

News Release

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

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NMPF Welcomes Inclusion of Dairy Policy Reforms in Senate Agriculture Committee Farm Bill Draft

ARLINGTON, VA – The <u>draft farm bill language</u> released this afternoon by the Senate Agriculture Committee includes the key components of the <u>Foundation for the Future dairy policy reform</u> developed by National Milk Producers Federation (NMPF) nearly two years ago. The dairy legislation begins at Section 1401 (page 68) in Title 1 - Subtitle D and goes through Section 1481 (page 111).

In preparation for an Agriculture Committee markup next week, Committee Chairwoman Sen. Debbie Stabenow (D-MI), along with Ranking Member Sen. Pat Roberts (R-KS), released the provisions Friday of the entire farm bill, including the dairy legislative language.

"The primary elements of NMPF's comprehensive dairy reform package are included in this legislative draft, for which we are grateful," said Jerry Kozak, President and CEO of NMPF. "The bill reflects the best-possible outcome for America's dairy farmer community, which is in great need of a better federal safety net than what we have now." The package of reforms is also supported by many other state and national farm groups.

"We look forward to working with Sens. Stabenow, Roberts, and the other committee members in building support in the Senate for this legislation."

The Senate farm bill draft contains the major elements of the Dairy Security Act (DSA), introduced last autumn in the House by Reps. Collin Peterson (D-MN) and Mike Simpson (R-ID), and included in Sen. Richard Lugar's (R-IN) farm bill plan. The core of the DSA is a margin insurance program that protects farmers from dire economic conditions caused by either low milk prices or high feed costs. The margin insurance program replaces existing dairy programs, including the MILC and Dairy Product Price Support programs. Farmers will have the option of signing up for the margin insurance program; if they choose to do so, they will then be enrolled in the Market Stabilization program through which they will be asked to manage their milk output when worst-case conditions appear.

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"We believe the approach the Senate Agriculture Committee is taking will generate broad, bipartisan support for the farm bill. This bill allows dairy farmers to better manage their risks, in a deliberate approach that offers a superior safety net, reduces government involvement in our industry, and positions our entire industry to compete in a global marketplace. It saves money compared to existing programs, and will be affordable and convenient for farmers to use. Critically, it treats all farmers equally, and doesn't produce regional or size-based outcomes that are inherently discriminatory."

The National Milk Producers Federation, 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 31 cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of more than 32,000 dairy producers on Capitol Hill and with government agencies. Visit www.nmpf.org for more information.