



September 13, 2019



California Dairy Campaign Calls on Congress to Pass Dairy Growth Management Plan



This week, California Dairy Campaign (CDC) President Joe Augusto and California Farmers Union (CFU) Vice President George Davis joined nearly 400 farmers during the National Farmers Union (NFU) Legislative Fly-In to Washington, DC to call for dairy growth management legislation

to restore and sustain profitability for dairy producers. *(Pictured: California farmer Josephina Lara Chaves, CDC President Joe Augusto, California Representative Jim Costa, D-16, and CFU Vice President George Davis)* Rep. Costa is the Chair of the Livestock and Foreign Agriculture Subcommittee of the U.S. House Agriculture Committee.

CDC is calling for a three-legged milk stool plan which includes: fair milk prices, farmer-led dairy growth management and smart dairy trade policy. Under supply management or growth management, dairy producers will continue to have the ability to grow their operations, but increases in milk production will ***be more responsive to changes in market demand.***

"For more than four years, milk prices have been well below production costs causing dairy producers to suffer tremendous losses. At the same time, a recent wave of agribusiness megamergers has pushed up input costs," Augusto explained. Despite low milk prices paid to dairy producers, there continues to be profitability further up the food chain among processors and retailers of dairy products.

"We were in the nation's capital this week calling on Congress and the Administration to pass a three-point plan to improve milk prices through farmer-led dairy growth management and smart dairy trade policies," Augusto concluded.

The California delegation met with dozens of California lawmakers to call for passage of a farmer-led dairy growth management plan to improve and stabilize milk prices. In addition, the California delegation called for restoration of mandatory country-of-origin labeling (COOL) for meat, policies to increase competition in the agricultural economy and resolution of ongoing trade disputes.

SUCCESSFUL CAPITOL HILL BRIEFINGS ON DAIRY GROWTH MANAGEMENT



There was a great turnout for the dairy growth management briefings held on Capitol Hill yesterday. Dr. Mark Stephenson, Director of Dairy Policy Analysis at the University of Wisconsin, held very

well attended briefings to explain to members and staff in Congress how dairy growth management policies can reduce volatility in dairy markets and improve dairy farm profitability while also significantly reducing U.S. government expenditures on dairy programs, and decreasing dairy farm closures.

The congressional briefings were hosted by California Dairy Campaign, California Farmers Union, Wisconsin Farmers Union and many other organizations that support dairy growth management that are participating in the **Dairy Together** movement. California Dairy Campaign considers farmer-led milk supply management to be the most viable way for dairy farmers to get a fair price from the marketplace.

An informative **13-minute video** is available on the University of Wisconsin Program on Dairy Markets and Policy **web site linked here** and includes a discussion of the analysis by Dr. Stephenson

describing how supply management policies have the potential to improve and stabilize milk prices and net farm income and decrease taxpayer spending.

The potential for farmer-led dairy growth management to restore profitability for dairy producers, proven by the recent economic analysis, is the most viable way to restore profitability for dairy producers. Given the trade disruptions that have and will continue, CDC and CFU leaders firmly believe that now more than ever before dairy producers need to have the ability to respond to changes in market demand.

SIGN DAIRY PRODUCER PETITION IN SUPPORT SUPPLY MANAGEMENT



One of the best ways for dairy producers to call on Congress to pass dairy supply or growth management legislation is by signing the **Dairy Producer Petition in Support of Farmer-led Dairy Supply Management**. Members of Congress are interested in learning how many dairy producers in their

district support supply management policies and signatures from dairy producers demonstrate that support.

The web site for the petition is:

www.dairysupplymanagement.com

The petition states: The undersigned dairy producers support farmer-led milk supply management policies to achieve PROFITABLE and SUSTAINABLE MILK PRICES.

Link to Sign Petition:

<https://www.dairysupplymanagement.com/>

OR PRINT AND SIGN THE PETITION AND SEND BACK TO US

The petition is linked **[here](#)**.

Sign and send back a copy of the petition to us at:

California Dairy Campaign

325 Mitchell Avenue

Turlock, CA 95380

Fax: 209-632-0706

Email: **cdc@californiadairycampaign.com**

Upcoming Quota Meetings

Tulare - September 25

Modesto - September 26

PHASE 2 - PRODUCER FEEDBACK - EVENTS

Phase two of the quota plan. Producer Feedback phase.

At these meetings Dr. Bozic and Matt Gould will present the concepts generated in the phase 1 meetings and attendees will have an opportunity to provide feedback on these ideas. Prior to the meetings several documents will be released and are a necessary part of the process. Please read these documents prior to attending the meetings. Sign up for our mailing list to be notified when the documents are available.

Four Phase 2 meetings are scheduled for September 25 and 26th arranged for your convenience. Please register for the meeting that best suits your schedule and location.

Tulare

Wednesday, September 25th in Tulare at the Heritage Complex Social Hall located at 4500 S Laspina Street, Tulare, CA 93274

Register for 9 - 12 pm Meeting [Here](#)

Register for 2 - 5 pm Meeting [Here](#)

Modesto

Thursday, Sept 26th in Modesto at the Stanislaus County Agricultural Center 3800 Cornucopia Way #B Modesto, California 95358-9492

Register for 9 - 12 pm Meeting [Here](#)

Register for 2 - 5 pm Meeting [Here](#)

PHASE 3 - ANALYSIS - EVENTS

Phase three of the quota plan. Analysis. At this meeting all in depth analysis will be presented on proposals.

Meetings will be scheduled for October 2019.

For more information about the upcoming events visit the [United Dairy Families of California](#) web site linked [here](#).

REMINDER: DMC AND MFP SIGN UP



The sign-up period for the Dairy Margin Coverage (DMC) program continues until September 20, 2019. USDA has posted extensive information about the DMC on their web site: [USDA Dairy Margin Coverage \(DMC\)](#) So far, 652 of the 1227 eligible dairy operations in California have signed up for the DMC.

Dairy producers should contact their local Farm Service Agency (FSA) office for more information and to sign up for the program. USDA has already begun sending DMC payments to dairy producers and payments are retroactive to January 1, 2019.

Similar to the former Margin Protection Program (MPP), the DMC calculates a margin based on the difference between the all milk price and the feed cost estimate. Dairy producers can insure margins from \$4 to \$9.50 per cwt. Like the former MPP, the DMC establishes two tiers of premium rates for production below or above 5 million pounds of production. The premiums are much lower on milk production below 5 million pounds.

For those who paid into the Margin Protection Program, USDA will provide 75% of the value of premiums paid if a dairy producer enrolls in the new DMC. CDC called on Congress to pass the refund provision due to the failure of the MPP to be effective.

MARKET FACILITATION PROGRAM

Sign Up for the Market Facilitation Program continues until December 20, 2019. The MFP was designed to provide compensation to farmers affected by trade disruptions. USDA is expected to begin sending out MFP payments on August 15, 2019. The payment rate for dairy producers is 20 cents per cwt on half of this year's milk production or 10 cents per cwt on all milk produced. Please find a link for the MFP [here](#).

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

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