



Idaho Dairy

THE IDAHO DAIRY FOCUS IS BROUGHT TO YOU BY
IDAHO DAIRYMEN'S ASSOCIATION

focus

The Idaho Dairymen's Association (IDA) was established to continue to develop and sustain an economically viable Idaho Dairy Industry that works together to achieve success in the domestic and global marketplace in meeting the needs of the Idaho dairy farm families.

August 2010

VIEW FROM THE BOARDROOM

by Mike Roth

Extraordinary Times

These are extraordinary times in our lives as dairy farmers. I know a lot of you grew up in this industry and have been at this a long time. I don't think any of us have ever been under this kind of financial pressure. Our family has lost so much

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CONGRESSMAN WALT MINNICK



As someone who grew up on a family farm near Walla Walla, Washington, it is special honor to serve on the House Agricultural Committee. I have been deeply involved in the committee's work and, as a member of the Dairy Subcommittee, I have dedicated a great deal of time to studying issues of immediate concern to Idaho's dairies.

The Ag committee has a goal of making sure our nation's agricultural system is globally competitive. I know that this work is closely watched by Idaho's dairy producers who are suffering through extraordinary, hard times. Ironically, our agricultural programs tend to punish this state's dairies because they are so efficient at producing milk.

With passage of the last Farm Bill just two years behind us, the Ag committee is already focused on

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Idaho Dairy Producer and Allied Industry Meeting

See page 2 for more information

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Idaho Dairy Producer and Allied Industry Meeting

Please take the time to reserve your spot for an informational meeting on **Wednesday August 11th** covering dairy policy.

The current government dairy polices have failed in providing a safety net for dairymen; the outcome has been devastating to dairy producers, allied industries and our rural communities that rely on a healthy, robust dairy industry. How should the future polices be structured to protect the dairy industry and others that are dependent on it? Please join us at an informational meeting that brings individuals to you who will have an impact on those polices. Those individuals are:

- ◆ **Idaho Governor Butch Otter**
- ◆ **Jerry Kozak**, President and CEO National Milk Producers Federation. Jerry will be the first speaker and he will be presenting the NMPF plan "Foundation for the Future".
- ◆ **Charlie Garrison**, President of the Garrison Group, a Washington DC based Lobbying firm. Charlie will be covering "Washington DC Reality...What is needed to Successfully Craft Dairy Legislation in DC."
- ◆ **Patty Stroup**, Group Leader, Dairy, USA Nestles. Patty will present, "A Buyers/Processors Perspective on what Change is Needed Legislatively for Producers in Dairy Legislation."
- ◆ **Rob Aukerman**, President, U.S. Operations, Elanco Animal Health. Rob will present, "The Future in Feeding a Hungry World the Need for Technology."

When: Wednesday August 11, 2010

Location: Canyon Crest Event Center, 330 Canyon Crest Drive, Twin Falls Idaho.

Time: 9:00 – 2:30 – First speaker Jerry Kozak.

To make sure we have adequate food and the room accommodations **PLEASE RSVP** by phone at 208-733-6372 ext 102 or by e-mail to bob@wdb.us.

Thankswe look forward to seeing you at the meeting.

Class III & IV Prices Significantly above 2009

The USDA announced last week that the July Class III price is \$13.74 per hundredweight, which is 12 cents higher than June, and \$3.77 higher than July 2009. July's Class IV price is \$15.75, 30 cents higher than June, and \$5.60 more than a year ago.

Visit our website at:

www.idahodairymen.org

(Minnick—continued from page 1)

reviewing each title in the bill. As we work, we know that our nation's debt has climbed to dangerous heights and that it is essential to make the 2012 Farm Bill more efficient and more effective. Simply put: we must do more with less.

The Ag Committee is reaching out to producers. Over the past 18 months, we have held 17 hearings—11 in full Committee and six at the subcommittee level. We have heard testimony from 108 witnesses. Topics vary widely from how to expand foreign markets to how to make USDA programs more useful to producers—and we are considering ways to use USDA professionals to help keep the EPA off of farms. I have also met with numerous dairy producers in smaller groups during my frequent trips back to Idaho. These producers have made it clear to me that Idaho's dairies are in desperate times. I am committed to helping in any way I can.

