



Legislative Watch

Issues important to today's dairy farmers

NMPF Opposes Opening Canadian Border to Breeding Animals

Ongoing Concerns with BSE lead to Opposition to Import of Dairy Replacements

The National Milk Producers Federation, in comments submitted March 9 to the U.S. Department of Agriculture, is opposing the resumption of cattle exports from Canada for breeding or herd replacement purposes.

Due to ongoing concerns about the effectiveness in Canada of the 10 year ban on feeding mammalian tissues to cows – the key firewall intended to prevent the spread of BSE, or mad cow disease – NMPF told the USDA that it would be imprudent to allow live animal traffic to resume. USDA is currently considering reopening the U.S. border to animals born after March 1999 for any use, including as breeding stock.

In its comments, NMPF pointed out that six of the last seven Canadian cases of BSE were found in cattle born after 1997. Four of the

last six BSE cases were diagnosed in animals born after March 1, 1999, which USDA pegs as the date of the Canadian cattle industry's full compliance with the feed ban.

"We feel that there are a few more questions that need to be answered before we allow replacement animals in the U.S.," said Jerry Kozak, NMPF President & CEO. "The dairy and beef industry should protect itself from another case of BSE entering this country through our borders."

The first case of BSE in the U.S. was a dairy animal, born in Canada, and exported to a Washington state dairy farm. It was discovered to have BSE in December 2003.

In its comments, NMPF expressed concern that Canada's implementation of the 1997 feed ban was not as effective as the

government had originally thought. USDA estimates the prevalence of BSE in Canada at 6.8 animals per every 10 million adult cattle, which is more than seven times the BSE prevalence in the U.S.

"Detection of a single positive BSE animal within a U.S. commercial or breeding herd subjects that entire herd (all herdmates and offspring of the positively confirmed animal) to potential quarantine, testing and further tracing to the herd or herds of origin," NMPF wrote. "This rigorous follow-up regulatory action results in a great deal of adverse publicity for the entire cattle industry, and greatly jeopardizes export sales and markets for beef, and potentially dairy products if the associated animal is a dairy cow."

Kozak said that the U.S. Department of Agriculture has not yet done an economic impact analysis on the potential financial losses to dairy farmers from the resumption of Canadian dairy heifer imports. Such an action is "crucial to examining the overall changes to our market that will result from moving forward with a completely open border," Kozak said.

The comment period on USDA's proposal closed March 12. USDA will now have to review all the comments received and come to a decision on the proposed rule.

REGISTERED HOLSTEIN BULLS

OVER 100 SERVICE AGE BULLS FOR YOUR SELECTION! A SPECIAL HERD SIRE OR A TRUCK LOAD OF BREEDER BULLS. READY TO GO TO WORK ON YOUR FARM!

GREEN MEADOW FARMS

6400 HOLLISTER RD.

ELSIE, MI 48831

PH: 989-862-4291

- Sired by the top sires from the U.S. and Canada
- From our top production cows.

NMPF Board Adopts Comprehensive Framework for Farm Bill

Proposal improves on existing economic, energy, environment, health & trade programs

The National Milk Producers Federation Board of Directors has endorsed a comprehensive dairy policy package for the 2007 Farm Bill. The NMPF proposal, approved March 6 by the organization's board, calls for significant improvements in current federal farm programs, while also featuring some new elements.

"After a year of discussion and deliberation, I am pleased that our members have come together to support dairy farms of all sizes in all regions of the country, building on the policies that work now, while considering new paths as well," said Jerry Kozak, President and CEO of NMPF.

The NMPF proposal calls for changes in the present milk price support program in order to make it more predictable and effective. For the first time, NMPF is also endorsing a milk producer security program that would provide payments directly to dairy farmers.

The plan also includes new or expanded programs to address energy, environment, conservation, animal health, nutrition, trade, risk management and other important issues.

"Our Board recognized that because dairy farming today is a diverse, multi-faceted business, so, too, must our farm programs acknowledge the needs of that diversity," said Kozak. "We want a wide-ranging program that provides the best possible support for dairy producers, while recognizing federal budgetary limitations and international trade constraints."

The NMPF proposal's change in the milk price support program would shift it from a program that

supports the price of milk, to one that explicitly supports the price of specific dairy products that USDA would purchase at established prices. Such a change would provide a firmer safety net under farm-level prices, while making the program easier to administer, Kozak said.

The proposed milk producer security program is designed to provide income protection and consistency to producers, who have been whipsawed recently by rising volatility in farm production costs – from more expensive fuels, to record-high animal feedstock prices.

NMPF is also proposing initiatives to encourage increased use of on-farm methane digesters and other technologies that can produce renewable energy and improve soil, air and water quality. In addition to other environmental and conservation programs, the proposal also addresses nutrition, animal health, and public health and safety initiatives, including the continued support for controlling Johnes's disease and Bovine Tuberculosis.

NMPF also supports increased funding for USDA's Market Access Program (MAP) and the Foreign Market Development (FMD) program, the reauthorization of the Dairy Export Incentive Program (DEIP), and the final implementation of the dairy promotion check-off to imported dairy products – a provision passed by Congress in the 2002 farm bill that was never put in place.

NMPF is also supporting improved risk management tools for farmers in the form of a new forward contracting provision for milk in Classes II, III and IV.

"Taken together, this all-inclusive package of policy initiatives will help ensure that the nation's milk producers remain a viable and vibrant part of the American economy," Kozak said. "We also believe that this approach improves on the equitability and predictability of our farm programs."

Producers scoring 95 percent or more on Grade A Surveys and Federal Check Ratings

MMPA Defiance Ohio

February 2007

Philip Raber*

Van Erk Dairy LLC

Amos & Mary Stoll, Jr.

MMPA Allendale East

February 2007

Lew-Max Holstein LLC

Endsley Dairy Farms LLC

Chase Crest Hill Farms

Jerrold / Mark Richmond

William Papranec

Cloverfield Inc.

**scored 100 percent*