

CALIFORNIA DAIRY CAMPAIGN

DAIRYMEN WORKING FOR DAIRYMEN



February 16, 2018



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Town Hall with USDA Secretary Sonny Perdue at the Tulare Farm Show: United States Department of Food and Agriculture (USDA) Secretary Sonny Perdue spoke to farmers from across the state at a town hall forum at the Tulare Farm Show this week, and California Dairy Campaign (CDC) Board Members took the lead in raising some key federal dairy program issues. Board Member Mark McAfee urged Secretary Perdue to move forward in the process to establish a federal milk marketing order in California. Secretary Perdue indicated there would be a major announcement by USDA later that day and that afternoon USDA confirmed it will move ahead in the process. California Farmers Union President Joaquin Contente warned that the changes to the dairy margin protection program (MPP) in the “Bipartisan Budget Act” won’t provide a safety net for California dairy farmers because the benefits are directed to dairies with 220 cows or less. *Below is a breakdown of premiums.* Contente warned that lawmakers in Washington, DC are missing the big picture on dairy policy and the need for the next farm bill to include incentives for dairy producers to manage their milk production based on market demand to restore sanity and sustainability for dairy producers.

Table 1. Margin Coverage Level	Agricultural Act of 2014 (per cwt)	Bipartisan Budget Act of 2018 (per cwt)	Agricultural Act of 2014 (per cwt)	Bipartisan Budget Act of 2018 (per cwt)
	Below 4 million pounds	Below 5 million pounds	Above 4 million pounds	Above 5 million pounds
\$4.00	None	None	None	No change
\$4.50	\$0.010	None	\$0.020	No change
\$5.00	\$0.025	None	\$0.040	No change
\$5.50	\$0.040	\$0.009	\$0.100	No change
\$6.00	\$0.055	\$0.016	\$0.155	No change
\$6.50	\$0.090	\$0.040	\$0.290	No change
\$7.00	\$0.217	\$0.063	\$0.830	No change
\$7.50	\$0.300	\$0.087	\$1.060	No change
\$8.00	\$0.475	\$0.142	\$1.360	No change

Federal Order Process Will Move Forward: On Tuesday, February 13, USDA confirmed that it will move ahead in the process to establish a federal milk marketing order (FMMO) in California. An appointed judicial officer at USDA will review the entire federal order record so that the process could not be challenged based on a Supreme Court case relating to the authority of Administrative Law Judges. The full California federal order update is available online on the USDA web site: <https://www.ams.usda.gov/sites/default/files/media/CAFederalMilkMarketingOrder.mp3>

USDA estimates that depending on the time required for the review, the FMMO, if passed in a dairy producer referendum, would be implemented by November, 2018, but no later than February, 2019.

Now is the time to work on an Alternative Manure Management Projects (AMMP) for your dairy: The California Department of Food and Agriculture (CDFA) is expected to open the application process for the AMMP program in March. Link: <https://www.cdfa.ca.gov/oefi/ammp/>
Contact CDC Field Representative Joe Melo, a technical expert on the AMMP application process, to work with you on your AMMP application. **Contact Joe Melo by phone at 209-216-7615.**

Thank You to Everyone Who visited us at the Tulare Farm Show: CDC Staff and Board Members met with CDC members from around the state at our booth at the Tulare Farm Show all this week. We discussed the FMMO process, changes to the farm bill and the MPP, water, immigration, labor and so many other issues. *Thank you all so much for stopping by!*

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