Chairman Collin Peterson intends to have the next Farm Bill reauthorization ready for introduction early in the 112th Congress. I share his commitment to making sure farmers know as soon as possible what our nation's agricultural policy will be.

On the Dairy Subcommittee, we have held four hearings to investigate the condition of the dairy industry, three last July and one in April. Additionally, the Committee held a hearing to review the dairy title of the 2008 Farm Bill.

It is clear that programs that affect dairies need to be re-thought. Some ideas that may help include considering a system, not unlike crop insurance, that insures margins rather than prices—the current system, consisting of a patchwork of decades-old policy, has encouraged over-production which has exacerbated problems for farmers already facing high costs and low prices. Relying on politically expedient policies that distort the dairy markets and keep inefficient dairies in business aren't working. We must consider peeling back the many layers of out-dated, ineffective policy and consider cost-effective, market-oriented alternatives in the upcoming Farm Bill. Perhaps a more useful program for Idaho dairies would be tied to basic costs rather than commodity prices.

Rest assured, Bob Naerebout, Executive Director of the Idaho Dairymen's Association, is working closely with my office in the interest of Idaho dairies.

We have also made sure the Ag Committee hears firsthand from Idaho dairy producers. With Chairman Peterson's help, I brought a bipartisan group of Members to Idaho to hear from Idaho producers. **Adrian Boer** honored us with his thoughtful testimony. His insights were well received by the Committee and will help shape farm policy. The Committee members took some Idaho wisdom back to Washington.

Part of the testimony that day dealt with the role that foreign-born laborers play in the agricultural work force. Needless to say, it is an issue very important to producers from many agricultural sectors. The problem is urgent, and it is high-time the federal government deal with immigration policy and help assure that producers have access to workers that agricultural industries consider essential for success.

I want to thank Idaho's dairy industry for its active involvement in helping craft sound national policy. I always want to hear new ideas and work toward a brighter future for our state and our nation. Idaho's dairy producers can also be confident that they will be intimately involved in crafting programs that work for Idaho's dairies.

Art Lee Leaves UDI Board *by Mike Roth*

One of the best, most committed and respected UDI board members has just ended his tenure on the UDI board. Art Lee from New Plymouth was Co-chair of UDI and Chair of the Idaho Dairy Products Commission. Art and his wife Freda will be missed but will still be present at our annual meetings so take the time to thank Art for his service to all Idaho dairymen. Art's strengths are his integrity and unselfishness to make decisions that benefit small and large dairymen. We will miss Art in the boardroom for his sense of humor and intelligence. He truly epitomizes what makes Idaho the great state it is. Thank-you Art!!

(Extraordinary Times—Continued from page 1)

equity in twenty months it will take years to recover. We remain as optimistic as we can and look forward to price recovery and being able to pay bills on time and make a profit.

In the near future, dairymen around the US will be asked to make decisions on various milk pricing mechanisms to add stability to the dairy markets. The UDI board will be holding meetings and watching this closely so that our interests as Idaho dairymen will be protected. All input from you is appreciated. The first meeting will be held August 11, 2010; see the meeting agenda on page 2.

Never has the disconnect between producer and processor been so evident. There is currently more processing capacity in Idaho than there is milk and consequently, processors are paying more for producer's milk than they are used to in the form of quality bonuses and other compensation. This happened when High Desert Group and Idaho Milk Products built their plants and took milk away from other Magic Valley processors.

Competition for milk is a good thing and helps producers, but at the end of the day, both the producer and processor must make money to be sustainable long term. In 2009 and half way into 2010, dairymen have lost a lot of money and the processors made, I would assume, nice profits. This is America and capitalism is OK but it's not OK for us to be paid so little for our product and watch processors flourish. That scenario is changing and dairymen are taking more control of their own destiny because "necessity is the mother of invention". New ideas and plans will come out of this industry like we have never seen before.

