

Milk Producers Transportation Cost Assistance Loan Fact Sheet

~REVISED: September 4, 2009~

House Bill No. 5
(2009 MS
Legislature
Regular Session)
extended the
repealer date
through
December 31, 2012.

1. The Mississippi Legislature passed a bill during its 2007 session referred to as the Milk Producers Transportation Cost Loan Fund (Senate Bill No. 3199) and provides a no interest (or interest free) loan to Mississippi dairy farmers to help defray some of the increasing costs of shipping milk.
2. The Milk Producers Transportation Cost Assistance Loan Fund will provide a maximum of \$20,000 to Mississippi milk producers. This loan program will be administered by the Mississippi Development Authority (MDA). Funds will be advanced to dairy farmers in increments of not less than \$5,000 until the \$20,000 limit is attained or eligibility ceases.
3. Milk producers may submit applications for these loan funds starting July 1, 2007 and ending on **December 31, 2012**. Loan funds may be available for distribution to dairy farmers as early as October, but more likely November or December, 2007.
4. Loan application forms are available from county offices of the Mississippi State University Extension Service, Mississippi Farm Bureau, Mississippi Department of Health/Dairy Farm Inspection and dairy cooperative representatives.
5. To be eligible for this loan, a milk producer must provide evidence of producing 300,000 pounds of milk produced and sold on her/his farm(s) in a calendar year (i.e. amount of milk produced by 15-20 cows per year).
6. The dairy farmers must also provide information concerning the hauling or shipping charges paid for transporting milk from her/his farm(s).
7. The evidence specified in Items #6 and #7 is found in milk producers' monthly mid-month "settlement" checks (or annual summary). Thus, dairy farmers must provide copies of their monthly (and/or annual summaries) milk checks. Milk producers may submit copies of their milk checks/annual summary starting in January 2006 and ending **December 31, 2012**.
8. The amount of the loan (not to exceed \$20,000) will be the cumulative total of the hauling or shipping charges found and specified on milk producers milk checks (annual summary).
9. Loan repayment will begin July 1, 2009 with payments amortized over 96 months (8 years) and repayment will be completed June 30, 2017.
10. Milk producers must provide copies of the Mississippi Department of Health Permit that clearly shows their farm(s) Facility ID number, as designated by the Department of Health.
11. The Mississippi State University Extension Service (MSU-ES) will certify all milk producers loan application(s) and require dairy farmers to provide:
 - a. Completed and notarized Milk Producers Transportation Cost Loan Application
 - b. Copies of Mississippi Department of Health Permit with the Facility ID number.
 - c. Copies of monthly "settlement" milk checks, and/or annual summaries.
12. Mississippi milk producers may submit their application and supporting evidence (i.e. milk checks and Department of Health permit) to the following address:

Attn: C.W. "Bill" Herndon
Department of Agricultural Economics
Mississippi State University Extension Service
P.O. Box 5187
Mississippi State, MS 39762

For additional information, contact:
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