

Milk Contractor Deferred Payment Notice

A recent law change, 2017 Wisconsin Act 155, now allows producer milk payments to be deferred for up to 120 days. In summary, the law requires the following when using deferred payment contracts.

- Before you use deferred payment contracts, you must file a financial statement with the department.
- If your financial statement does not meet minimum requirements you will be required to file security to cover the deferred payment contracts and report deferred payment obligations monthly.
- A separate Agricultural Producer Security Fund assessment will be applied for deferred payment contracts used by contributing milk contractors. The deferred payment assessment rate will be determined by department emergency rule which is expected to be in place by August 1, 2018.
- The deferred payment contract must be in writing and include all the requirements under Wis. Stats. §126.485.

If you intend to begin entering into deferred payment agreements with your producers or need additional information, please contact Scott Manthey at (608) 224-4966 or scott.manthey@wisconsin.gov. Additional information is also available at <https://datcp.wi.gov>.