



National
Milk Producers
Federation

News for Dairy Co-Ops

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June 5, 2006

Volume 64. No. 11

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NMPF Supports Adoption of Senate Version of Immigration Bill

The new immigration reform legislation that cleared the Senate late last month by a 62-36 vote "is a workable compromise that recognizes the need that America's dairy farmers have for qualified immigrant employees," according to Jerry Kozak, President and CEO of the National Milk Producers Federation.

Senate leaders forged a compromise approach to updating U.S. labor and immigration laws, one that NMPF supports "because it both recognizes the need for enforcement and employment provisions," Kozak said. "There have to be two sides to the coin on this issue, which is the approach taken by the Senate," in contrast to the House of Representative's version of immigration reform, which is focused only on enforcement.

The battle over immigration reform will now shift to a handful of leaders in the House and Senate, who will be meeting in the coming months in a joint conference committee to fashion a compromise approach between the two versions. Kozak said NMPF will work aggressively with other farm and agribusiness groups to ensure that the resulting bill will most closely resemble the Senate version. In particular, he noted that NMPF strongly supports inclusion of a guest worker program for agricultural employees, a key feature of the Senate bill.

"Poorly done, changing our immigration policies in ways that harshly penalize both immigrants and their employers would be detrimental to the economic viability of all dairy farms, and would not enhance our national security," Kozak said. "Our food security needs to be as much of a focus in this debate as border security. The entire food industry, from farm to fork, has a huge interest in ensuring that Congress passes a bill that realistically addresses the concerns of everyone working in agriculture."

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NMPF Asks Administration Trade Negotiators Not to Make Additional WTO Concessions

In a strongly-worded letter to the White House, the National Milk Producers Federation last Thursday urged the Bush Administration's trade negotiators not to yield ground to other parties involved in the World Trade Organization talks unless additional farm policy concessions are put on the table by others countries involved in the negotiations.

The letter, which was co-signed by 11 different farm and commodity groups in addition to NMPF, reminded the White House that "a very generous U.S. offer" to reduce domestic farm programs was put forward in October 2005, but was conditioned on increased market access for American farm products, including dairy foods, in other world markets.

Today, the letter said, "it seems clear that other countries have pocketed the U.S.

offer...without being prepared to even come close to the U.S. proposal on increasing market access in both developed and developing countries." The U.S. farm groups said that other countries, including those of the European Union, are now actually asking for "even greater concessions in domestic support" without offering any more concessions of their own.

"Under these circumstances, we believe that it is important to make clear that American agriculture can simply not support any deeper cuts in domestic support than those already proposed by the Administration," the NMPF letter said. "If negotiators are forced to scale back the level of ambition from the U.S. proposal on agricultural market access in order to reach an agreement, the level of ambition in cutting trade-distorting domestic support must be commensurately reduced from the U.S. proposal."

The WTO talks are reaching a critical phase, with negotiators set to meet again in Switzerland at the end of June to discuss ways of reducing domestic supports and increasing market access to imports.

NMPF also reminded the White House that former U.S. Trade Representative Rob Portman last September told the Senate Agriculture Committee that "we will not consider changes to our own programs unless the other WTO members commit to open their markets to our goods and agree to reduce their own subsidy and trade-distorting programs. I will not sign on to any agreement that does not provide a more level playing field." Last October, Portman said he continued "to be very disappointed that the E.U. did not reciprocate with a similar level of ambition on market access as we offered on domestic support."

The letter to the White House reminded Administration negotiators that "U.S. agriculture has strongly supported the Doha WTO round as a means of balancing the global playing field, and tackling the many inequities in world agricultural markets." But any additional compromise by the U.S. is "only acceptable if the negotiations yield an important net gain for American farmers and ranchers" through firm commitments on market access and other trade-distorting policies by America's trading partners.

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EPA Approves First Round of Dairy Consent Agreements

The Environmental Protection Agency last week approved the first round of dairy Air Consent Agreements. As a result, the EPA's Environmental Appeals Board has sent letters to those participating dairies to finalize the approval process.

EPA has mailed letters to 286 of the 600 dairies participating in the Consent Agreement. None of the 286 Agreements included any Confidential Business Information (CBI). EPA is in the process of reviewing comments from the affected AFOs on the CBI component and based on the comments, EPA will determine how to proceed with the rest of the dairy agreements that have the CBI attached.

In the letter EPA is sending to producers, EPA requests payment for the penalty fee. Depending on the farm size, participating producers must pay a penalty so that EPA can legally release participating dairy farms from possible past violations of the Clean Air Act, CERCLA and EPCRA. The penalty breakdown is as follows:

- Under 700 mature cows - \$200 per dairy
- 700 to 6,999 mature cows - \$500 per dairy
- 7,000 or more mature cows - \$1,000 per dairy

There have been some questions from producers about the penalty fee. If a producer has any questions regarding their letter from EPA or the penalty amount, they should contact Sanda Howland at (202) 564-5022 or Tim Sullivan at (202) 564-2723 at EPA headquarters.

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Effort to Extend MILC Through Life of Current Farm Bills Fails in House

Although Congress last year extended the Milk Income Loss Contract program through Fiscal Year 2007, so it will exist through the life of the 2002 Farm Bill, funding for the program actually ends in August 2007, one month shy of the end of FY 2007.

Last month during debate on the 2007 Agriculture Appropriations bill in the House of Representatives, Rep. David Obey (D-WI), tried to extend the funding for the MILC program for that additional month. The one-month extension was stripped out on a procedural vote, with opponents of the extension arguing that the measure had not been fully reviewed by the House Agriculture Committee.

Although the cost of the MILC extension through Sept. 30th, 2007, was only \$40 million, the significance of the one-month shortfall looms larger when budget costs for the next Farm Bill are calculated. As it stands, any effort to renew the MILC in the new Farm Bill will represent new spending, making it more expensive from a budgetary standpoint.

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Board of Directors and Young Cooperators coming to Washington This Week

The NMPF Board of Directors and NMPF's Young Cooperator Advisory Council will be meeting in Washington this week to review the association's business activities and plan for the upcoming 2006 annual meeting.

In addition to a fund-raising breakfast for the NMPF PAC, headlined by Senator Jon Thune (R-SD), another event has been added this year to the schedule, Dairy Day on Capitol Hill. The featured event on Dairy Day will be a congressional reception on Tuesday evening.

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Import Watch

The 1st Quarter of 2006 Import Watch is now available on the [NMPF website](#).

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Associate Member Focus: Western Dairy Council



[Western Dairy Council](#), an affiliate of National Dairy Council, is a non-profit nutrition education organization funded by dairy farmers and processors, which serves as a nutrition education resource to health professionals, educators, community leaders, the media

and consumers in Colorado, Montana and Wyoming.

Western Dairy Council encourages consumption of milk and milk products within the context of a total diet in accordance with scientific recommendations. To learn more about the Council visit their [website](#) or contact [Thomas Jenkinson](#).

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