



March 8, 2019



California Delegation Leads Passage of Special Order of Business on Dairy at NFU Annual Convention



This week, California Dairy Campaign President Joe Augusto, California Farmers Union Vice President George Davis and CDC Vice President Mark McAfee championed the passage of a special order of business on dairy in support of a **three-point plan: establish fair milk prices, farmer-led inventory management and**

smart dairy trade policy. On Tuesday, March 5, delegates to the National Farmers Union (NFU) Annual Convention in Bellevue, Washington passed the special order of business on dairy to restore profitability and prosperity for dairy producers which states:

FAMILY FARMING AND DAIRY 2019 SPECIAL ORDER OF BUSINESS

The number of dairy farmers in the United States has dropped by more than 30 percent over the last 10 years, and the rate of closures across the country continues to accelerate today. The United States Department of Agriculture (USDA) projects the nationwide average price paid to dairy farmers will total \$15.80 per hundredweight (cwt), while average cost of production is \$22.70 per cwt. Dairy farmers nationwide are paid 30 percent below average production costs and have been paid prices well below production costs for more than four years leading to unprecedented financial challenges for dairy farm families.

The recently passed farm bill fails to address the challenges dairy farmers face today primarily because it lacks an inventory management component that is vital to establish fair milk prices.

We urge Congress to pass a three-point plan:

- Establish fair prices.
- Manage milk inventories.
- Provide import/export dairy policy to restore and protect profitability to dairy farmers across the United States.

NFU calls on Congress to pass legislation that includes:

1. The establishment of an incentives-based inventory management program to manage milk inventories based on market demand and pricing stability.
2. Establish a farmer-led plan to establish fair milk prices that are based on the dairy farmers cost of production and retail prices for dairy products.
3. Effective dairy trade policy that manages both imports and exports to ensure that U.S. dairy farmers are paid a fair price from the market.
4. Each FMMO region of the country establishes a dairy board made up of dairy farmers that establish prices with processor involvement.
5. Prices are determined by farmers on a region-by-region basis based on cost of production and other cost indices.
6. Using processors forecast demand for milk for dairy products, each region will produce enough milk to meet processors needs.
7. Milk requested for use in export by processors would be included in regional dairy supply demand. Imports are subject to USDA market review to assure that they do not undercut the dairy farmer-led inventory management plan.
8. Changes in forecast demand for dairy products will allow for increased production for those dairies that choose to grow based on market demand and allow for new dairy operations.
9. New growth production is issued equally, with a program for beginning farmers.
10. Dairies can buy and sell existing production based on the value set on the open market, but new production is only issued by regional boards based on demand increases.
11. This would be a farmer driven program with mandatory enrollment of all dairies including organic.
12. Organic market inventory would use similar system to set organic prices and manage inventory to meet processor and consumer demand.

Producer Review Board Meets to Discuss Quota Implementation Plan (QIP)



This week, the Producer Review Board met in Sacramento to discuss the process for submitting a petition to amend or eliminate the Quota Implementation Plan (QIP). Once the California Department of Food and Agriculture (CDFA) receives a petition it will post it on the CDFA web site and begin the process to verify that all the signatures on the petition are valid. If CDFA certifies that a petition includes the signatures of 25% of the state's dairy producers, the CDFA Secretary will schedule a meeting of the Producer Review Board within 60 days. The Producer Review Board will review the merits of the petition in one or more public meetings, adopt findings and make a recommendation to the CDFA Secretary. Within 30 days the CDFA Secretary will make a determination about the petition.

Any change to the QIP must be adopted by a statewide referendum of dairy producers similar to the procedure by which the QIP was passed. For any change in the QIP, 51 percent of eligible producers must vote AND votes in favor must be submitted by either 65%, or more, of those who voted and produce at least 51% of the milk produced by those who voted OR 51%, or more, of those who voted and produce at least 65% of the milk produced by those who voted.

AMMP Application Deadline April 3, 2019 Contact California Dairy Campaign to Apply



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 site](https://www.cdfa.ca.gov/oefi/AMMP/).*

Healthy Soils and SWEEP Application Deadline March 13, 2019 Contact California Dairy Campaign to Apply



Healthy Soils Program (HSP)
Applications are due on Wednesday, March 13, 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 Wednesday, March 13, 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.

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

**California Dairy Campaign
California Farmers Union
325 Mitchell Avenue
Turlock, CA 95380
Phone: 209-632-0885**



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