



News Release

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

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NMPF Joins More than 50 Dairy Organizations in Urging House Agriculture Committee to Include Dairy Security Act in Farm Bill



ARLINGTON, VA – More than 50 state and national dairy organizations, including the National Milk Producers Federation (NMPF), sent a joint letter today to members of the House Agriculture Committee, urging that panel to include the [Dairy Security Act](#) (DSA) in upcoming Farm Bill. The House Ag panel is expected to begin drafting a Farm Bill next Wednesday.

The letter, which can be [found online](#), said that dairy producers need “a financially-sound risk management program to help farmers better manage margin volatility,” noting that the economic conditions that led to the development of the DSA after the dairy depression in 2009 – low milk prices and high feed costs generating terrible margins – were experienced again by America’s dairy farmers last year, when feed costs soared to record levels as milk prices dropped.

The coalition’s letter – signed by 52 separate organizations – urged House members to oppose a competing proposal to be offered by Reps. Bob Goodlatte (R-VA) and David Scott (D-GA), the “Dairy Freedom Act,” because it would weaken the safety net for farmers in order to benefit dairy processors. The Dairy Freedom Act strips out the market stabilization component from the DSA.

The letter says that “Without the discipline offered by market stabilization, low milk prices will continue for longer periods. This is detrimental to farmers. Low milk prices will lead to more government outlays. This is detrimental to taxpayers. The Dairy Freedom Act is supported by processors precisely because it offers them the prospect of lower milk prices, subsidized by government insurance payments. This scenario is not sustainable. Free margin insurance alone is a costly ruse.”

The farm groups assert that “Market stabilization sends a clear signal to farmers participating in this program that a bit less milk is needed. Not only does this hasten a rebound in low-margin situations, it reduces the cost of the program to the government.”

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