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

FOR IMMEDIATE RELEASE  
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### **NMPF Statement on Completion of Farm Bill Dairy Title**

*From Jim Mulhern, President and Chief Executive Officer, NMPF:*

"Over the past week, NMPF has worked with agriculture leaders in the House and Senate to develop a margin insurance program that will offer dairy farmers an effective safety net in the absence of the market stabilization component featured in our original program.

"That process is now complete. Despite its limitations, we believe the revised program will help address the volatility in farmers' milk prices, as well as feed costs, and provide appropriate signals to help address supply and demand.

"The program that we have worked to develop establishes a reasonable and responsible national risk management tool that will give farmers the opportunity to insure against catastrophic economic conditions, when milk prices drop, feed prices soar, or the combination. By limiting how much future milk production growth can be insured, the measure creates a disincentive to produce excess milk. The mechanism used is not what we would have preferred, but it will be better than just a stand-alone margin insurance program that lacks any means to disincentivize more milk production during periods of over-supply.

"Importantly, the program doesn't discriminate against farms of differing sizes, or preferentially treat those in differing regions.

"The revised bill also establishes a system for the U.S. Department of Agriculture (USDA) purchase consumer-packaged dairy products during low-margin periods, which will stimulate demand and help dairy farmers when they need it most, and only then.

"We thank the principals of the House-Senate agriculture conference committee for working hard in an attempt to address the needs of dairy producers in this measure. We look forward to the passage of the overall farm bill, and will work diligently with the USDA to ensure the resulting dairy program is as effective and farmer-friendly as possible."

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 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](http://www.nmpf.org) for more information.