

News Release

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

FOR IMMEDIATE RELEASE Thursday, August 31, 2017

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NMPF Statement on USDA Announcement to Allow Farmers to Opt Out of Margin Protection Program

From Jim Mulhern, President and CEO, NMPF

ARLINGTON, VA – "The Margin Protection Program (MPP) in its current form has been a disappointment to many dairy farmers, which is why NMPF has been working both with the U.S. Department of Agriculture (USDA) and Congress to make significant improvements to the program. We had earlier suggested to USDA that, given this level of dissatisfaction, one option would be to allow farmers to opt out of the MPP in the coming calendar year.

"Today's announcement to allow farmers to opt out of the program in 2018 is a welcome development, in that it acknowledges the widespread dissatisfaction among farmers enrolled in the program. Simply put, the way the program was enacted in the 2014 Farm Bill, it does not meet the needs of America's dairy farmers today, and declining participation levels amply illustrate farmers' disenchantment with the MPP. Farmers who choose to opt out of the MPP will then be able to enroll in the Livestock Gross Margin program for 2018.

"Looking ahead, Congress must make more resources available to the MPP, so that the program provides a more effective, affordable safety net – one that provides support when farmers need it. We are currently working with lawmakers to secure program improvements that will restore farmers' faith in the value of the MPP. We also will continue to work with USDA and Congress to develop additional risk management options for dairy producers."

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The National Milk Producers Federation (NMPF), 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 dairy producers on Capitol Hill and with government agencies. For more on NMPF's activities, visit our website at <u>www.nmpf.org</u>.