



May 1, 2020



California Dairy Campaign Supports Plan to Link COVID-19 Assistance to Milk Supply Response



This week, California Dairy Campaign signed on in support of a legislative plan put forward by California Representative Jim Costa, D-16, to link assistance in the next COVID-19 relief bill to a milk supply response. The letter of support signed by CDC, California Dairies, Inc., Dairy

Farmers of America, Land O'Lakes, Milk Producers Council and Western United Dairies called for a "direct payment program that incentivizes individual dairy farms to voluntarily reduce on-farm milk production by 10 percent."

For many years, California Dairy Campaign has called for a nationwide milk production growth management plan to balance milk supply with profitable demand to establish equitable milk prices and sustain dairy farmers. The ongoing crisis caused an unprecedented disruption in the food supply chain when restaurants, other food service and schools closed. The increase in retail demand, although substantial, was not enough to make up for more than 15% market losses. CDC firmly believes that the best way to match milk production with changes in market demand is by incentivizing all dairy producers to decrease production in response to the lower demand.

In addition, the letter called for the elimination of payment limitations so that more dairy farmers participate in the supply reduction response. Finally, the letter called for more funding to purchase dairy

products for food banks. The full letter is linked [here](#).

During the ongoing crisis, California Dairy Campaign is reaching out to dairy organizations in California and across the country to call for policies to effectively respond to the crisis and improve the outlook for dairy producers.

PAYCHECK PROTECTION PROGRAM

Sign up for the next round of Paycheck Protection Program (PPP) funding began early this week. California Dairy Campaign and California Farmers Union joined with National Farmers Union to urge that more PPP funds are made available to farmers in response to the COVID-19 crisis.

Contact your bank to submit your PPP application and to confirm how your application will be considered once more PPP funding is made available.

Banks are continuing to take PPP applications during this round of funding for the program. It is important for farmers to contact banks to apply for this program and many dairy farmers have been approved and received PPP funding to provide relief during the ongoing crisis. As long as 75% of PPP loans are spend on payroll costs, the PPP loan amount is eligible for loan forgiveness.

A full report of how PPP funds have been spent so far is linked [here](#).

The PPP web site is linked [here](#):

**For More Information Contact the
California Dairy Campaign office
at 209-632-0885 OR BY EMAIL AT
CDC@CALIFORNIADAIRYCAMPAIN.COM**

Economic Injury Disaster Loans & Emergency Economic Injury Grants



The sign up has not yet begun for the Economic Injury Disaster Loan (EIDL) program. California Dairy Campaign and California Farmers Union joined National Farmers Union in calling on Congress to make farmers eligible for the EIDL program. These grants provide an emergency \$1000 per employee advance up to \$10,000 to small businesses harmed by COVID-19 within three days of applying for an SBA **Economic Injury Disaster Loan (EIDL)**. To access the advance, you first apply for an EIDL and then request the advance.

The advance does not need to be repaid under any circumstance, and may be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage payments.

Below please find information about from [The Small Business Owner's Guide to the CARES Act](#) linked [here](#).

QUESTION: I am unfamiliar with the EIDL process, can anyone help me apply? **Answer:** Yes, SBA resource partners are available to help guide you through the EIDL application process. You can find I for local assistance at the following web site: <https://www.sba.gov/local-assistance>

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Smaller Plants Are the Answer



The Coronavirus is teaching us all many lessons about the big problems that exist in our food system. The latest grabbing headlines is how large meat plant closures are causing food shortages in the grocery store. It is important to get the campfire story right about how better antitrust enforcement would have prevented these shortages. A greater number of smaller packing plants is the answer because more competition will make our food system more resilient now and in the future.

For years, I and many others have sounded the alarm about how a few big beef plants depress prices paid to farmers and drive smaller plants out of business. I had the opportunity to serve on the National Beef Board and got to learn first-hand all the ins and outs of the livestock business. The years I served and the many more I spent at the auction yard, made it abundantly clear that the concentration and consolidation of our food system is failing both farmers and consumers.

The Coronavirus is amplifying this cause for alarm. When so few companies, many foreign owned, control 85 percent of the beef market, it creates problems up and down the food chain. Farmers are underpaid while consumers pay more and only the biggest meat packers reap the rewards.

