



## Dairy Growth Management Analysis

### *Minor Changes in US Milk Production Improve Milk Prices and Net Farm Income*

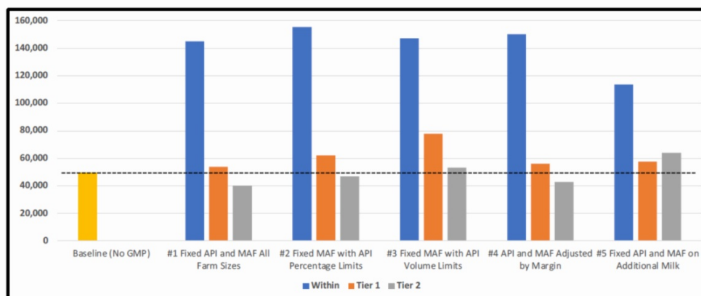


Figure 10. Simulated Average Annual Net Farm Operating Income for a Farm with Milk Production of 4 Million lbs per year, Baseline and Five GMP Programs, By GMP Tier, 2014-2021, \$/farm/year

California Dairy Campaign strongly supports the passage of a nationwide incentive-based dairy growth management plan to balance milk supply with profitable market demand. As a member organization of

California Farmers Union, we have joined National Farmers Union and dairy organizations around the country through [Dairy Together](#) to call for a change in direction in federal dairy policy. Now there is an updated analysis of the potential for dairy growth management to stabilize and improve milk prices paid to dairy producers.

A new report titled [“Analyses of Proposed Alternative Growth Management Programs for the US Dairy Industry”](#) provides updated information about the potential for dairy growth management to improve milk prices paid to dairy producers and net farm operating income. The paper is accompanied by a [video](#) explaining the results which is linked [here](#).

#### Key findings are:

- **The programs would reduce variation in milk prices, enhance**

average milk prices and margin over feed costs to varying degrees, and increase average net farm operating income (NFOI) for operations staying within Allowable Production Increases for all farm sizes compared to a Baseline scenario with existing policies. Average annual milk prices were increased between \$0.73/cwt and \$1.41/cwt depending on the design of the GMP. Including refund payments for farms within API limits, average milk revenue would be higher by \$1.15/cwt to \$2.13/cwt. Reduction in the average variation in milk prices ranged from \$0.16/cwt to \$0.21/cwt;

- Compared to the Baseline scenario, Growth Management Programs would slow growth in average annual US milk production (from 2.5% to 2.1% per year for the most restrictive program) and reduce US government expenditures on dairy supports by as much as \$2.5 billion.

With the Farm Bill set to expire in 2023, dairy farmers have an opportunity to pass dairy growth management legislation to balance milk supply with profitable market demand, improving the outlook for all US dairy farmers. California Dairy Campaign is joining dairy organizations around the country to call for a change in direction in federal dairy policy to improve and stabilize milk prices paid to dairy producers and reduce taxpayer expenditures through a nationwide dairy growth management plan.

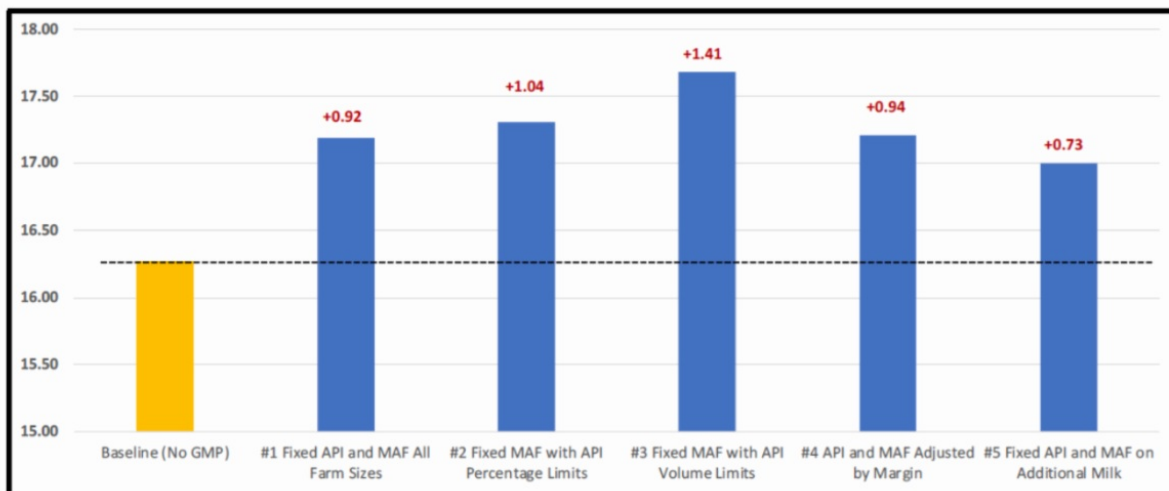


Figure 1. Simulated Average All Milk Prices for Baseline and Five GMP Programs, 2014-2021, \$/cwt

## Watch US Senate Agriculture Committee Hearing - Milk Pricing Reform



### Milk Pricing: Areas for Improvement and Reform

Subcommittee on Livestock, Dairy, Poultry, Local Food Systems, and Food Safety and Security

**Date:** Wednesday, September 15, 2021

**Time:** 09:30 AM

**Location:** 301 Russell Senate Office Building

**Link** to view the hearing. Watch the hearing linked [here](#).

California Dairy Campaign and California Farmers Union have joined dairy organizations around the country through [Dairy Together](#) to call on Congress to pass dairy growth management legislation. The recently released "[Analysis of Proposed Dairy Growth Management Programs for the US Dairy Industries](#)" concluded that dairy growth management has the potential to stabilize and improve milk prices paid to dairy producers. The upcoming hearing is set to focus on the change to the Class I price formula in the last farm bill that lowered pool prices nationwide. CDC has called on lawmakers to provide relief to dairy producers to account for the losses suffered due to a change in the Class I milk pricing formula. Currently, these losses are capped at 5 million lbs of milk production. CDC is calling on lawmakers to provide relief to account for actual losses associated with the Class I price change.