The group representing processors, the International Dairy Food Association (IDFA), is solidly against supply management and their President and CEO Connie Tipton is not afraid to say so. Lots of milk and over supply is a recipe for low milk prices. The dairy industry, through National Milk Producers Federation program Cooperatives Working Together (CWT) tried to voluntarily control the balance of the supply/demand equation but the scope of the current imbalance

coupled with a slow economic recovery and declining participation in CWT leaves the future of CWT in question.

Will mandatory supply management be our future?

We will see.

Study Claims Conventional Ag Limits Greenhouse Gas

By DAVID MERCER
(Associated Press, IL)

Advances in conventional agriculture have dramatically slowed the flow of greenhouse gases into the atmosphere, in part by allowing farmers to grow more food to meet world demand without plowing up vast tracts of land, a study by three Stanford University researchers has found.

The study, which has been embraced by many agricultural groups but criticized by some environmentalists, found that improvements in technology, plant varieties and other advances enabled farmers to grow more without a big increase in greenhouse gas releases. Much of the credit goes to eliminating the need to plow more land to plant additional crops.

The study's authors said they aren't claiming modern, high-production agriculture is without problems, including the potential for soil degradation through intense cultivation and fertilizer runoff that can contaminate fresh water.

"In this one way that we've looked at, which is the climate impact, it's pretty obviously been a good thing," said Steven Davis, a geologist at the Carnegie Institution at Stanford who worked on the study. "There's very clearly other negative impacts of modern agriculture."

The study, published in June in the Proceedings of the National Academy of Sciences, has been embraced by the agriculture industry as proof that some of environmentalists' complaints are off the mark.

"It's actually something that I've been saying for quite some time," said Leon Corzine, 60, an Assumption, Ill.,

corn farmer and past president of the National Corn Growers Association. "We really need to talk more about the environmental benefits. The new practices that we do, the new tools in the tool box, whether it's seed or equipment - our efficiency gains are really kind of dramatic."

But some environmentalists said the study is flawed, arguing it's based on unrealistic scenarios of what would have happened if yields hadn't increased during the study period. The yield is the amount of a crop grown per acre.

Bill Freese, a chemist with the Washington, D.C.-based Center For Food Safety, questioned the researchers' motives.

"I get the sense that, just reading this, that their purpose here is to provide some kind of justification for industrial agriculture," said Freese, whose group promotes organic agriculture.

The study, Davis said, began with conversations between the authors about whether organic agriculture could feed the world and whether traditional agriculture deserved the "black eye" it often gets from advocates of green farming.

The other authors are Jennifer Burney, a physicist who focuses on energy and food security research at Stanford's Program on Food Security and the Environment, and David Lobell, an assistant professor of environmental earth science at Stanford who has studied the effects of food and biofuel production on the environment.

The three decided to look at the impact of agriculture on greenhouse gases - carbon dioxide, methane and nitrous oxide. Agriculture accounts for about 12 percent of greenhouse gas emissions generated by human activity.

The cost of their research was covered by Stanford and NASA.

The researchers set up hypothetical models in which the world's growing population was fed by cultivating ever more land. Those models were then compared with actual agricultural production between 1961 and 2005.

Yields for major crops like corn and soybeans have increased dramatically over the study period. Midwestern corn farmers, for instance, now average well over 160 bushels an acre. That's roughly double what they produced in the early 1960s, according to U.S. Department of Agriculture statistics.

Without those increases, it would have taken an additional 4.35 billion acres to feed the world, according to the study. The cultivation of that land - including the release of carbon in the soil and burning of brush and trees that covered it - would have released an additional 317 billion to 590 billion tons of greenhouse gases, the authors wrote.

The study concluded that those who fund agricultural research need to focus on improving crop yields - an area in which none of the authors work - to limit greenhouse gas emissions.

Although he supports increasing yields, Freese argued that the study overlooked organic agriculture and its ability to compete with traditional farming.

"When you convert from a conventional system, the first few years you do have lower yields because you need to build the soil up," he said. "After three to five years, when you build up the organic content, you see yields going up."

Craig Cox, of the Washington, D.C.-based Environmental Working Group, said he was disappointed the study didn't offer more recommendations.

"Of course higher yields are a good thing," Cox said. "The real question is, how do we get higher yields without a lot of other serious consequences that our agricultural intensification has produced?"

