

October 26, 2011

United States Senate
Washington, DC 20510

Dear Senator,

The under-signed organizations urge you to co-sponsor S. 1640, the Federal Milk Marketing Improvement Act of 2011 recently introduced by Senator Casey of Pennsylvania. We write as organizations that represent dairy farmers and consumers who care deeply about the current situation. The past three years have been a devastating roller coaster that is costing farmers their farms, livelihoods and rural communities. Crisis hotlines have been at record levels as have the level of farm bankruptcies and auctions – all signaling that something is seriously wrong.

We urge you to co-sponsor this legislation. It is the only solution that establishes a new pricing formula using the national average cost of production and is based on what dairy farmers themselves have determined is the best solution - sensible government policy. Milk buyers would pay a price reflecting dairy farmers' cost of production, thus enabling farmers to earn a decent living without government subsidies. It also creates a milk supply management program to ensure that raw milk production is aligned with the needs of the domestic market. The supply management program, if necessary, would be financed by dairy farmers themselves and based on a pricing formula derived from calculations determined by the Economic Research Service (ERS) at the U.S. Department of Agriculture. This structure would return a fair price to all U.S. dairy farmers and ensure that our domestic food supply is not compromised by imported casein and milk protein concentrates that are neither counted nor taxed.

The loss of dairy farms is staggering. There are now fewer than 50,000 licensed dairy farms in the U.S., down from 57,000 just two years ago. Recent price swings in the dairy industry offer a vivid example. Between July 2007 and June 2009, the real price farmers received for milk fell by nearly half, but the retail price for fresh whole milk only fell by 23 percent and the price of cheddar cheese actually increased by 6 percent. According to the September Farmer's Share of Retail Food Dollar, issued monthly by National Farmers Union, farmers only received \$1.80 of the \$4.59 retail price paid for a gallon of milk.

Our organizations urge you to take action now to stem the devastating losses occurring daily. Enacting the Federal Milk Market Improvement Act of 2011 is an important step to address the dire financial situation facing our nation's dairy farmers.

Sincerely,

American Raw Milk Producers Pricing Association
Ashtabula-Lake-Geauga Chapter/Ohio Farmers Union
California Dairy Campaign
California Dairy Women Association
California Farmers Union
Community Alliance for Global Justice (WA)

Dakota Rural Action
Family Farm Defenders (WI)
Food and Water Watch
Idaho Rural Council
Iowa Citizens for Community Improvement
Land Loss Prevention Project (NC)
Lycoming Grange, Williamsport, PA
Midwest Organic Dairy Producers Association (WI)
Mississippi Association of Cooperatives
Missouri Rural Crisis Center
Myskoke Food Sovereignty Initiative
National Family Farm Coalition
National Hmong American Farmers, Inc.
Northwest Atlantic Marine Alliance
Pennsylvania Farmers Union
Progressive Agriculture Organization
South Auburn Grange, Susquehanna County, PA

Please contact NFFC at (202) 543-5675 for more information or to reach individual organizations