## NFU Virtual Fly-in September 19-22, 2021

**California Dairy Campaign and California Farmers Union will join Farmers Union members from across the country to gather online for the 2021 Fall Legislative Virtual Fly-In!**

**To sign up and for more virtual fly-in information  
Contact Lynne McBride at 925-639-3603 or email us at  
[cdc@californiadairycampaign.com](mailto:cdc@californiadairycampaign.com)**

### **2021**

The NFU Fall Virtual Legislative Fly-in will be held from September 20 – 23. Farmers Union members will meet with their members of Congress to highlight their priorities, the challenges they are facing, and goals for future legislation. In addition to meetings with congressional offices, there are a few general sessions that will be open to Farmers Union members and guests:

#### **Fly-in Issues and Technical Briefing:**

*Wednesday, Sept. 15, from 1:00-2:00 p.m. Eastern*

This event will detail the technical needs and offer suggestions for holding a successful Congressional meeting online.

#### **USDA and Administration Briefing:**

*Tuesday, Sept. 21, from 1:00-2:30 p.m. Eastern*

NFU will hear updates from USDA leaders and Biden Administration officials during a session on Tuesday, Sept. 21, from 1 pm to 2:30 pm. This event will educate participants about how issues faced in rural America are

being considered at the federal level.

### **Fairness for Farmers Event:**

*Wednesday, Sept. 22, from 1:00-2:00 p.m. Eastern*

With the increased attention that competition and antitrust issues are receiving, and Farmers Union's longtime leadership and advocacy on the issues, NFU's Fairness for Farmers campaign is set to be highlighted during an online town hall and press conference, attended by Congressional leaders. This event will be open to any Farmers Union members and will also be live-streamed on Facebook.

### **Virtual Fly-In Wrap Up:**

*Thursday, Sept. 23, from 6:00-7:30 p.m. Eastern*

Finally, as a way to wind down after a week of advocacy, we'll take some time for fun and games, interaction with fellow Farmers Union members, and time to think about how working together helps family farmers and ranchers.

For the latest fly-in information, visit [www.nfu.org/fly-in](http://www.nfu.org/fly-in) where you'll also soon find registration links for these events.

## **Healthy Soils Program (HSP)**

BY THE  
NUMBERS  
**109,809**  
estimated metric tons  
of CO<sub>2</sub>e sequestered  
each year



that's the equivalent of removing



**23,724**

cars from the  
road each year



and building soil health on

**56,032 acres**

Learn more at  
[cdfa.ca.gov/oefi/healthysouils](http://cdfa.ca.gov/oefi/healthysouils)

### **What is the CA Healthy Soils Program?**

The Healthy Soils Program stems from the California Healthy Soils Initiative, a collaboration of state agencies and departments to promote the development of healthy soils on California's farmlands and ranchlands.

The HSP has two components: the HSP Incentives Program and the HSP Demonstration Projects. The HSP Incentives Program provides financial assistance for implementation of conservation management that improve soil health, sequester carbon

and reduce greenhouse gas (GHG) emissions. The HSP Demonstration Projects showcase California farmers and rancher's implementation of HSP practices.

### **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.

California Dairy Campaign Field Representative Joe Melo works one-

on-one with dairy producers on their grant applications. Contact Joe on his cell phone at 209-216-7615 to work with him to determine the best projects for your dairy operation.

[Visit CDFA Healthy Soils Program website](#)

## State Water Efficiency and Enhancement Program (SWEEP)

### BY THE NUMBERS



**80,000**

metric tons of CO<sub>2</sub> equivalent reduced annually



**17,300**

cars taken off the road for one year (based on emissions reductions equivalent)



**37.5 billion**

gallons of water are estimated to be saved annually, enough to fill 70,000 Olympic-size swimming pools!

### State Water Efficiency & Enhancement Program

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. 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 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.

**It is never too early to start working on your HSP and SWEEP application. Contact California Dairy Campaign Field Representative Joe Melo by phone at 209-216-7615 or email [cdc@californiadairycampaign.com](mailto:cdc@californiadairycampaign.com).**

[Visit CDFA SWEEP website](#)

**Vaccinate ALL 58 -**



## Vaccinate ALL 58

Together we can end the pandemic.

Vaccination Appointments are available to schedule at convenient times or on a walk-in basis. Click [here](#) to learn more or call the CA COVID-19 Hotline at 1-833-422-4255 (8am-8pm).

Share Vaccinate ALL 58 Educational Materials

[Downloadable materials](#) to support the outreach of vaccination information.

**For more information Contact  
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**For More Information  
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