Corzine, the Illinois farmer, acknowledged the limits of the study's claims but said it could be a useful tool for farmers like himself to help teach Americans a little bit about how their food is produced.

"They don't understand or don't really know what goes on the farm," he said. "Rather than just me tell my story, to have it backed up by someone at Stanford is really helpful." 8-02-10

EU Somatic Cell Count Situation *by NMPF*

US government staff met in early July with European Union (EU) authorities to discuss the EU's somatic cell count (SCC) certification requirements. The meeting yielded some positive information, but much work remains. Although the basic EU SCC requirements remain unchanged, the time period for implementation of a revised SCC certificate program in the US has been extended. Specifically, the US will not have to put in place a new SCC testing and certification program by Dec. 1, 2010 (the date on which the new EU dairy certificate takes effect). Rather, if changes to our SCC certification program are ultimately agreed upon by the US government and industry, the US would have additional time to develop and implement a revised certification program. The current anticipated steps for this are as follows, should the US dairy industry agree to continue pursuing this avenue for ensuring that the market remains open:

- ◆ The Food and Drug Administration has written to their EU counterpart agency to confirm key elements of the discussion held in July on this issue.
- ◆ After receiving the EU's response, it is expected that the US government will work closely with the US industry to develop a new implementation program and propose a revised certification system. The development by the US government and dairy industry of a workable program has been a core NMPF priority throughout this process.
- ◆ This program would be made public for comment.
- ◆ After the comment period and evaluation of input from the dairy industry, a final proposal would be released.
- ◆ Following an industry educational period, the new program would then be put in place. No collection of data prior to the effective date of the new program is anticipated.

New information continues to come to light about the many ways in which EU countries allow their producers to undermine the stated intent of the EU regulations to maintain somatic cell count levels less than 400,000. NMPF continues to explore these reports in order to ensure that US dairy producers are not held to a higher standard than EU dairy producers with respect to this requirement, particularly given the complete lack of scientific or trade justification for the necessary imposition of a 400,000 SCC limit on individual dairy farms.

By way of background, as members may recall, over the past 13 years that the US-EU dairy certification program has been in existence, exporters have been permitted to sample milk at the comingled (i.e. tank or silo) level to provide assurance that the milk being processed for export is under 400,000 SCC/mL. However, the EU's requirements would in the future impose on-farm testing, coupled with various flexibilities.

We Want to Know more about health event record-keeping and evaluation on your dairies.

Washington State University's Veterinary Medicine Extension will be surveying dairy farmers and veterinarians to learn more about how disease and treatment data are recorded, used and valued. Our on-line survey is now available for **dairy farmers** in Washington and Idaho at www.opinion.wsu.edu/dairy . You will need to use the unique **access code** provided to you in our recent mailings to you regarding this study. If you did not receive a mailing from us, or cannot locate your mailing, you can request an access code by calling the Social and Economic Sciences Research Center (SESRC) at 1-800-833-0867 and refer to the "Dairy Producer Survey" (or email Rose Krebill-Prather at krebill@wsu.edu). Your participation will **help us better serve the dairy industry through the development of more efficient health data record-keeping and evaluation options**. For more information about the study please contact Sandy Poisson (509-335-8225 or spoisson@vetmed.wsu.edu) or Dr. John Wenz (509-335-0773 or jrwenz@vetmed.wsu.edu).

Information from National Milk Producers Federation (NMPF)

The Idaho Dairymen's Association is an associate member of NMPF. As staff and board members we serve on their Environmental and Immigration Task Force Committees. NMPF is the "Voice" for dairy producers on critical issues being addressed in Washington DC.

National Air Emissions Study (NAEMS), is a multi-year research effort to assess the levels of air pollutant emissions from animal operations, including dairies. National Air Emissions Study (NAEMS) data collection had been completed and will be transmitted to the U.S. Environmental Protection Agency (EPA) in the coming months.

NMPF has received confirmation that Purdue University will submit the NAEMS data to EPA over the course of the next few weeks. With over 24 months of continuous data from multiple farms, it is simply taking longer than anticipated to compile all of the data.

EPA will spend the next 18 months reviewing the data and developing a model(s) that can be used to estimate on-farm air pollutant emissions in comparison to existing legal thresholds established under the Clean Air Act.

