

Table 2

Schedule of premiums for the Dairy Margin Coverage program (U.S. dollars per cwt)

Tier 1		Tier 2
Coverage level	Premium per cwt for covered production history of 5 million pounds or less	Premium per cwt, all years for covered production history over 5 million pounds
4.00	None	None
4.50	0.0025	0.0025
5.00	0.005	0.005
5.50	0.030	0.100
6.00	0.050	0.310
6.50	0.070	0.650
7.00	0.080	1.107
7.50	0.090	1.413
8.00	0.100	1.813
8.50	0.105	NA
9.00	0.110	NA
9.50	0.150	NA

cwt = hundredweight; NA = not applicable.

Note: A dairy operation that made a one-time election of coverage level and coverage percentage that are applicable to each of calendar years 2019 through 2023 receives a 25-percent discount on premium rates. Tier 1 coverage is also applicable to the Supplemental Dairy Margin Coverage (SDMC) program.

Source: USDA, Economic Research Service using data from USDA, Farm Service Agency (2022a).