



August 19, 2016 Update

Action Alert: Oppose legislation (AB 1066) to eliminate the current agricultural wage law that pays overtime after 10 hours and 60 hours per week and phase in a requirement for overtime pay after eight hours in one day and 40 hours in one week. AB 1066 is expected to be voted on in the California State Senate on Monday, August 22nd. AB 1066 would:

- Phase in over a four-year period, a requirement for overtime premium pay for farm employees after 8 hours of work in a day or 40 hours in a week;
- Require employees to take one day off every seven days and
- Delay the implementation of the new overtime rules for employers of 25 or fewer employees for three years.

Contact information for California State Senators from the Central Valley:

California State Senator Tom Berryhill, R-Modesto, Phone: (916) 651-4008

California State Senator Anthony Canella, R-Ceres, Phone: (916) 651-4012

California State Senator Cathleen Galgiani, D-Stockton, Phone: (916)651-4005

California State Senator Richard Pan, D-Sacramento, Phone: (916)651-4006

California State Senator Andy Vidak, R-Hanford, Phone: (916)651-4014

CDC Calls on USDA to provide direct assistance to dairy farmers: After 61 Members of Congress signed onto a letter calling on the United States Department of Agriculture (USDA) to provide relief to dairy producers, California Dairy Campaign is urging USDA to provide direct assistance to dairy producers. California Senator Barbara Boxer and Representative Jim Costa signed onto the congressional letter calling for USDA Secretary Tom Vilsack to use any and all existing authorities available to him to act swiftly to help dairy farmers nationwide. National Milk Producers Federation (NMPF) is urging USDA to purchase \$150 million in cheese for donation. However, CDC is urging USDA to provide direct assistance to dairy farmers who have been facing negative margins for many months. During the 2009 dairy crisis, the USDA dairy relief package provided 32 cents per cwt on up to 6 million pounds of milk production per dairy operation.

Dairy Margin Protection Program - Impact in California – Recently, USDA announced \$11.2 million in financial assistance to dairy producers enrolled in the 2016 Margin Protection Program for Dairy. If a 1000 cow dairy had signed up at the \$8.00 per cwt level, the dairy would have paid approximately \$35,000 bimonthly for the 2016 program year. For the year, the dairy will pay approximately \$210,000 in premiums and would thus far collect approximately \$46,000 in program payments. But according to 2016 California enrollment in the buy-up coverage of the program, just one dairy signed up at the \$8.00 per cwt coverage level with 2,723,156 lbs of production eligible for payments. Participation in the DMPP in California dropped by 90 percent compared to 2015 and now just 18 dairies are eligible for DMPP payments in the May – June program period. The amount of milk that is eligible for payments totals less than 2 percent of all milk produced in California that is enrolled in the DMPP. According to USDA, \$305,167 will be paid to 18 California dairies that purchased at the \$6.00 and above coverage levels.