



# News Release

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## **NMPF SAYS PETERSON'S FARM BILL PACKAGE RIGHT ON TARGET** Agriculture Committee Chairman's Version to be Considered by Panel Next Week

ARLINGTON, VA – The National Milk Producers Federation expressed its strong support today for the Farm Bill package unveiled recently by House Agriculture Committee Chairman Collin Peterson (D-MN), as the Chairman's blueprint largely mirrors the farm policy proposals put forth earlier this spring by NMPF.

“The dairy policy provisions of Rep. Peterson's legislation are ones we have sought, and will urge the other members of the Agriculture Committee to support,” said Jerry Kozak, President and CEO of NMPF. “Chairman Peterson has listened to dairy farmers across the country about their expectations for the Farm Bill, and this legislation demonstrates that he heard what they had to say.”

The Chairman's mark includes, as the primary dairy producer safety net, a major revision of the dairy price support program, one that NMPF had suggested to the committee earlier this spring. The panel also included other provisions supported by NMPF, such as a reauthorization of the Dairy Export Incentive Program, and language to fully implement the promotional checkoff on all dairy imports. The import assessment updates the domestic dairy checkoff so that it applies to imported dairy products as well, as is the case with most other agricultural commodities' checkoff programs.

“The import assessment was one of the most important goals for producers when NMPF conducted its Dairy Producer Conclave meetings last year, prior to the development of our own set of Farm Bill priorities,” Kozak said.

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The Peterson bill also extends the current Milk Income Loss Contract program for the length of the next farm bill, at the current payment rate of 34% of the difference between the monthly Class I price and \$13.69/cwt.

Significantly, the Chairman's mark contains language to create a forward contracting program for producers who sell milk in classes II, III and IV, provided that producers cannot be coerced into signing a contract with a processor, and provided that the program sunsets with the other elements of the farm bill. Those latter two stipulations were not in the version of the farm bill initially approved by the House Livestock and Dairy subcommittee last month, but were added to the version to be considered next week by the full Agriculture Committee.

"Although forward pricing is not universally supported by the dairy producer community, inclusion of these safeguards provides a reasonable compromise to balance this volatile issue," Kozak said.

The Chairman's mark also includes language requiring the U.S. Department of Agriculture to account for its inventory reporting procedures on nonfat dry milk (which the agency did late last month), and provisions that requiring the USDA to expedite the hearing process for making changes in Federal Milk Marketing Orders.

A full copy of the Chairman's Farm Bill can be found at <http://agriculture.house.gov/inside/2007FarmBill.html>. A copy of NMPF's farm bill package can be found at [www.nmpf.org](http://www.nmpf.org).

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 32 cooperatives produce the majority of the U.S. milk supply, making NMPF the voice of nearly 50,000 dairy producers on Capitol Hill and with government agencies.

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