The EPA is required by law to regulate farming operations, but - at this point - we still do not expect the results of NAEMS to result in broadly-applied remediation requirements on farms. It is possible that CAFO-sized operations may face additional reporting requirements, but it is too early to speculate on how exactly EPA will treat these farms after its data review process ends in December 2011.

Food Producers of Idaho Endorses Governor C. L. "Butch" Otter

Food Producers of Idaho, an association representing over forty different farm organizations and commodity groups in Idaho, has voted to support and endorse the re-election of Governor C. L. "Butch" Otter.

Food Producers of Idaho was formed in the mid-1960s in an effort to develop a united voice for Idaho agriculture. Food Producers Executive Director Rick Waitley stated that the endorsement is not something routine for the organization. Waitley added, "It has been nearly 20 years since Food Producers endorsed a candidate for election - the last time was for a national position."

"It takes a unique individual, a unique situation and a united front for Food Producers to make a decision like this," Executive Director Waitley added.

Governor Otter addressed the Food Producers membership at their meeting on July 14. At that time, the Governor reported on his recent trade mission to China, the impact China contacts potentially have on Idaho agriculture products, and the importance of technology in the development of agriculture practices we use today.

Food Producers of Idaho members have worked closely with the Governor, his staff and agency heads on a number of important issues for the agriculture industry. Conservation, water, field burning, land use, animal rights, transportation and environmental concerns are just a few. Executive Director Rick Waitley stated, "The members of the organization feel that Governor Otter has maintained an aggressive approach to financial concerns for the state in recent months, recognizing the important role agriculture plays in stabilizing our state's economy. The Governor has always maintained an open door policy for Idaho agriculture leaders to interact and share ideas and concerns of importance to the State of Idaho."

Darigold Announces Merger

SEATTLE, WA. – Northwest Dairy Association (NDA) and its marketing subsidiary, Darigold, Inc., announced today that it will be combining its respective business operations with the Montana dairy cooperative Country Classic Dairies (CC). Under the agreement, current CC members will become part of the larger cooperative, NDA. Country Classic's sales and marketing, along with its plant operation, will be incorporated into Darigold, Inc. Members of both cooperatives have approved the merger.

The two entities have a long cooperative working relationship as Country Classic at one time used the trademark name "Darigold" to market its products. Formed in 1932 under the name of "Gallatin Valley Creamery Cooperative," Country Classic began by processing cream into butter in Bozeman, Montana. Today, the 33 members who make up Country Classic Dairies (CC) produce between 13 and 14 million pounds of milk per month, representing approximately 55% of Montana's milk supply. CC currently processes milk at its facility in Bozeman, Montana, which will now become a Darigold processing plant producing the Darigold label.

"Combining the two business operations, especially given the historical relationship between the two cooperatives, will benefit all parties involved. We will be able to provide our new Montana member-owners with a secure market for their milk while maximizing its value." says Northwest Dairy Association's President & CEO John Underwood. Headquartered in Seattle, Northwest Dairy Association (NDA) is a milk marketing cooperative, owned by more than 500 dairy producers. NDA members ship 7.2 billion pounds of milk annually from farms in Washington, Oregon, Idaho, Northern California, Utah and now Montana.

Darigold, Inc. is the marketing and processing subsidiary of the Northwest Dairy Association. Darigold, Inc. produces a full line of dairy-based products for retail, foodservice, commodity and specialty markets and is one of the largest U.S. dairy processors. Darigold, Inc. operates 12 processing plants throughout the Northwest to serve its dairy farm families.

Immigration Reform and Politics – Pieces of Information from National Media

Immigrant rights groups adjust focus to passage of AgJobs, Dream Act

By Krissah Thompson
Washington Post, DC

Some immigrant rights groups are shifting the strategy in their so-far unsuccessful push to overhaul immigration law: They're calling the new tactic the "down payment" approach.

"We are aware that the clock is running out, and there are no guarantees that a Congress that is supportive of immigration reform will be returned in November," said Antonio Gonzales, president of the William C. Velásquez Institute, a Latino public policy group. "We took a deep breath and said, 'Okay, we need a Plan B.'

