



## February 1 Update



### Canadian Dairy Farmer to Speak About Supply Management at Tulare Farm Show and Other CDC Meetings February 10-13



Dairy Farmers of Ontario Chair Ralph Dietrich, a dairy farmer from Mildmay, Ontario will travel to California **February 10th through February 13th** to speak to dairy producers about the Canadian supply management system and how it ensures a fair milk price. California Dairy Campaign invites all California dairy producers to participate in their upcoming meetings to focus on the supply management system in Canada and how that program can serve as a model to improve milk prices paid to California dairy producers.

During the recent California Dairy Campaign and California Farmers Union Joint Annual meeting in Hanford, we had a great crowd and a very positive response to the presentation by Canadian dairy farmers David Janssens and Cornelis Hertgers outlining how the Canadian dairy supply management system maintains stable milk prices that average more than \$24 per cwt today. The California Dairy Campaign Board of Directors agreed that it is critical for dairy producers across California to understand the key elements of the Canadian dairy supply management system and how these principles can be incorporated in U.S. dairy policy to improve U.S. milk prices that have remained depressed for more than four years.

Ralph Dietrich served as Vice President of the Dairy Farmers of Canada and is chair of the Dairy Farmers of Ontario, a non-profit dairy farmer organization that represents almost 4,000 milk producers in Ontario. Dietrich has traveled to Wisconsin, Michigan the Northeast and other U.S. dairy states and regions to

speaking about Canada's dairy system and how it maintains long-term dairy farmer profitability to foster a viable dairy sector.

### **Upcoming Meetings on Supply Management:**

Sunday, February 10, 2019 in Elk Grove  
SES Portuguese Hall 10428 E Stockton Blvd.  
Dinner and a Discussion at 6:00 p.m.

Monday, February 11, 2019 in Turlock  
CDC Office located at 325 Mitchell Avenue  
Lunch and discussion at 12:00 noon

### **World Ag Expo in Tulare**

Tuesday, February 12, 2019  
World Ag Expo Seminar Trailer 1  
12:00 - 1:00 p.m.

### **World Ag Expo in Tulare**

Wednesday, February 13, 2019  
Tulare County Agricultural Commissioner Auditorium  
4437 S. Laspina Street in Tulare  
Across the from the Heritage Center  
2:00 - 4:00 p.m.

For more information and to RSVP  
Contact Bertha Medina in the  
California Dairy Campaign Office at 209-632-0885  
We hope to see you at our upcoming meetings in February!

Based on the fundamentals of the Canadian dairy supply management system, California Dairy Campaign and California Farmers Union are proposing a **Sustainable Milk Inventory System Act (SMISA)** a three-point plan to foster a strong and sustainable dairy system in the United States that includes: supply management; fair milk prices paid to dairy farmers; and effective dairy trade policy.

## **Vermont Milk Commission Supports Supply Management**



In January the Vermont Milk Commission issued a report in support of dairy supply management. According to the report:

The Milk Commission recommends a Growth Management Plan that would include the following topic areas:

- A dairy farmer governance board working in conjunction with USDA
- Determination of a base milk volume for individual producers
- Determination of the volume of milk required to meet domestic and

export needs nationally, regionally and to the individual dairy farmer

- A means to provide strong signals to individual dairy farmers that milk over the required domestic and export volume is not desired
- A means for new dairy farmers to join family operations and or start new individual dairy farms
- Detailed rules and regulations for the merging of dairy farming operations, the dissolution of farm partnerships and other changes in business structures

The Milk Commission recommends that a Growth Management Plan must be implemented at a national level and must be mandatory for all dairy producers to take part.

The report later concludes: The ever-growing supply of milk and dairy products in the

United States has become burdensome on milk prices. The control of the supply of milk and dairy product inventories is gaining traction across the nation. Over 400 dairy farmers met in Albany, New York this summer to discuss supply management and there are on-going movements in Wisconsin and California on this topic. Several Dairy Cooperatives have but in place their own cooperative specific two -tier pricing programs to manage the supply of milk. These programs pay the federal order price for the first tier of milk and then a substantially lower price for the second tier of milk. In many cases, the second-tier price is the price that dairy cooperative can sell this excess milk, many times to the lowest bidder.

With this upswell in interest in managing the supply of milk and the request of the Vermont Legislature, the Milk Commission provides these recommendations to the Vermont Congressional Delegation understanding that any legislative process will be a series of adjustments and compromises. The Milk Commission hopes that these recommendations can be used as guidance for a national Milk Volume Growth Management plan and Commissions is willing to work closely with the Congressional Delegation once this legislation is introduced.

The full report can be found online: [Vermont Milk Commission Report](#)

## National Farmers Union Board Passes Resolution in Support of Supply Management



The National Farmers Union (NFU) Board of Directors passed a resolution reiterating its support for dairy supply management in January. California Farmers Union (CFU) Vice President George Davis traveled to San Diego a few weeks ago to participate in the recent NFU Board meeting and led the effort in support of dairy supply management.

“Economic challenges have forced many farmers into significant financial strain, particularly beginning farmers and ranchers who have not had the ability to build up equity,” said the NFU Board. “Despite their best efforts, many farmers are struggling to stay afloat. We urge Congress and the Administration to work together to find solutions that will provide significant, long-term answers to strengthen the farm safety net.”

