



Stakeholder Toolkit: USDA Announces 2027 Dairy Margin Coverage Enrollment

USDA Farm Service Agency (FSA) in Tennessee encourages dairy producers to enroll in 2027 Dairy Margin Coverage (DMC), a voluntary risk management program that was recently strengthened by the Working Families Tax Cuts Act providing greater risk protection for dairy producers. DMC enrollment for 2027 runs from Oct. 5 through Dec. 18, 2026.

We need your help to spread the word to eligible dairy producers. This toolkit includes:

- Newsletter Article for your publication
- Fact Sheet (attached) to share
- Social Media Suggestions
- Graphics (attached)

If you have any questions, please contact Baylee Bain at Baylee.bain1@usda.gov

Newsletter Article

Dairy Producers in Tennessee Encouraged to Enroll in 2027 Dairy Margin Coverage by December 18

Dairy producers in Tennessee are encouraged to enroll in 2027 Dairy Margin Coverage (DMC), a voluntary risk management program that was recently strengthened by the Working Families Tax Cuts Act with greater risk protection for dairy producers. DMC enrollment for 2027 starts Oct. 5 and runs through Dec. 18, 2026.

DMC provides financial protection when the difference between the national all-milk price and average feed cost falls below a producer-selected coverage level.

The Working Families Tax Cut Act reauthorized DMC through 2031 and strengthened the program to provide dairy producers with greater risk protection. These improvements took effect beginning with the 2026 program year and expanded the amount of production eligible for Tier 1 protection from five to six million pounds, updated production histories to better reflect current dairy operations, and provided producers with an opportunity to secure coverage through 2031 at a 25% reduced premium cost.

By protecting against periods of tighter margins, DMC provides an additional measure of financial stability and helps producers manage cash flow when milk prices, feed costs or a combination of the two put pressure on their operations. DMC payments trigger



when the national dairy margin falls below a participating operation's selected coverage level.

2027 Enrollment

Producers can select DMC coverage levels ranging from \$4.00 to \$9.50 per hundredweight. DMC includes a catastrophic level of coverage available at no premium cost, although an annual \$100 administrative fee generally applies. Producers may also purchase higher levels of coverage to provide additional protection against declining margins.

Dairy producers should evaluate their operation's risk management needs when selecting a coverage level. USDA provides an [online dairy decision tool](#). Producers should contact their local [FSA county office](#) to enroll in DMC for the 2027 program year.

Producers who previously elected the multi-year DMC option for 2026 through 2031 are reminded that they must still certify to commercially market milk, sign a DMC contract, and pay the \$100 administrative fee for each program year to maintain coverage. These producers will continue at the coverage level and percentage selected under their multi-year election and receive the 25% premium discount.

For more information about DMC, including current program information and DMC margins, dairy producers can visit fsa.usda.gov/dmc or contact their local [FSA county office](#).

Social Media/Graphics

Please tag @USDA or USDA_FSA

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Now is the time to protect your dairy operation from risks! Enrollment for 2027 Dairy Margin Coverage opens Oct. 5 and runs through Dec. 18. Learn more



<https://www.fsa.usda.gov/news-events/news/09-30-2026/usda-announces-2027-dairy-margin-coverage-enrollment>

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Now is the time to protect your dairy operation from risks! Enrollment for 2027 Dairy Margin Coverage is open from Oct. 5 through Dec. 18.

Make an appointment today to apply for 2027 coverage. Producers who locked in coverage through 2031 must still certify to commercially marketing milk, sign a DMC contract and pay the administrative fee.

<https://www.fsa.usda.gov/news-events/news/09-30-2026/usda-announces-2027-dairy-margin-coverage-enrollment>