That plan centers on lobbying hard for the passage of two bills: AgJobs and the Dream Act. AgJobs is a compromise between farmworker unions and agriculture business groups, which was negotiated more than five years ago and is intended to provide legal farm labor

and protect the rights of immigrant workers. The Dream Act would give some undocumented students the ability to apply for permanent residency. Both bills have had Republican support in the past.

There is also a sense among the immigrant rights groups that advocates of tougher immigration enforcement are having more success. In an effort to convince Republicans to support comprehensive immigration reform, Obama has instructed the Immigration and Customs Enforcement agency to "to make our national laws actually work," as he put it in a speech this month at American University.

The agency expects to deport about 400,000 people this fiscal year, nearly 10 percent more than the Bush administration's 2008 total and 25 percent more than were deported in 2007. The pace of company audits has roughly quadrupled since President George W. Bush's final year in office. 7-27-10

For more immigration information pieces see page 10.



www.downesoneill.com - *www.dairy.nu*
Bring Profits Home as Milk Prices Rise

By Dave Kurzawski

Class III futures market has now shrugged off two major government reports – (1) The June Milk Production up 2.4 percent nationwide and (2) the June Cold Storage report showed over a billion pounds of cheese was in storage at the end of June. Anytime a market receives bearish information and maintains good support or moves higher – as cheese and class III futures have done – you have the makings of a bull market.

There is never one reason for strength in a commodity market and milk is no different. July heat combined with strong cream demand and a second quarter recovery in fresh cheese demand are a few valid indicators of futures price strength. We expect spot cheese prices to continue its run higher in the short term with its next likely test at \$1.72, the 2009 high posted on December 3.

Overall, the support in the dairy complex has – or eventually will – provide opportunities to market milk into the future at profitable levels. While we never disagree with dairymen locking in profits when they can on a percentage of their milk, we expect there is more room to the upside on both cheese and Class III/Class IV milk. So educate yourself now on the tools available.

If you decide to hedge using futures in Chicago you will have 3 costs. First is the margin to hold the position for a period of time. The current margin for milk is \$800 and you know you are not lucky enough to sell the high so you will be guaranteed to have additional margin calls.

Let's say you sell 1 million pounds of January to June Class III milk futures at a \$15.00 average (if that were a profitable level). And let's say that futures prices rise by another \$1.00/cwt. Assuming you maintain all positions, you would have to finance \$24,000 in initial margin plus an additional \$120,000 in unrealized hedge losses. At 6% interest for 6 months that would be \$4,320 in added interest expense to the dairy. Of course, you just sold 6 million pounds of milk at a profitable level.

The second cost will be the commission to do the transaction. Most consultants and brokers will charge 2 cents per hundredweight, round-turn (0.01/cwt when you sell and 0.01/cwt when you offset the sold position at a later date). Using this example, you might expect to pay \$1,200.00 in commissions. Any more than this is excessive.

The third cost is perhaps the most critical and should not be overlooked. The third cost is emotional.

Some dairy producers have a real hard time holding a short position on the futures. They hate margin calls and it messes with their head. I have had customers with 10% of their milk sold praying prices go down because they don't want to write another margin check. It makes no sense from a financial standpoint, but in their gut they want to win in Chicago.

If you have made a few margin calls for milk as a real hedge and they bother you, use your buyer's program (if they have one). Or buy Put Options to secure a floor price without the unlimited risk of futures. Life is too short to do anything that brings you more stress. If you can look at margin calls as increased interest expense and your finances can handle it, hedge part of your milk yourself using futures.

More Immigration Information Pieces

IMMIGRATION

By John Stanton
Roll Call Staff

Senate Majority Leader Harry Reid won't pursue comprehensive immigration reform this year because of a lack of GOP support and will instead explore the possibility of pushing through a narrower set of reforms this fall, Democratic aides said Tuesday.

Although the Nevada Democrat remains committed to a comprehensive bill, political realities in the Senate have forced his hand, Reid spokesman Jim Manley said. In the meantime, he is exploring whether he can pass smaller legislation, such as AgJOBS or the DREAM Act, of which he is an original co-sponsor and longtime supporter," Manley said.

