

## **News Release**

2107 Wilson Blvd., Suite 600, Arlington, VA 22201 703.243.6111 | www.nmpf.org

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

FOR IMMEDIATE RELEASE Tuesday, December 11, 2018

Alan Bjerga (703) 243-6111 ext. 372 <u>ABjerga@nmpf.org</u>

## Dairy Producers from Coast to Coast Urge Congress to Quickly Approve Pro-Dairy Farm Bill

ARLINGTON, Va. – With the release of a farm bill that Congress will vote on in the coming days, the National Milk Producers Federation (NMPF) joined its member cooperatives and state dairy associations in urging Congress to pass the new law, which includes several measures crucial to dairy during tough economic times.

"Dairy farmers and the cooperatives they own are enduring a period of prolonged economic distress," NMPF writes in a letter to the chairs and ranking members of each congressional agriculture committee – Reps. Mike Conaway (R-TX) and Collin Peterson (D-MN), and Sens. Pat Roberts (R-KS) and Debbie Stabenow (D-MI). "Timely reauthorization of the Farm Bill will provide effective, needed risk management tools to dairy producers across the country as we enter yet another year of uncertainty."

The Farm Bill features several important policy reforms for dairy, including:

- Affordable higher coverage levels in the Dairy Margin Coverage program (DMC) (renamed from the Margin Protection Program) will permit all dairy producers to insure margins above \$8.00 on their Tier 1 (first five million pounds) production history.
- The bill will reduce the cost of \$5.00 margin coverage by roughly 88 percent. This aids larger producers and is critically important in states where margins fall more quickly.
- Greater flexibility to allow producers of all sizes to access Tier 1 premium rates.
- Expanded access to additional risk management tools, allowing producers to participate in both the DMC and the Livestock Gross Margin insurance program.
- An option that will allow producers to receive a 25 percent discount on their premiums if they agree to lock in their coverage level for the entirety of the bill.

In addition to strong dairy-producer support, NMPF worked closely with the International Dairy Foods Association (IDFA) to forge an unprecedented industry consensus. The final bill includes an agreement reached between the two organizations on risk management that will help producers, cooperatives and processors to better hedge price risk.

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The National Milk Producers Federation (NMPF), based in Arlington, VA, develops and carries out policies that advance dairy producers and the cooperatives they own. NMPF's member cooperatives produce the majority of U.S. milk, making NMPF the voice of dairy producers on Capitol Hill and with government agencies. For more, visit <u>www.nmpf.org</u>.