



Legislative Watch

Issues important to today's dairy farmers

NMPF Urges Senate to Spend \$350 Million Buying, Donating Cheese

In an effort to help both dairy farmers and needy Americans, the National Milk Producers Federation is urging congressional leaders to direct \$350 million toward the purchase of cheese, which would then be donated through food banks and other charities to help feed the hungry.

In a letter sent in early September to Senate and House appropriators, NMPF said that a \$350 million amendment offered by Sen. Bernie Sanders (I-VT) to an agricultural spending bill would be most effective if used to purchase consumer cheese products, such as American cheese and mozzarella.

According to an analysis done by NMPF, appropriating that money to USDA for purchasing products commercially would enhance dairy farmer income by \$1.3 billion over a period of several months.

"It is dramatically clear from our results that the purchase of cheese for use in domestic feeding programs would provide the biggest benefit to the producer milk price at this time," said Jerry Kozak, President and CEO of NMPF, in reference to NMPF's analysis of how to maximize the value of any additional appropriations directed toward the dairy producer sector. NMPF estimates that the typical

dairy producer would see an increase of \$0.65/cwt. as a result of such an approach.

In contrast, using the \$350 million to increase direct payments to farmers, or to supplement the Dairy Product Price Support Program, would only increase farmer income by \$335 million and \$185 million, respectively. The wording of the Sanders amendment does not specify how USDA must use the one-time appropriation, so NMPF sent the letter to members of the Senate-House conference committee that will finalize the Fiscal Year 2010 spending bill.

In addition to boosting dairy farmers' income in a year when they are faced with a \$12 billion loss in sales, the proposed cheese purchases "would provide a huge and targeted nutritional benefit to millions of food-insecure American families during this time of national economic hardship," NMPF wrote.

Because government food stamps often run out prior to the end of each month, "food banks are another means for feeding these individuals. Unfortunately, commodities available for food bank distribution are limited by funds and availability. USDA purchasing surplus cheese is an excellent opportunity to provide another source of a nutrient rich protein to the food banks," NMPF wrote.

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

MMPA Country Fresh BTU

August 2009

Woodbridge Dairy Farm*

Med-O-Bloom Farms LLC*

Lawrence Lenhart*

Charles Wamhoff*

Burdock Hills Dairy LLC*

Rodney & Claude Pillars*

Timothy Baker

Alflen Dairy Farms Inc.

James Schaendorf

Dale Welch

Victor Puschel

Kevin Dykstra

Bernard Baker

Plogsterd Farms

MMPA Constantine Northern Indiana BTU

July 2009

Ira Hochstetler*

Harvey Yoder*

Maplebranch Farms Inc

Verlin Miller

* Scored 100 percent

NMPF Calls On USDA to Finally Implement Promotion Assessment on Dairy Imports

NMPF has renewed its call for the U.S. Department of Agriculture (USDA) to finally implement the long-delayed promotion checkoff on dairy imports, seven years after the measure was first passed into law.

The USDA issued a Proposed Rule in May, and invited public comment on the measure, which was first written into law in the 2002 Farm Bill, and was later affirmed in the 2008 Farm Bill. But a year after the most recent Farm Bill was approved, the import assessment is still languishing. Now, some have called for a farmer referendum on the entire promotion checkoff in order to justify the assessment on imports.

“The history of efforts to implement the assessment is filled with denial, disinformation, and

delay,” said Jerry Kozak, President and CEO of NMPF. “All we have ever wanted is to have importers of foreign products pay to help promote the U.S. dairy market from which they benefit, the same as our farmers do. But importers continue to grasp at every straw they can to further impede the process.”

Kozak said that some comments submitted to USDA as part of its rulemaking process suggest that the department should hold a national farmer referendum before implementing the import assessment.

These comments argue that the promotion program approved in previous referenda is not the same program as will exist once USDA implements the import assessment. Other comments also

have expressed concern that state- and regionally-specific promotions, such as those administered by the Wisconsin Milk Marketing Board and the California Milk Advisory Board, may no longer be allowed if imports are assessed.

NMPF said such comments “are part of the continuing misinformation being spread to scuttle this initiative, and have no merit. There is no valid reason to conduct a lengthy and expensive referendum process that ultimately is paid for by our farmers,” Kozak said. “Given the extensive history behind implementing this import assessment, any referendum would only serve to further delay implementation since any referendum will most certainly pass.”

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its carbon footprint. We have removed 16 million head of cows from our country but produce 60 billion pounds more milk than we did over 65 years ago. We’ve lowered our carbon footprint by 40 percent on each gallon of milk, and we are not finished reducing our carbon footprint. We have the choice to select genetics that will yield cows with greater feed efficiencies and corn varieties with greater digestibility, and we have the knowledge of how to put it all together for more efficient milk production that lowers our carbon footprint even more.

Even though we have made great strides controlling GHG on our farms we can’t afford to ignore the movement toward greater regulation of our industry and our nation’s economy. We will stay involved to manage the best outcome possible for our members and the consumers who appreciate the value we provide with our nutrient dense dairy products.

If only we could manage to find a way to correct the price slump we are experiencing, I wouldn’t mind the long, cold winter and the four day long summer nearly as much!

Ken

NMPF Submits Joint Letter to White House Regarding Antibiotic Use on Farms

On August 14, NMPF joined a coalition of 19 other agricultural organizations to submit a letter to the White House urging the Obama Administration to consider the significant political and scientific complexity of the use of antibiotics on farms to prevent, treat, and control disease in food producing animals. The organizations, representing American food producers and the industries that serve them, asked for continuing discussion about the specifics of the issue and exploring what science-based, practical options were open to industry and the Food and Drug Administration (FDA).

No conclusive scientific studies have demonstrated that the use of antibiotics on farms contributes significantly to an increase in human resistance. A growing body of evidence shows just the opposite, namely the responsible, professional use of these products reduces pathogens in and on foods, enhancing animal welfare while not contributing to resistance.