

## **News Release**

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

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## NMPF Praises House Agriculture Committee Leadership on Inclusion of Dairy Policy Reforms in Farm Bill Draft

ARLINGTON, VA – The <u>draft farm bill language</u> released yesterday afternoon by the House Agriculture Committee includes the key components of the <u>Foundation for the Future</u> dairy policy reform package that was developed by the National Milk Producers Federation (NMPF) over the past three years.

In preparation for an Agriculture Committee markup next week, Committee Chairman Rep. Frank Lucas (R-OK), along with Ranking Member Rep. Colin Peterson (D-MN), released the provisions of the entire farm bill, including the dairy legislative language.

"The primary elements of NMPF's comprehensive dairy reform package are incorporated into 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." Last month, the Senate passed its own version of the Farm Bill, which also included the dairy reform legislation supported by NMPF.

"We would like to thank Rep. Lucas and Rep. Peterson for working so diligently over the past year to craft a bipartisan bill that not only provides a vastly-improved safety net for producers, but also saves taxpayer money. NMPF looks forward to working with Reps. Lucas, Peterson, and the other committee members in building support in the House of Representatives for this legislation."

The House farm bill draft contains the major elements of the Dairy Security Act (DSA), which evolved from Foundation for the Future. It was introduced last autumn in the House by Reps. Peterson and Mike Simpson (R-ID) and was 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 may be asked to periodically alter their milk output when worst-case conditions appear.

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"We believe the approach the House Agriculture Committee is taking will generate broad, bipartisan support for the farm bill," Kozak concluded. "The 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 <a href="https://www.nmpf.org">www.nmpf.org</a> for more information.