



News & Views

The latest dairy news

May Class III Price Down 94 Cents

The May Class III price is \$9.84, down 94 cents from April and down \$8.34 from a year ago. The Class IV price is \$10.14, up 32 cents from April, but down \$5.12 from last year.

MMPA Matters – *Continued from page 5*

During June, you may have seen a colorful advertising piece titled “America’s Dairy Farmers: Investing in America’s Future” featured in Time magazine and other publications. The piece resulted from discussions at the May DMI Board meeting about what can be done to increase sales. The ad has garnered very good reviews, and I think it was a positive approach to describe dairy’s wholesomeness and contribution to the nation’s economy.

NMPF, DMI, our cooperative and others in the dairy industry are working to bring about positive results for milk prices. Dairy is a healthy, wholesome product, and we will be doing a great service to people across the world with successful efforts to increase consumption.

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MDA Mackinac Bridge Inspection Station will Operate During State Furlough Days

Michigan Department of Agriculture (MDA) Director Don Koivisto announced in June that the department’s livestock and plant inspection station located at the Mackinac Bridge will continue to be operational on the six state’s temporary layoff days scheduled throughout the summer. All other MDA offices will be closed. The furlough days were/are scheduled for June 19, July 6, July 24, August 7, August 21, and September 4.

Executive Order 2009-22, issued by the governor and approved by the House and Senate appropriations committees in May, mandates the unpaid furlough days to help eliminate the state’s current budget deficit.

“MDA wants to assure Michigan’s trading partners and stakeholders that movements of cattle and bison across the Mackinac Bridge will continue to be monitored even on furlough days. This inspection station is an essential component for Michigan maintaining federal split-state status,” said Koivisto. “Additionally, we will be enforcing the state’s Emerald Ash Borer quarantine as preventing the artificial spread of EAB in the Upper Peninsula continues to be vital to safeguarding ash as a genus in Michigan’s forest landscape.”

All livestock haulers, including horse haulers, must stop at the livestock inspection station on the north side of the bridge. Cattle, cervid or bison haulers must provide accurate paperwork that includes movement certificates - showing proof of bovine Tuberculosis (TB) testing.

MDA has contracted 40 hours per week with local law enforcement at the Mackinac Bridge. Law enforcement will track down and ticket livestock haulers who do not pull into the inspection station.

Upcoming Events

July

- 20-24 Michigan Dairy Expo – *East Lansing*
- 21-23 Ag Expo – *East Lansing*
- 22 Great Dairy Adventure - *East Lansing*

August

- 5-6 OYDC Conference- *Novi*

MAEAP, RTF Programs Funded through FY09

The Michigan Agriculture Environmental Assurance Program (MAEAP) and the state's Right to Farm program (RTF) will remain operational through FY09, following a June 3 decision by Michigan legislators to allow a one-time transfer of operational funds to the programs.

"On May 21, the State Budget Office sent a one-time funding transfer package request to the state legislature transferring \$195,000 to the Right to Farm Program and the Michigan Agriculture Environmental Assurance Program," said James Johnson, Environmental Stewardship Division Director for the Michigan Department of Agriculture. "The future of both programs will be evaluated as part of the 2010 funding process."

For now, both programs are reported to be part of the FY10 budget, but with the many financial challenges the state is facing, agriculture industry representatives and government officials say their optimism remains guarded for future funding of the program.

The RTF Program is a complaint-based response program that works to resolve local disputes resulting from nuisance complaints. MAEAP is an innovative, proactive program that helps farms of all sizes and all commodities voluntarily prevent or minimize agricultural pollution risks in a way that addresses federal and state environmental laws.

NMPF Applauds USDA Decision to Re-Open DEIP

After five years of inactivity, the USDA announced in May that it will resume exports under the Dairy Export Incentive Program. NMPF, which had worked diligently to prompt the Obama Administration to resurrect the DEIP program, expressed its appreciation to Agriculture Secretary Tom Vilsack for his dedication to supporting dairy producers at this time of dire economic difficulties.

"We are very pleased to see USDA make fully available this important component of the full support system provided for dairy producers in the 2008 Farm Bill," said Jerry Kozak, President and CEO of NMPF. "Full usage of DEIP will remove more than 1.5 billion pounds of milk from the U.S. market. Coupled with the actions being taken by our own Cooperatives Working Together program, this will help to address in a meaningful way the imbalance currently present in our market."

Kozak also expressed appreciation for the hard work done by many other dairy organizations throughout this country to drive home the message to Congress and the Administration.

After the DEIP allocations were announced on May 21, NMPF and USDEC sent a letter to USDA Undersecretary James Miller urging that the program be implemented swiftly and with the intent of having the most extensive impact possible. They asked that USDA open the bidding process immediately with the broadest coverage in crafting the list of eligible countries.

Milk Industry Unites to Ban Proposed Tax on Chocolate Milk

Leaders of the two major dairy industry groups jointly rejected a suggested federal excise tax on flavored milk drinks, such as chocolate and strawberry, that contain sugar-based sweeteners.

A tax on sugar-sweetened beverages, including flavored milk, was included in a list of revenue options released May 18 by Senators Max Baucus (D-Mont.) and Charles Grassley (R-Iowa), chairman and ranking Republican, respectively, on the Senate Finance Committee. While no rate was specified, a tax of three cents per 12 ounces could raise as much as \$50 billion over 10 years, according to a congressional estimate.

Jerry Kozak, NMPF President and CEO, said "Milk is unique in that it provides nine essential nutrients, including calcium and other nutrients kids don't get enough of. Limiting consumption of flavored milk could easily reduce intakes of nutrients kids need, and that come in a package they enjoy. In addition, research has shown that children who drink flavored along with unflavored milk don't have higher body mass indexes than non-milk drinkers."

The 2005 Dietary Guidelines for Americans-the official government diet advice-bolsters the argument for flavored milk, Kozak said. According to the guidelines,

adding a small amount of sugar to nutrient-rich foods such as reduced-fat milk enhances their appeal and improves diet without adding excessive calories. Likewise, the American Academy of Pediatrics encourages consumption of low-fat or fat-free milk, including flavored milk, as an alternative soft drinks.

"It's both bad nutrition policy and bad tax policy to lump milk in with other beverages," added Kozak. "Kids need more calcium and flavored milk provides it without adding too many calories. Why would anyone discourage consumption of flavored milk with a new tax?"