

**MPP Talking Points
Milk Commission Meeting
Williston, 10/13/17**

Background: Program in effect for 2014- 2018.

- No sign-up for 2014 due to the late sign-up period and confident information to acknowledge limited payout option
- 2015 VT enrolled 588 out of 874 registered state dairy operations
 - This represented 67% of VTs dairies enrolled
 - FSA reached 743, or 85%, of the dairies in the state to discuss risk management options
 - Of the dairy operations enrolled, 63% of them enrolled for a buy-up level
- 2016 VT enrolled 566 dairy operations
 - Only 7% of the dairy operations opted for buy-up
 - VT paid \$27, 540 for a May/June trigger
- 2017 VT enrolled 465 dairies
 - 21% enrolled since 2015 have dissolved
 - 2% opted for buy-up

How much has been paid out to VT farmers?

2015-2017 (2016 only) \$27,540 to 35 Dairy Operations

How much did VT farmers pay in?

Premiums: 2015-2017 = \$770,771
Admin Fee: 2015-2017 = \$161,900
Total paid in: \$932,671

Percentage of paid in versus paid out:

Premiums only: 3.57%
Total payout per pay in: 2.95%

(We took in 28 times more than what we paid out.)

Thoughts on improvements:

- Apply sequestration at the top level (program pot) instead of from the producer payment calculation
- Move the margin. At least : \$6 floor and \$10 cap
- No doubling the premium fee for the top margin; add a premium jump for "premium" coverage (\$12-14) margin
- Producer insures their own actual margin- like an APH/yield policy
- Price break for at least limited resource producers, and maybe for beginning farmer and/or SDA (i.e. NAP waives the admin fee and premiums are reduced 50%)
- No lock-in
- Single month triggers

How do we market a new product:

Gain producer input now. Implementation demonstrates being heard and creates buy-in.

Word of mouth ; Need producer advocates. Probably should have a new name (MAP) milk assistance