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Kansas Dairy Farmer Lynda Foster Tells Senate Action is Needed to Address Dairy Safety Net, Other Important Ag Issues

MANHATTAN, KS – Dairy farmers need Congress to make improvements in the dairy title of the farm bill this year, and not wait until 2018 when the current bill expires, according to testimony delivered here today by Kansas dairy farmer Lynda Foster.

In a field hearing Thursday on the campus of Kansas State University, Foster told members of the Senate Agriculture Committee that "dairy farmers deserve better" than the current Margin Protection Program (MPP), created in 2014 by Congress. "We need Congress to act swiftly this year and make the necessary changes in order for our industry to be able to protect ourselves from the bad year that could arrive at any time, even in years where experts are predicting higher margins."

Foster is a third-generation dairy farmer and owner of Foster Dairy in Ft. Scott, Kansas. She testified on behalf of her cooperative, Dairy Farmers of America, as well as the National Milk Producers Federation, of which DFA is a member. Her full testimony can be found here.

The MPP, designed to assist farmers during periods of distressed milk prices or high feed costs, has failed to provide the level of protection envisioned in its original form. This has resulted in decreased participation in the program and dissatisfaction among dairy farmers across the country, Foster said.

"All we are seeking is a program that provides a safety net for dairy farmers when they need it most – something that delivers on the risk management promises dairy leaders and Congress committed to," said Foster. "In order to do that, we must make adjustments to the program."

In her remarks, Foster highlighted NMPF's current effort to change the MPP. One of these changes includes restoring the formula for calculating feed costs to the one developed by National Milk in 2014. After NMPF worked to develop a model to reflect average feed costs for dairy cows, Congress subsequently cut that formula by 10 percent because of what turned out

to be inaccurate projections by the Congressional Budget Office on program costs. This error resulted in a flawed calculation of dairy margins, and a much less useful program, Foster said.

Foster also discussed the critical need for proactive policies to help address farm labor demands. Citing a 2015 report prepared by NMPF and Texas A&M University, Foster said 51 percent of all dairy farm workers are foreign-born, and losing that labor would be devastating to the entire dairy industry, from farm to grocery store shelf. It's why, Foster said, DFA and National Milk are urging Congress to address immigration reform "in a way that addresses agriculture's needs for a legal and stable workforce."

What has also changed considerably over the last decade is trade's impact on dairy, said Foster. The industry went from \$1 billion in exports in 2000 to \$7.1 billion in 2014. Knowing the impact future trade policies could have on the health of the dairy industry, she said, it's imperative that the United States protects the progress it has made when negotiating future agreements, or reassessing existing ones like the North American Free Trade Agreement (NAFTA).

Foster also thanked the committee for their work on child nutrition programs. Milk has been a key component in school meals for decades, Foster said, but consumption has decreased because children are limited in their drink options. Foster encouraged the Senate to pursue policies that would expand milk offerings in the school lunch program.

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About NMPF

The National Milk Producers Federation, based in Arlington, VA, develops and carries out policies that advance the wellbeing 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 dairy producers on Capitol Hill and with government agencies. Visit www.nmpf.org for more information.

About DFA

Dairy Farmers of America (DFA) is a national dairy marketing cooperative that serves and is owned by more than 14,000 members on nearly 8,000 farms in 48 states. DFA also is one of the country's most diversified manufacturers of dairy products, food components and ingredients, and is a leader in formulating and packaging shelf-stable dairy products. For more information, call 1-888-DFA-MILK (332-6455) or visit www.dfamilk.com.