



Legislative Watch

No Resolution of Immigration Issue in Sight

According to National Milk Producers Federation, Congressional leaders appear to have given up any attempt at bridging differences between the starkly contrasting approaches that the House and Senate have attempted at immigration reform.

The House of Representatives held a series of field hearings throughout the country this past summer to focus on the issue of immigration reform and to examine certain provisions in the

vastly different House and Senate bills passed on this topic. Now that the August Congressional recess is over, and Congress has returned to work, champions of the competing approaches to immigration reform are attempting to move the issue forward.

However, several House and Senate leaders are acknowledging the difficulty of passing a final immigration reform bill before Congress adjourned at the end of September. Senate Majority Leader

Bill Frist (R-Tenn) said to reporters in early September that "It would be next to impossible to pass a comprehensive bill that includes dealing with the diversity of 12 million people here in the next three weeks."

Meanwhile, leaders in the House emphasized their desire to pass border security legislation through Congress before the November 7 congressional elections, without the guest worker provisions that are the key to the Senate version.

Many members of Congress that support comprehensive immigration reform, including a guest worker program and a way to address those currently here illegally, remain ardently opposed to tackling border security issues separately from a broader package. Several groups of dairy producers visited Washington throughout September, delivering the message that what is needed is comprehensive immigration reform, particularly a version that contains the favorable AgJOBS provisions, and does not unfairly penalize employers as part of its enforcement mechanisms. Letters and phone calls delivering this same message will also be key in trying to avert passage of an enforcement-only immigration reform bill this fall.

Check out www.NMPF.org for the latest action in Washington, D.C. concerning the dairy industry.

NMPF Again Urges USDA to Use DEIP Program

Agriculture Secretary Mike Johanns told an audience of dairy farmers in Washington during the first week of September that he was not aware of the industry's interest in reactivating the dormant Dairy Export Incentive Program. Upon hearing that, National Milk Producers Federation promptly sent another letter to the U.S. Department of Agriculture (USDA) urging the agency to utilize the program.

National Milk Producers Federation (NMPF) reminded the Secretary that while competitors in Europe have not refrained from using export subsidies, the U.S. has essentially ceased operation of the DEIP. "Unfortunately, the way in which USDA has chosen to administer the program in recent years has undermined its potential effectiveness," NMPF

wrote. "Our competitors continue to use export refunds as needed when world prices fall below domestic levels in order to achieve the important business goal of maintaining a continuous presence in key foreign markets. This is the approach that USDA should be taking with DEIP."

Full use of the DEIP was discussed with key USDA staff last March, and also back in the spring of 2005. Although the current DEIP marketing year began July 1, 2006, USDA has not yet even made an announcement about the program, let alone moved to accept bids for export, NMPF says, asserting that "it is particularly important for USDA to seriously reconsider how and when it administers DEIP in order to support a more constant U.S. presence in global dairy markets."

National Milk Producers Federation (NMPF) recently submitted comments on the latest EPA proposal affecting large-scale livestock operations. Quite a few of the proposed changes will affect dairy operations that fall under the CAFO category. The rule is formally titled the Revised National Pollutant Discharge Elimination System (NPDES) Permit Regulation and Effluent Limitation Guidelines for Concentrated Animal Feeding Operations (2003 CAFO rule).

In general, NMPF is in support of EPA's proposed changes as they rightfully clarified portions of the Clean Water Act. A major change will affect who and who will not need a permit. As a result of the Waterkeeper Decision court decision, EPA vacated the "duty to apply" requirement and revised the rule to state that only CAFOs that discharge or propose to discharge will need to obtain an NPDES permit. NMPF believes the "duty to apply" requirement was rightly ruled invalid as the Clean Water Act subjects only actual discharges to permitting requirements.

EPA also proposed to require that the CAFO's Nutrient Management Plan (NMP) must be incorporated in the permit and reviewed by the permit authority as well as be available for public review. EPA was mandated to include this change as part of the Waterkeeper

Decision. NMPF has concerns about the public review process, and recommended that EPA ensure an effective review process so that producers may obtain their permits in a timely manner.

Another area of concern for NMPF is the issue of deadlines for obtaining a permit. Currently, the deadline for obtaining an NPDES permit and developing and implementing an NMP is July 21, 2007. Because the proposed rule will likely not be finalized for several months, producers will not have adequate time to address the new changes by the current deadline. NMPF strongly encouraged EPA to extend the current deadline so that producers have ample time to comply with the new regulations.

In the proposed rule, EPA asked for comments on developing approaches to deal with both water and air quality issues. NMPF recommended that EPA examine the potential for a coordinated Clean Water Act and Clean Air Act regulatory proposal for CAFOs. NMPF believes that such an approach would substantially reduce the costs of compliance for dairy producers and improve overall environmental quality.

It is anticipated that the final CAFO rule will be published sometime next spring. For a complete copy of NMPF's comments, visit the NMPF Web site, at www.nmpf.org.

SBT Revoked

The Michigan Legislature passed a legislative initiative in early August that will revoke the Single Business Tax (SBT) on December 31, 2007, two years earlier than its scheduled repeal in 2009. Governor Jennifer Granholm cannot veto the repeal because it was presented to lawmakers through an initiative petition drive. Republicans are pushing for a tax cut for businesses to stimulate investment, while the Governor is proposing an alternative tax to replace revenue generated by the SBT.

MMPAC

*The legislative voice of
MMPA dairy farmers*

The agriculture community often times rallies together to educate state lawmakers about today's farming practices and the impact that legislative and environmental regulations have on individual farmers and the state's economy overall.

Through our ongoing educational efforts we have learned that it is important for our state lawmakers to be aware of the impact agriculture has on the state's economy and likewise the impact the laws they are passing have on the agriculture economy. It is clearly evident that we all need to make a concerted effort to work with lawmakers to educate them about Michigan's dairy and agriculture industries.

One way that MMPA members can become involved in the political process is by participating in the Michigan Milk Political Action Committee (MMPAC). The MMPAC was formed in 1978 as a way for MMPA members to voluntarily participate in the election of state and federal candidates to public offices. The MMPAC allows candidates to identify with our organization and interests.

Members can call 1-800-572-5824 to find out more about becoming involved in the MMPAC.

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