

**National All-Jersey
Washington, D.C. Fly-In
March 28-29, 2023
Talking Points**

2023 Farm Bill

Commodity Title – Dairy Subtitle

Dairy Margin Coverage Program

- Dairy Producer Economic Safety Net
- Makes payments to producers when margin between milk price and feed cost drops below selected levels.
- Requires a \$100 annual administrative fee.
- Based on production history from nearly 10 years ago for most producers
- Limits coverage to the first 5 million pounds of milk – about 200 cows
- Increase overall volume limitation?
- Improve coverage available at no- and low-cost?

Federal Milk Market Order (FMMO) Reform

- Class I pricing formula
- Yield factors update.
- Make Allowances update.
- **Will need Congress to provide authority to USDA/AMS to conduct mandatory plant cost survey reporting and frequency of those surveys.**

Conservation Title

- Working Lands Programs
- Environmental Quality Incentives Program
- Maintain and hopefully enhance funding for perennially oversubscribed program.
- Maintain emphasis for livestock agriculture operations (currently 50-50)
- Increase the \$450,000 limitation on EQIP project cost-share.

Climate-related Incentives

- Make carbon another commodity that farmers can monetize.
- By reducing emissions from farming operations
- By removing carbon from the atmosphere (carbon sequestration)
- Put USDA in charge of the regulations.
- Programs must be science-based and effective.
- Programs must be voluntary and affordable for farmers (cannot become a “price of admission” for doing business)

Nutrition Title

- SNAP is a positive for dairy consumption.
- SNAP grocery carts look similar to others.
- The SNAP program also includes the Healthy Fluid Milk Incentives pilot program which rewards the purchase of fruits and vegetables with incentives to buy fluid milk. This should be extended and expanded.

The Dairy Pride Act

- S 449; Senators Tammy Baldwin (D-WI) and James Risch (R-ID); HR 1462; Representatives Mike Simpson (R-ID) and Ann Kuster (D-NH)
- Would require FDA to enforce standards of identity for dairy terms.
- Standards have been on the books for decades.
- FDA recently released draft guidance:
- Would be voluntary for manufacturers of plant-based products to follow.
- Marketers of plant-based may use dairy terms on labels.
- Should explain nutrition differences between their product and real dairy on the label.

The Whole Milk for Healthy Kids Act

- HR 1147; Representative GT Thompson (R-PA) plus 46 cosponsors
- In the Education and Workforce Committee in the House of Representatives
- Executive action in 2010 limited milk in school meals to nonfat and 1% white milk and nonfat flavored milk only
- School meals must meet nutrient and food requirements to qualify for partial or full cost reimbursement by USDA.
- The bill would allow schools to offer up to whole milk in the reimbursable meals in the School Lunch (and Breakfast) Program
- Nutrient requirements don't mean much if the kids don't consume the food/drink the milk.
- USDA currently allows 1% flavored milk back into the School Lunch Program

International Dairy Trade

- The U.S. now exports nearly 18% of domestic milk production.
- Foreign markets have developed due to a competitive U.S. dairy industry, work by dairy farmers through their 15-cents/cwt promotion and research checkoff, and other factors.
- The U.S. dairy industry can compete internationally when the playing field is level.
- The U.S. negotiated new access to the Canadian dairy market in the U.S.-Mexico-Canada Agreement (USMCA). Canada has thus far refused to grant that access. The U.S. Trade Representative's (USTR) Office in administrations from both parties has gone to bat for the U.S. dairy industry to try to get this corrected. A second dispute resolution panel has now been formed to try to settle the matter. This is very important precedent to set for the treatment of dairy in future international trade negotiations.