

Hears from Florida Dairy Farmer on Impact of Proposed Reforms

Washington, D.C. – U.S. Rep. Tom Rooney (FL-16), Chairman of the House Agriculture Subcommittee on Livestock, Dairy and Poultry, today held a subcommittee hearing to review dairy programs as part of a series of hearings to receive input from the agriculture community before the House Agriculture Committee begins drafting the 2012 Farm Bill.

“At our [dairy audit hearing](#) last fall, we got a sense for the inadequacy of some of our current dairy programs,” Rooney said. “We know that innovative ideas are needed in order to ensure our programs support our producers, facilitate product and market development, and continue to maintain the availability of safe, abundant, and affordable product for our consumers.

“While consensus is building around some of the reforms to dairy programs that we can implement in the Farm Bill, today’s hearing showed that some of these items remain controversial, and that’s why it’s critical that we understand how these new recommendations would work and what their impacts would be.”

Joe Wright, a third generation dairy farmer from Avon Park, Florida, testified at today’s hearing on the impact of proposed reforms on Florida’s dairy farmers. Mr. Wright is the President of V&W Farms, a family-owned farm, and President of Southeast Milk, Inc. His full statement is available [here](#).

###

Chairman Rooney’s Opening Statement

Good afternoon. I would like to welcome you all to this hearing on the 2012 farm bill. I’d like to extend my thanks to Ranking Member Cardoza for his help in preparing for this hearing and to all of the witnesses for their willingness to participate in this process. Today’s hearing, which will focus primarily on the dairy title of the next farm bill, is part of a series of hearings that the

House Agriculture Committee has convened both in Washington and around the country to receive input from the agricultural community on the future of U.S. farm policy.

As many of you are aware, last summer's deficit reduction legislation led to an effort by the leaders of the House and Senate Agriculture Committees to develop a plan to achieve significant budgetary savings while still maintaining a viable producer safety net. Although the Super-Committee was ultimately unsuccessful, the process of developing those recommendations did result in a great deal of dialogue and, to a certain extent, a framework by which we might begin debate on the next farm bill.

This was particularly significant for the dairy sector, as comprehensive reform legislation had been introduced prior to the deficit reduction process and has been under discussion and further development ever since.

To be clear, we are not considering specific legislation at today's hearing. That said, it is important to recognize that a tremendous amount of work has already been done within the dairy industry and will be extremely helpful as we move forward.

I commend those who have come to the table in a productive and cooperative manner to work toward solutions. At our dairy audit hearing last fall, we got a sense for the inadequacy of some of our current dairy programs. We know that innovative ideas are needed in order to ensure our programs support our producers, facilitate product and market development, and continue to maintain the availability of safe, abundant, and affordable product for our consumers. While consensus is certainly developing, we recognize that there remain important areas of disagreement that must still be addressed.

To facilitate this dialogue, we have asked Dr. Scott Brown of the Food and Agricultural Policy Research Institute to evaluate some of the key concepts that have been under consideration and report back to this Committee on the economic impacts of these policy options. We are pleased that Dr. Brown has completed his review and has made himself available this afternoon to present his work.

Among the concepts that Dr. Brown has had under review are:

- ONE, Repeal of the Dairy Product Price Support Program; Milk Income Loss Contract program; and Dairy Export Incentives Program;
- TWO, Establishment of a margin protection program that includes both a basic level of protection and a tiered, supplemental, premium-based insurance package; and
- THREE, Establishment of a supply management program that would be linked to voluntary participation in the margin protection program.

While we are aware that the first two points have a great deal of support within the industry, we understand that the third item remains controversial. As such, it is important to understand how this program would work and what its impact would be.

We understand that there are strong feelings on both sides of this issue and recognize that this is unlikely to be fully resolved with today's hearing. We would however encourage that the conversation today be respectful of the various points of view and seek if possible to provide common ground on which we can develop the next farm bill.

With that, I would yield to my Ranking Member, Mr. Cardoza for any comments he would like to make.

###