



## December 31 Update



### California Federal Milk Marketing Order (CAFMMO)

During the first month of the new California Federal Milk Marketing Order (CAFMMO), the \$15.44 per cwt Statistical Uniform Price (SUP) for California was higher than in the Upper Midwest which totaled \$14.74, and the Central and Pacific Northwest orders which each totaled \$15.22 per cwt.

On December 14, the United States Department of Agriculture (USDA) issued its first Statistical Uniform Price (SUP) Announcement for the California Federal Milk Marketing Order NO. 51. The report can be found online at [CAFMMO](#). The report included information about the statistical uniform price which totaled \$15.44 @3.5% butterfat. It also included the November minimum Class prices: Class I \$17.62, Class II \$15.63, Class III \$14.44 and Class IV \$15.06

In November, Class I sales in the California federal order pool totaled 22.5% of all pooled milk. Due to the fact that the minimum class price for Class IV (butter/powder) was higher than the statistical uniform price, Class IV handlers chose to pool less milk. As a result the percentage of Class I sales in the pool increased to 22.5 percent, which led to a higher uniform price because it included a greater share of the Class I (\$17.62) value. Under the former state order which required all milk to be pooled, the percentage of Class I sales in November of 2017 was 13.9% of all pooled milk. In November of 2017 the Class 4b was \$15.52 while the federal order Class III totaled \$16.99, *a gap of \$1.36 per cwt, and the California mailbox price was the third lowest of 20 states reported.*

During the first three months of the California federal order the pooling restrictions will be waived in order to give milk handlers time to adjust to the new system. After three months, milk handlers will be restricted in the amount of milk they can pool to 125% of the prior month producer receipts or 135% in

March among other pooling provisions.

California Dairy Campaign strongly supported the establishment of a California Federal Milk Marketing Order (CAFMMO) to bring California milk prices and the process for calculating milk prices in line with the rest of the country. The uniform price announcement in November demonstrates that the California statistical uniform milk price is equitable compared to prices paid in other states. More information can be found in the ***CDC Weekly Report*** that includes more information about how milk prices are calculated and a sample statement for dairy producers. The report can be found on the [California Dairy Campaign web site](#).

## Trade Mitigation Payments Issued



Although the partial federal government shutdown began Saturday 22, the United States Department of Agriculture (USDA) has sent Trade Mitigation Payments to dairy producers as part of the Market Facilitation Program. USDA Secretary Sonny Perdue indicated that payments would be made to farmers before the end of the year. Dairy producers are to be paid 12 cents per cwt on all their 2018 milk production. MFP was part of the administration's plan to provide relief to farmers and ranchers struggling with low farm prices due to trade volatility from the administration's trade war with China.

**According to USDA:** For farmers who have already applied, completed harvest, and certified their 2018 production, a second payment will be issued on the remaining 50 percent of the producer's total production, multiplied by the MFP rate for the specific commodity.

Producers need only sign-up once for the MFP to be eligible for the first and second payments. The MFP sign-up period opened in September and runs through January 15, 2019, with information and instructions provided at [www.farmers.gov/mfp](http://www.farmers.gov/mfp). Producers must complete an application by January 15, 2019 but have until May 1, 2019 to certify their 2018 production.

For farmers who have already applied, completed harvest, and certified their 2018 production, a second payment will be issued on the remaining 50 percent of the producer's total production, multiplied by the MFP rate for the specific commodity. Dairy (milk) the payment is \$0.12 / cwt. for a total of \$254,800,000 nationwide.

## AMMP Application Period December 28 to April 3, 2019



The California Department of Food and Agriculture (CDFA) is now accepting grant applications for climate smart agriculture incentives programs administered by its Office of Environmental Farming and Innovation (OEFI) and funded by SB 5 and California Climate Investments. Appropriations for these four grant programs total \$134 million. The following programs at CDFA are accepting grant applications:

### **Alternative Manure Management Program (AMMP)**

Applications are due on Tuesday, April 3, 2019 by 5:00 P.M. PT.

The AMMP provides financial assistance for the installation of dairy digesters on commercial dairy operations in California. The DDRDP is funded through a \$99 million appropriation from the CCI, authorized by the Budget Act of 2018. The AMMP will be implemented under two separate sections:

**Incentives Program:** The AMMP Incentives Program awards competitive grants to California dairy and livestock operations for specific management practices that result in long-term methane emission reductions and maximize environmental benefits.

Detailed information including application process, application requirements, schedule of application assistance workshops conducted by CDFA, and list of third-party technical assistance providers is available

at: <https://www.cdfa.ca.gov/oefi/AMMP/>

**Demonstration Projects:** The AMMP Demonstration Projects will fund projects that demonstrate to a wide audience innovation in the implementation of diverse manure management practices that reduce methane emissions and maximize environmental co-benefits on California dairy and livestock operations.

