



News Release

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"Connecting Cows, Cooperatives, Capitol Hill, and Consumers"

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NMPF Endorses New Legislation Creating Tax Incentive for Investments in Biogas and Nutrient Recovery

ARLINGTON, VA – Legislation introduced today in the U.S. House of Representatives will help dairy farmers increase their investment in technologies, such as manure digesters, that improve the environment, the National Milk Producers Federation (NMPF) said today in support of the Agriculture Environmental Stewardship Act.

The new bipartisan legislation, introduced Thursday in the House by Reps. Ron Kind (D-WI) and Tom Reed (R-NY), will enable dairy farmers to find new ways to reduce their environmental footprint, both on their farms and in their communities. For more information about this legislation, a fact sheet is available [here](#).

"This measure recognizes the value that biogas systems can have as dairy producers continue improving the sustainability of their farms, large and small, across the country," said Jim Mulhern, president and CEO of NMPF. "Importantly, the creation of this new investment tax credit also addresses the value of nutrient recovery technologies, which can transform manure into fertilizer for crops and bedding for cows. This bill will help dairy farmers to utilize these new, often expensive technologies on their dairies."

According to the Environmental Protection Agency, just over 250 biogas systems are operational or under construction on dairy and hog farms, but as many as 8,000 farms have the potential to use them. In recent years, federal and state regulators have encouraged the entire agriculture sector to reduce farm nutrient output to improve water quality in crucial watersheds including the Chesapeake Bay, the Great Lakes region and the Pacific Northwest.

The Agriculture Environmental Stewardship Act is also being sponsored by the bipartisan co-chairs of the Congressional Dairy Farmer Caucus. NMPF sent a [letter](#) today thanking the sponsors for their efforts to move this legislation through Congress. A similar bill is expected to be introduced this year in the Senate.

The legislation was also endorsed by the American Biogas Council: "For a healthy economy, we need healthy soils and clean watersheds. Biogas and nutrient recovery systems contribute to cleaner, healthier soil and water and the Agriculture Environmental Stewardship Act will make these systems possible," said Patrick Serfass, Executive Director of the council. "We thank Congressmen Reed, Kind and the other co-sponsors of this bill for recognizing the far reaching benefits of sustainable farming where organic material and nutrients are recycled to create beneficial soil products, baseload renewable energy and jobs."

NMPF's Mulhern reiterated that the Agriculture Environmental Stewardship Act removes a potential stumbling block to more widespread use of digesters "by creating incentives to make biogas and manure resource recovery technologies more affordable, in the same way that tax incentives are used to encourage investments in other renewable energy sources. This benefits society by decreasing nutrient runoff in waterways, decreasing farm odors, and improving water quality. Dairy farmers are environmental stewards who take great pride in the land, air and water quality on and around their farms."

Dairy farmers and their dairy community partners continue to work to embrace the best possible environmental practices. In 2008, the dairy industry voluntarily set a goal of reducing greenhouse gas (GHG) emissions from fluid milk by 25 percent by 2020, and has since undertaken several projects intended to help meet that goal.

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The National Milk Producers Federation (NMPF), based in Arlington, VA, develops and carries out policies that advance the well-being of dairy producers and the cooperatives they own. The members of NMPF's cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of dairy producers on Capitol Hill and with government agencies. For more on NMPF's activities, visit our website at www.nmpf.org.