



News Release

2101 Wilson Blvd., Suite 400, Arlington, VA 22201
703.243.6111 • www.nmpf.org

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

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Contact: Christopher Galen
(703) 243-6111 ext. 356
E-Mail: CGalen@nmpf.org

NMPF Urges Agriculture Committee to Reject Amendment to Gut Dairy Reforms in Farm Bill House Agriculture Committee Vote Expected Wednesday

ARLINGTON, VA – The National Milk Producers Federation (NMPF) today urged members of the House Agriculture Committee to reject an amendment that would undo the significant dairy policy reforms proposed for the 2012 Farm Bill.

The Agriculture Committee is expected to begin considering amendments Wednesday to its version of the 2012 Farm Bill. One of those, to be offered by Reps. Bob Goodlatte (R-VA) and David Scott (D-GA), would make dramatic changes to the bill's dairy title by eliminating its market stabilization program.

"The Goodlatte-Scott dairy amendment guts the dairy reforms that farmers have worked so hard in the past three years to create," said Jerry Kozak, President and CEO of NMPF. "And this amendment undercuts these efforts in the worst possible way: by tearing a hole in the insurance safety net offered to farmers in the Farm Bill. Replacing a robust safety net with one that resembles Swiss cheese is bad policy and bad politics."

As originally proposed in the Dairy Security Act, the new farm-level safety net under consideration offers dairy farmers a basic level of margin protection at no cost, while offering them the option of purchasing supplemental margin insurance to cover a wider gap between the cost of feed and the milk price. Those who choose this voluntary program would be covered by the market stabilization element, encouraging them to temporarily cut back milk production when margins are poor.

However, under the Goodlatte-Scott amendment, the market stabilization program – which helps align milk supplies with demand, and controls government farm program expenditures – is eliminated. Because this step would otherwise drive up the cost of the margin insurance program and increase federal outlays, the amendment punishes farmers who choose to use the margin insurance program by reducing the amount of insurance coverage offered to them.

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“This last-minute attempt to unravel years of careful economic analysis and industry-wide collaboration is an affront to farmers, and should be rejected by the members of the Agriculture Committee,” Kozak said.

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.