The NFU Board noted that net farm income in 2018 is estimated to be nearly 50 percent less than 2013 levels, and that median farm income is estimated to be negative \$1,548, meaning a majority of farms—farms of all sizes—lost money last year. It said that ongoing disputes with China and other key trading partners caused further damage to U.S. agricultural markets.

“The short-term assistance provided through the United States Department of Agriculture’s Market Facilitation Program was appreciated but fails to provide long-term relief,” said the NFU Board. “Regardless of when and how existing trade disputes are resolved, it will take decades to overcome the self-inflicted damage to our markets.”

The NFU Board added that the recently passed farm bill provides meaningful but modest relief. “Changes to Price Loss Coverage and Agriculture Risk Coverage will improve each program’s effectiveness and will eventually strengthen the levels of support they provide. The Dairy Margin Coverage program is a significant improvement over its predecessor, the Margin Protection Program,” it said.

“However, in neither case do the changes reflect the severity of existing market

challenges and the immediacy of the financial crisis facing family farmers and ranchers,” it added.

In addition to bolstering the safety net, the NFU Board urged Congress to examine options to meaningfully address chronic oversupply in the marketplace, which has been particularly damaging to U.S. dairy and grains sectors.

## Dairy Producers Participate in AMMP Workshop in California Dairy Campaign Turlock office



California Dairy Campaign is working with dairy producers to fill out applications for the Alternative Manure Management Program (AMMP). We meet one-on-one with dairy producers to review their applications and will continue to meet with dairy producers to finalize applications before the April 3, 2019 deadline. Contact California Dairy Campaign Field Representative Joe Melo at 209-216-7615 for more information about the AMMP application process. AMMP provides funding for up to 100% of the cost of projects up to \$750,000 per project.

### **What is an alternative manure management practice?**

Alternative manure management practices involve handling manure in ways that don't involve using an anaerobic digester. Currently, eligible practices for funding through AMMP include: pasture-based based management; solid separation or conversion from flush to scrape in conjunction with some form of drying or composting of collected manure.

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

Applications are due on Tuesday, April 3, 2019 by 5:00 P.M. PT. Detailed information including application process, application requirements is available online

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

***Dairy producers interested in more information about AMMP can contact CDC Field Representative Joe Melo at 209-216-7615. More details about the AMMP can be found online at [CDFA AMMP web s](https://www.cdfa.ca.gov/oefi/AMMP/)***

## SWEEP, Healthy Soils, and Dairy Digester Programs

**Healthy Soils Program (HSP) Applications are due on Friday, March 8, 2019 by 5:00 P.M. PT. California Dairy Campaign is working with farmers to fill out Healthy Soils Applications, which provides up to 100% funding on projects up to \$75,000 per project.**



**Contact: Kathy Wilkins kagrzd@yahoo.com 209-604-7444 for more information about how to apply.**

The HSP provides financial assistance for implementation of conservation management that improve soil health, sequester carbon and reduce greenhouse gas (GHG) emissions.

**Which specific soil management practices are eligible for funding?** On farm management practices that include but are not limited to: cover cropping, no-till, reduced-till, mulching, compost application, and conservation plantings.

Detailed information on HSP Incentives Program is available at: <https://www.cdfa.ca.gov/oefi/healthysoils/IncentivesProgram.html>

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

**Applications are due on Friday, March 8, 2019 by 5:00 P.M. PT. California Dairy Campaign is working with farmers to fill out their SWEEP applications which provides up to 100% funding for projects up to \$100,000 per project. Contact: Kathy Wilkins by 209-604-7444 for more information about how to apply.**

#### **What is SWEEP?**

The State Water Efficiency and Enhancement Program (SWEEP) provides financial assistance in the form of grants to implement irrigation systems that reduce greenhouse gases and save water on California agricultural operations.

#### **What types of projects are eligible?**

Eligible system components include (among others) soil moisture monitoring, drip systems, switching to low pressure irrigation systems, pump retrofits, variable frequency drives and installation of renewable energy to reduce on-farm water use and energy.

#### **What have been the benefits of SWEEP?**

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). Detailed information about SWEEP is available at:

<https://www.cdfa.ca.gov/oefi/sweep>

**There is also a video available online: [SWEEP video](#)**

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

**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 at the WORLD AG EXPO  
in Tulare  
February 12-14, 2019**

**California Dairy Campaign will be hosting  
two events at the WORLD AG EXPO to  
discuss supply management with Dairy Farmers of Canada  
Board Member Ralph Dietrich, a dairy farmer from Ontario.**



**Guest Speaker: Dairy Farmers of Canada Board Member  
Ralph Dietrich will speak about how the Canadian Dairy  
Inventory Management System Ensures a Fair Milk Price**

Date: Tuesday, February 12, 2019

Time: 12 noon until 1 p.m.

Location: Seminar Trailer 1

Date: Wednesday, February 13, 2019

Time: 2:00 p.m.

Location: Tulare County Agricultural Commissioner Auditorium  
4437 S Laspina Street in Tulare  
located across from the Heritage Center

California Dairy Campaign will also have a booth in the Dairy Center. We hope you can stop by our booth and participate in our upcoming workshops on supply management.

## California Dairy Campaign Booth #6410

*Contact Bertha Medina at 209-632-0885 to for more information.*

**For More Information  
Contact Executive Director  
Lynne McBride**

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