Detailed information including application process, application requirements and a schedule of application assistance workshops conducted by CDFA is available at: <https://www.cdfa.ca.gov/oefi/ammp/DemoProject.html>

***Dairy producers interested in more information about the AMMP can contact Joe Melo at 209-216-7615.***

***More details about the AMMP can be found online at [CDFA AMMP web site](https://www.cdfa.ca.gov/oefi/AMMP/).***

## **SWEEP, Healthy Soils, and Dairy Digester Programs**

### **State Water Efficiency and Enhancement Program (SWEEP)**

**Applications are due on Friday, March 8, 2019 by 5:00 P.M. PT.**

SWEEP provides farmers and ranchers with grants to implement irrigation systems that save water and reduce greenhouse gas emissions. Projects funded through SWEEP commonly include elements such as soil, plant or weather sensors, micro-irrigation systems, pump retrofits or replacements, renewable energy, and variable frequency drives (among others). SWEEP is funded through a \$20 million appropriation authorized by the Budget Act of 2018 and funded through the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Act of 2018 (SB-5).

Detailed information on SWEEP, including application process, application requirements, schedule of application assistance workshops conducted by CDFA and list of third-party technical assistance providers is available at: <https://www.cdfa.ca.gov/oefi/sweep>

### **Healthy Soils Program (HSP)**

**Applications are due on Friday, March 8, 2019 by 5:00 P.M. PT.**

The HSP provides financial assistance for implementation of conservation management that improve soil health, sequester carbon and reduce greenhouse gas (GHG) emissions. The HSP is funded through a \$10 million appropriation through SB-5 and \$5 million appropriation from California Climate Investments (CCI), for a total of \$15 million authorized by the Budget Act of 2018. The Healthy Soils Program will be implemented under two separate sections:



**Incentives Program:** The Incentives Program will award grants to farmers and ranchers for implementation of agricultural management practices that improve soil health, sequester carbon and reduce greenhouse gas emissions. Detailed information on HSP Incentives Program, including application process, application requirements, schedule of application assistance workshops conducted by CDFA and list of third-party technical assistance providers is available at is available at:

<https://www.cdfa.ca.gov/oefi/healthysoils/IncentivesProgram.html>

**Demonstration Projects:** The Demonstration Projects will award projects that monitor and demonstrate to farmers and ranchers in California, specific management practices in agriculture that improve soil health, sequester carbon, and reduce greenhouse gases.

Detailed information on HSP Demonstration Projects, including application process, application requirements and a schedule of application assistance workshops conducted by CDFA is available

at: <https://www.cdfa.ca.gov/oefi/HealthySoils/DemonstrationProjects.html>

### **Dairy Digester Research and Development Program (DDRDP)**

**Applications are due on Tuesday, April 3, 2019 by 5:00 P.M. PT.**

The DDRDP provides financial assistance for the installation of dairy digesters on commercial dairy operations in California. The DDRDP is funded through a \$99 million appropriation from the CCI, authorized by the Budget Act of 2018. The DDRDP will be implemented under two separate sections:

**Incentives Program:** The DDRDP Incentives Program will award grants to provide financial assistance to commercial milk producers and dairy digester developers for implementation of anaerobic digesters that reduce methane emissions from dairy manure management. Detailed information including application process, application requirements, schedule of application assistance workshops conducted by CDFA, and third-party assistance for community outreach assistance is available

at: <https://www.cdfa.ca.gov/oefi/ddrdp/>

**Demonstration Projects:** The DDRDP Demonstration Projects will award dairy operations and digester developers for the implementation of dairy digester projects that demonstrate innovative technologies to achieve long-term methane emission reductions on California dairies and minimize or mitigate adverse environmental impacts.

Detailed information including application process, application requirements and a schedule of application assistance workshops conducted by CDFA is available at: <https://www.cdfa.ca.gov/oefi/ddrdp/DemoProject.html>

(CDFA News Release)

**Contact the CDC office for more information about AMMP,  
Healthy Soils, SWEEP and DDRDP  
at 209-632-0885.**



**Join Us for Our Upcoming  
Annual Membership Meeting  
In Hanford, CA  
on January 23, 2019**

Each year during our Annual Meeting we come

together to look back on our work throughout  
the year and ahead to set our  
policy priorities for the New Year.



We invite you to join us for our  
Annual Meeting on January 23 in Hanford.  
Friends and family are more than welcome.

## **California Dairy Campaign and California Farmers Union Joint Annual Meeting**

Date: Wednesday, January 23, 2019

Location: Hanford Fraternal Hall  
1015 N. 10<sup>th</sup> Street,  
Hanford, CA

*Contact Bertha Medina at 209-632-0885 to RSVP.*

## **National Farmers Union Women's Conference in San Diego January 13-17 2019**



National Farmers Union Women's Conference is just around the corner! We hope you can join us from January 13-17 at the Catamaran Resort Hotel and Spa in San Diego, California. The theme of this year's conference is "Farming in Community." Participants will have the opportunity to tour local farm, share their stories

with fellow attendees, and listen to experts present on topics such as business planning, running for office, accounting systems, food safety, activism, and more.

We hope you can join us for the 2019 Women's Conference, and in the meantime, please let me know if you have any questions.  
Contact Executive Director Lynne McBride at 209-632-0885  
for more information.

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## **HAPPY NEW YEAR!**

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**The California Dairy Campaign and  
California Farmers Union  
Board and Staff wish Everyone**

**a Very Happy New Year!**



**For More Information  
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