will begin in six months, during an open season enrollment window for MPP coverage in calendar year 2016. That enrollment period will run from July 1st until September 30th.

NMPF established its www.futurefordairy.com website to help educate farmers about the program, and worked with USDA and a group of university agricultural economists during 2014 to explain the benefits of utilizing the Margin Protection Program.

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The National Milk Producers Federation, based in Arlington, VA, develops and carries out policies that advance the well-being of dairy producers and the cooperatives they own. The members of NMPF's cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of more than 32,000 dairy producers on Capitol Hill and with government agencies. Visit www.nmpf.org for more information.