When just five major meat packers controlled the market 100 years

ago, Congress passed and the president signed the Packers and Stockyards Act to “assure fair competition and fair trade practices, to safeguard farmers and ranchers...to protect consumers...and to protect members of the livestock, meat, and poultry industries from unfair, deceptive, unjustly discriminatory and monopolistic practices...” Since the 1980s when corporate raiders bought up smaller made plants, made their money and then closed those plants the problem has only grown worse. Critical government oversight is lacking, but these same antitrust laws are still on the books and now is the time to clamp down on enforcement to enable a greater number of smaller plants to compete in the marketplace.

The crisis is exposing the undue influence the big four meat packers have over the supply chain. This system is failing consumers who are already seeing meat shortages at the grocery store despite all the hard work by farmers to ensure an ample food supply. The crisis is showing us all the importance of being actively engaged in our political system. We can all do our part to improve it by demanding that antitrust laws are enforced so that we can have many smaller meat plants and a safer and more resilient food system.

We can demand the reinstatement of mandatory country of origin labeling of meat which is already required for produce and seafood. Farmers and consumer overwhelmingly support meat labeling, but the same big four meat plants beat back mandatory country of origin meat labeling. Years ago, farmers and consumers came together to pass mandatory labeling of meat and it was in effect until a kangaroo court at the World Trade Organization (WTO) that consisted of at least one trade lawyer representing the beef industry, ruled against the U.S. meat labeling law. The multinational meat packers are the only ones who benefit from the confusion about where meat comes from at the grocery store.

We can call for reform of our campaign finance system so that large entities don't have a stranglehold over government oversight of our country's food supply. Until now, large meat processors have contributed to the political system so their viewpoint dominates the regulations that govern our nation's food supply. Every campfire story has an ending and there are ways we can change the ending, so our food system works better for farmers and consumers.

California Farmers Union President Joaquin Contente

COVID-19 Dairy Farmer Resources



California Dairy Campaign is reaching out to dairy producers to respond to their questions and concerns about the ongoing crisis. Don't hesitate to contact the California Dairy Campaign office at 209-632-0885 with your

questions and concerns.

Updated information is available at the [Center for Disease Control](#) web site linked [here](#).

National Farmers Union has posted a host of resources during the COVID-19 crisis on its website linked [here](#).

The California Department of Food and Agriculture (CDFA) has a list of resources on its web page linked [here](#).

DAIRY FARMER HANDBOOK linked [here](#). *The Dairy Farmer Handbook was put together by National Milk Producers Federation and provides information and resources for dairy farmers in response to the COVID-19 crisis.* More Information on the [National Milk Producers Federation](#) web site linked [here](#).

DAIRY IS CRITICAL INFRASTRUCTURE

Below please find a link for an employee work template that dairy producers can fill out and provide to their employees when they travel to work. The forms are an important way to provide additional assurance that employees will be able to travel to work without issue. Many employees have appreciated having the paperwork with them as they travel to dairies at various times of day and night.

ESSENTIAL FOOD AND AGRICULTURAL EMPLOYEE WORK PERMIT TEMPLATE linked [here](#).

**Contact the
California Dairy Campaign office
209-632-0885 for more information
or email cdc@californiadairycampaign.com**

CDFA to Expand Farm to Family



This week Governor Newsom announced the expansion of the Farm to Family partnership between the California Department of Food and Agriculture (CDFA) and the California Association of Food Banks including \$3.64 million in new funding. Demand for food at food banks has increased by more than 70 percent since the COVID-19 crisis began.

California Dairy Campaign is part of an ongoing effort at the state level to determine how best to supply milk and dairy products to the growing list of those in need. With more federal resources soon to be available to purchase dairy products, CDC is working to ensure that California dairy products are purchased for food banks to address the sharp increase in demand.

HEALTHY SOILS PROGRAM SIGN UP



The **Healthy Soils Program** provides financial incentives to California farmers and ranchers to implement conservation management practices that sequester carbon, reduce atmospheric greenhouse gases (GHGs), and improve soil health. GHGs benefits are estimated using quantification methodology and tools developed by California Air Resources Board (CARB), USDA-NRCS and CDFA and soil health improvement will be assessed by measuring soil organic matter content.

The **HSP** is accepting grant applications
Until 5:00 p.m. PT, June 26th, 2020.

Up to \$100,000 is awarded per agricultural operation.
Contact the CDC Office for more information at 209-632-0885.

**For More Information
Contact Executive Director
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