

United States Senate

WASHINGTON, DC 20510

June 6, 2018

The Honorable Pat Roberts
Chairman
Senate Committee on Agriculture,
Nutrition and Forestry
328A Russell Senate Office Building
Washington, DC 20510

The Honorable Debbie Stabenow
Ranking Member
Senate Committee on Agriculture,
Nutrition and Forestry
328A Russell Senate Office Building
Washington, DC 20510

Dear Chairman Roberts and Ranking Member Stabenow:

Dairy farmers in Wisconsin are facing extremely challenging times, and I am writing to urge you to address these challenges through action in the Farm Bill. Family farms in Wisconsin face a storm of pressures from low prices, an oversupply of milk in the region, unfair trade barriers from Canada that have exacerbated existing challenges, and broader trade uncertainty. On top of all of this, the dairy industry has been without a working safety net until this year when Congress passed significant updates to the Margin Protection Program (MPP). I fought to secure these changes and they were an important step forward, but we must take further action in the Farm Bill so that family dairy farmers have meaningful risk management tools in tough times.

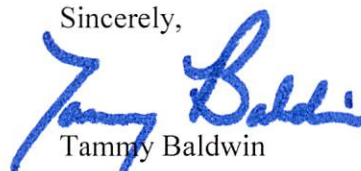
As you work to update the Margin Protection Program, I urge you to include changes that make the program work better for farmers. The program should better reflect the costs to produce that farmers face by offering options for farmers to secure higher margin coverage levels, and ensuring that meaningful coverage levels are affordable and a reasonable choice for most farmers. In addition, the program should provide an annual sign up option, rather than locking farmers in for multiple years.

Making these key advancements for dairy is crucial given that MPP has fallen short of its promise in the 2014 Farm Bill. This year's updates and re-enrollment period are providing farmers a better option and a new look at the program. As we look towards ongoing challenges in prices and markets, it is crucial that further progress delivers a program that further assists in times of low margins. Dairy farmers work hard to prepare for the ups and downs in the market, but they have very limited options to respond to rapid price changes, given the time and expense it takes to change production levels, and the perishability of their product. For this reason, a working safety net tool is critical to ensure that market dips do not threaten the future of these farms, which are the backbone of our rural economy.

Finally, I encourage you to ensure there are multiple tools available to dairy farmers to manage their risk. Crop insurance, the Livestock Gross Margin program and emerging dairy insurance options are all key tools that are useful to Wisconsin dairy farmers. Our dairy industry is diverse, and so are the needs of our dairy farmers. Ensuring a range of tools allows dairy farmers to choose what works best for their operation.

Thank you for your attention to the urgent issues facing our dairy farmers, agriculture economy, and rural communities.

Sincerely,



Tammy Baldwin
United States Senator