



Climate Change Legislation

So far, 2009 has been an unforgettable year that I would like to forget. Lousy milk prices, a very long, cold winter and a summer that seems to have lasted all of four days come to mind. On top of that, I think it is necessary to broach the subject of the possibility of climate change legislation.

I realize the concept of climate change, and in particular global warming, is controversial. I don't intend to comment on that debate, although I will admit my bias lines up with "natural weather cycle" as a cause. My points of discussion will instead be aimed at political possibilities and how we should react to those possibilities.

Climate change legislation that would regulate Greenhouse Gas Emissions (GHG) has been discussed in the news off and on for quite some time. Legislation was introduced in the U.S. Senate last year but was not voted on by the Senate in 2008. Both presidential candidates in last year's election supported some form of legislation to control GHG. It was inevitable that we all would have to deal with this issue soon, and the reality is that our industry is dealing with the issue in a pragmatic, thoughtful manner.

National Milk Producers Federation (NMPF) has developed what I believe is a viable game plan to deal with such a controversial issue. For most of us who milk cows, common sense tells us weather runs in cycles. We've seen it, our parents and grandparents have seen it and relayed their

observations to us. Then there are scientists who tell us they know this cycle is different and man is causing the world to warm beyond what is normal (of course these same scientists who are so sure of what will happen in 50 years can't predict the weather five days from now).

Back to the discussion about proposed legislation and how to deal with it. It is possible enough people could be convinced that GHG is a real threat so that some really ugly legislation could be enacted. I don't think this will happen, but it is possible. Because it is possible, I think NMPF's strategy of being involved in the process is valuable. The position taken has been, "we don't necessarily endorse climate change legislation but if it happens then agriculture has conditions that must be addressed to survive in a GHG regulated world." The NMPF staff worked closely with the House Agriculture Committee to include nine principles in the House version of climate change legislation and was very successful completing this objective. *These nine principles and an analysis can be found on page 16 of this issue.*

The American Clean Energy and Security Act passed the House in late June by a very narrow margin of 219-212 votes. Forty-four Democrats voted against and eight Republican voted for the Bill. Even though the version that was voted out of the House is much friendlier to agriculture than what was introduced, many questions are still unanswered. While we appreciate having our primary

concerns addressed, that doesn't mean we support all climate change legislation.

We still have to keep in mind that EPA has been court ordered to regulate GHG emissions. The court order is what led to the story in the press late last year that EPA was going to impose a \$175 per cow emissions tax. EPA refuted the story, but a literal interpretation of the court order could result in the tax. *See "How EPA Would Regulate Greenhouse Gasses," on page 17 of this issue.*

The next step for climate change legislation is to seek passage by the U.S. Senate, and passage there will be much harder than it was in the House. Senator Stabenow from Michigan will play a key role in crafting the Senate version of climate change legislation. Senator Stabenow put in a great deal of time on the Senate version of this last year and has picked up where she left off last December. Senator Stabenow understands the issues involved for agriculture and for the manufacturing economy of Michigan. If we do end up with climate change legislation, it can't have a negative economic impact on agriculture. We appreciate the fact that we have enjoyed an excellent working relationship with the Senator and her staff on this and many other issues related to our industry, and we look forward to continuing to work with them.

I think one of the most perplexing aspects of the climate change debate is the perception that modern agriculture has increased

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NMPF Calls On USDA to Finally Implement Promotion Assessment on Dairy Imports

NMPF has renewed its call for the U.S. Department of Agriculture (USDA) to finally implement the long-delayed promotion checkoff on dairy imports, seven years after the measure was first passed into law.

The USDA issued a Proposed Rule in May, and invited public comment on the measure, which was first written into law in the 2002 Farm Bill, and was later affirmed in the 2008 Farm Bill. But a year after the most recent Farm Bill was approved, the import assessment is still languishing. Now, some have called for a farmer referendum on the entire promotion checkoff in order to justify the assessment on imports.

“The history of efforts to implement the assessment is filled with denial, disinformation, and

delay,” said Jerry Kozak, President and CEO of NMPF. “All we have ever wanted is to have importers of foreign products pay to help promote the U.S. dairy market from which they benefit, the same as our farmers do. But importers continue to grasp at every straw they can to further impede the process.”

Kozak said that some comments submitted to USDA as part of its rulemaking process suggest that the department should hold a national farmer referendum before implementing the import assessment.

These comments argue that the promotion program approved in previous referenda is not the same program as will exist once USDA implements the import assessment. Other comments also

have expressed concern that state- and regionally-specific promotions, such as those administered by the Wisconsin Milk Marketing Board and the California Milk Advisory Board, may no longer be allowed if imports are assessed.

NMPF said such comments “are part of the continuing misinformation being spread to scuttle this initiative, and have no merit. There is no valid reason to conduct a lengthy and expensive referendum process that ultimately is paid for by our farmers,” Kozak said. “Given the extensive history behind implementing this import assessment, any referendum would only serve to further delay implementation since any referendum will most certainly pass.”

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its carbon footprint. We have removed 16 million head of cows from our country but produce 60 billion pounds more milk than we did over 65 years ago. We’ve lowered our carbon footprint by 40 percent on each gallon of milk, and we are not finished reducing our carbon footprint. We have the choice to select genetics that will yield cows with greater feed efficiencies and corn varieties with greater digestibility, and we have the knowledge of how to put it all together for more efficient milk production that lowers our carbon footprint even more.

Even though we have made great strides controlling GHG on our farms we can’t afford to ignore the movement toward greater regulation of our industry and our nation’s economy. We will stay involved to manage the best outcome possible for our members and the consumers who appreciate the value we provide with our nutrient dense dairy products.

If only we could manage to find a way to correct the price slump we are experiencing, I wouldn’t mind the long, cold winter and the four day long summer nearly as much!

Ken

NMPF Submits Joint Letter to White House Regarding Antibiotic Use on Farms

On August 14, NMPF joined a coalition of 19 other agricultural organizations to submit a letter to the White House urging the Obama Administration to consider the significant political and scientific complexity of the use of antibiotics on farms to prevent, treat, and control disease in food producing animals. The organizations, representing American food producers and the industries that serve them, asked for continuing discussion about the specifics of the issue and exploring what science-based, practical options were open to industry and the Food and Drug Administration (FDA).

No conclusive scientific studies have demonstrated that the use of antibiotics on farms contributes significantly to an increase in human resistance. A growing body of evidence shows just the opposite, namely the responsible, professional use of these products reduces pathogens in and on foods, enhancing animal welfare while not contributing to resistance.