



National
Milk Producers
Federation

News for Dairy Co-Ops

National Milk Producers Federation • 2101 Wilson Blvd., Arlington, VA 22201 • 703-243-6111 FAX 703-841-9328

May 5, 2008

Volume 66. No. 5

[Newsletter Home](#) | [View PDF](#)

Homepages



Market Prices

Farm Bill Fight Spills into May; Final Package Nears Completion

President Bush last Friday signed yet another short-term extension of the 2002 Farm Bill, giving congressional negotiators until May 16th to complete work on the long-awaited 2008 Farm Bill.

Last week, congressional conferees came to terms on many of the outstanding items in need of resolution. While the final conference report has yet to be released, NMPF is optimistic that the many items in the organization's [Farm Bill package](#), ranging from enhanced conservation and environment funding, to improvements in the dairy Price Support program, have been addressed.

House and Senate negotiators appear to have reached an accord on another item relevant to our dairy package: the MILC program, which is expected to contain a feed cost adjuster. Another important item still unresolved is the fate of the proposal to apply the domestic dairy checkoff to imports. That issue is still in play, despite all-out attempts by importers, foreign governments and processors to block it.

President Bush has been critical of the bill, particularly in the area of payment limitations – another issue still under negotiation – but NMPF President and CEO Jerry Kozak said that “we are hopeful he will sign it when all is said and done.”

NMPF Supports Ban on Nonambulatory Animals in the Food Supply

As part of a joint statement with the American Meat Institute and the National Meat Association, NMPF announced on April 24 that it believed that USDA should not allow any nonambulatory, or downer, cattle into the nation's food supply.

The message came in response to a citizen petition filed by the three organizations in which they urged USDA to eliminate a regulation where veterinarians are currently allowed to re-inspect an animal that becomes nonambulatory after initially passing ante-mortem inspection.

When asked about the issue, NMPF President & CEO Jerry Kozak stated: “The reality is that our meat supply is extremely safe, but the entire livestock chain runs the risk of losing consumer confidence if the perception exists that animals which may be unhealthy are allowed to be processed into food for the public.”

The controversy of downer cattle in the food supply surfaced earlier this year when abuse

at a meat-packing plant in California was caught on tape.

NMPF is developing educational materials for dairy farmers to help reinforce good cattle care practices. The materials are expected to be published early this summer.

National Commission Faults Conventional Agriculture for Impact on Human, Animal Health

After a two-year investigative process, the Pew Commission on Industrial Food Animal Production held a news conference last week in Washington to unveil its findings and offer recommendations to change how animal proteins are produced (the full report can be [found here](#)). The final report said that "industrial farm animal production" poses risks to the human and animal health, and to the environment.

NMPF had monitored the commission's work, and had provided a variety of technical information to the commission's staff and members, and in 2006 arranged for them to visit a dairy in California. Like many of the other livestock sectors examined by the commission, dairy received some criticism for certain of its approaches to milk production, although the commission's broad final recommendations were a mixed bag.

Two of them, in fact, are ones that NMPF supports: the need for a national animal ID system to facilitate food traceability, and another recommendation about the general need for more funding into animal research. Several of the other recommendations don't really apply to dairy, and some we will challenge. The only dairy-specific critique in the executive summary of the report was of tail docking. NMPF did join a coalition of other agriculture groups in [issuing a statement](#) pointing out how the commission's process may have been skewed by its make-up, and by how it process information.

NMPF will be monitoring the commission's future actions, particularly on Capitol Hill, to ensure that any recommendations about the dairy industry are credibly countered.

FDA Announces New Regulations on BSE Feed Ban Rule

Last month, FDA finalized regulations on the exclusion of Specified Risk Materials (SRM) from all feed. This enhanced FDA BSE Feed Ban Rule, originally proposed in 2005, strengthens existing safeguards designed to help prevent the spread of BSE in U.S. cattle and will take effect on April 27, 2009.

FDA estimates that the collection of dead cows and calves from farms and slaughter facilities will decrease by 29% to 45%, due to anticipated changes in the rendering industry. FDA advises that "Dead animals no longer collected should be disposed of in an environmentally and legally acceptable manner." The agency indicated it will work with the livestock industry to identify appropriate manners of carcass disposal.

NMPF has strongly encouraged FDA to have an SRM disposal plan accompanying the final FDA BSE Feed Ban rule, because it may significantly reduce the income from dairy slaughter animals over 30 months of age or significantly increase the costs to producers for dead stock recovery. NMPF has also asked FDA to provide guidance on disposal options.

Since both the removal of SRMs for animals over 30 months of age, and dead stock disposal costs for animals of any age, may be significant and may be transferred back to the producer level, NMPF will work with FDA and USDA to develop a comprehensive SRM disposal plan that will:

- Minimize the potential significant economic impact to dairy producers;
- Maintain on-farm dead stock recovery by the rendering industry to facilitate animal disease surveillance which should be coupled to the National Animal Identification System (NAIS);
- Provide for safe and economical disposal and/or utilization options for rendered SRM's which will be excluded from the feed supply; and
- Discourage dead stock disposal options which pose either environmental or public health concerns.

The entire FDA regulation is available in the [Federal Register](#).

NMPF Challenges Potential Changes in Clean Water Act

Later this week, NMPF will send a letter to Chairman James Oberstar and Ranking Member John Mica of the House Committee on Transportation and Infrastructure to address an immediate concern for the dairy industry over potential changes in the Clean Water Act (CWA). The changes could expand federal jurisdiction to virtually all wet areas in the United States.

Although NMPF supports the main objectives on water quality of the CWA, any changes enacted by Congress that alter the manner in which all waters are treated could usher in an unnecessary expansion of this law, thereby hurting all land owners. As the current law is written, only navigable waters are subject to federal jurisdiction. NMPF believes an attempt by the federal government to control areas such as ditches, grass waterways, and other interstate waters could prove most onerous for dairy farmers. As such, those areas should be left for the jurisdiction of state and local authorities, not the Environmental Protection Agency.

The letter will highlight four points that NMPF feels any Congressional action on the CWA must contain:

- Maintain the term "navigable waters";
- Maintain all regulatory exemptions such as prior converted cropland and waste treatment systems;
- Eliminate the reference to "activities" affecting waters; and
- Eliminate the overbroad reference to "all intrastate waters" as water of the United States.

Following submission of this letter, member cooperatives will be requested to submit similar or supporting comments.

Climate Change Legislation Draws Attention from Agricultural Groups

As part of the on-going efforts on climate change, NMPF has joined several other agriculture organizations in sending a letter to Chairwoman Barbara Boxer and Ranking Member James Inhofe of the Senate Environment and Public Works Committee regarding *America's Climate Security Act of 2007*. The purpose of the letter is to inform the committee about agriculture's important role in the upcoming Climate Change legislation.

