



To: All Senate and House Farm Bill Conference Committee Members

From: Dairy Business Association, Dairy Business Milk Marketing Cooperative, Dairy Policy Action Coalition, National All-Jersey Inc., California Dairies Inc., Northeast Dairy Producers Association Inc., Kentucky Dairy Development Council

Dear Farm Bill Conferee:

As dairy producers and businesses working in the dairy industry, we ask that you support the dairy title as amended in the House version of the Farm Bill, which excludes the Dairy Market Stabilization Program, also known as Supply Management.

One of the key differences between the Senate and House Farm Bills is the inclusion in the Senate bill of a new government program to limit the milk supply, known as the Dairy Market Stabilization Program (DMSP). The House voted overwhelmingly (291-135) for the Goodlatte-Scott amendment which removed the divisive dairy Supply Management proposal from the bill while retaining an effective and expanded revenue insurance program for dairy producers. The Goodlatte-Scott amendment was approved by an overwhelming bipartisan margin, and ignoring this fact will risk the failure of the entire farm bill.

The Senate bill would require dairy farmers enrolled in a margin insurance program to periodically limit the amount of milk our farms can sell.

We believe this convoluted system is the wrong approach. Dairy farmers who take advantage of the margin insurance should not be required to participate in a program that would have the government directly interfere in the milk supply. Limiting the milk supply will discourage further investment and growth in our industry.

We ask you to please work with your fellow conferees to ensure that the final Farm Bill does not include the DMSP, but rather adopts the House dairy provisions, which provides a safety net for dairy farmers without Supply Management. A strong majority of the House of Representatives believes this is the right approach for dairy policy and we hope you will join their leadership in seeing this through to the finish line.

Thank you in advance for your careful consideration of how the Senate's Farm Bill dairy policy will negatively impact dairy farms.