"However, Republican support and 60 votes is still needed to address any aspects of our broken immigration system this year," he added.

Sen. Dick Lugar (Ind.) is the sole Republican sponsor of both the AgJOBS and DREAM acts, and if Reid can persuade all 59 Democrats in the Senate to vote for the bills, he could break any GOP filibuster of the measures.

In the fight over Arizona's immigration law, everybody loses

By Roberto Suro
Washington Post

Arizona's immigration law was never going to solve the problem of illegal immigration. That is not its purpose. Instead it is an invitation to a shootout in which there will be no winners. It is more of a provocation than an attempt to enact policy, and as a protest against Washington's failure to fix a broken immigration system, it resonates.

A preliminary injunction issued by U.S. District Judge Susan R. Bolton on Wednesday [halted several major parts of the law](#), but it really did nothing more than set the terms for more litigation. A tortured path to the

U.S. Supreme Court seems likely, though even the nine justices won't be able to settle the heart of the matter. If Arizona ultimately wins in court, states could end up obliged to fashion their own immigration controls. If the federal government wins, President Obama could find himself running for reelection on a devilish issue he has done his best to avoid.

The authors of Arizona's SB 1070 set out to accomplish two main goals: They wanted to attack legal precedents that have given the federal government almost total say over immigration matters since the 1890s under a doctrine known as "preemption." They argue that Washington has failed to control illegal migration, so states should have a chance. They also wanted national attention for their solution: a strategy they call "attrition through enforcement." The idea is that if illegal immigrants constantly fear arrest by state and local cops, they'll leave the country on their own. By promising a crackdown in defiance of Washington, Arizona achieved both objectives as soon as the law became a national controversy this spring.

Nearly two dozen state governments have contemplated copycat measures, and support for Arizona has become an article of faith for Republicans on the campaign trail. Democrats are scrambling. That makes sense given the public opinion polls showing broad agreement with the Arizona law and its get-tough approach. A [Pew survey in June](#), for example, found that a solid majority of the public (64 percent) approves of the law, with its requirement that police verify the immigration status of anyone they stop if they suspect that the person is in the country illegally.

Perhaps more than other issues, immigration requires balancing multiple interests and objectives: satisfying both employers and workers, being both fair and strict, for example. As a result, public opinion can seem ambivalent. The [same Pew survey](#) that found backing for Arizona also showed that more than two-thirds of Americans (68 percent) support a path to citizenship for illegal migrants who pass background checks, pay fines and have jobs. That's not much different than other Pew surveys going back before the recession. Indeed, a majority has been saying for several years that it wants to see illegal immigration brought under control, but not with harsh measures.

Through its lawsuit, the Obama administration has in effect said, "Immigration is a federal issue; let us, not the states, handle it." If the Supreme Court agrees, Obama will be morally and politically obliged to move aggressively on a matter he has avoided.

Repeated enforcement actions by Washington over the past 20 years have not cut the size of the undocumented population. Illegal flows have followed the ups and downs of the unemployment rate, not the pace of factory raids.

Regardless of how the court battle is resolved, the Arizona law's likely legacy is a focus on enforcement in the next round of policymaking, plus long arguments over the role of state and local cops. Effective enforcement that deters illegal immigration is essential, but it may be easier to achieve as an outcome rather than a starting point. This is not a semantic difference. Enforcement has been the starting point for almost every immigration debate over the past 30 years, and look where that's gotten us.

We need to manage immigration as part of our relations with sending countries such as Mexico, and we need to be deliberate about its impact on our national identity. Then it isn't just a matter of deciding who gets into the country. It requires a broader view, starting with the causes of migration and stretching to policies that help migrants and their children integrate into our society. Do this with an efficient bureaucracy,

and such policies could reduce the incentives behind illegal flows, easing the enforcement challenge.

The relentless focus on catching people who aren't supposed to be here is bad enough; a long marshals-vs.-sheriffs shootout is a dangerous distraction. No matter what kind of new immigration system you want to build, lawsuits over who handles traffic stops won't get you very far.

Trans-Pacific Partnership (TPP) Free Trade Agreement *by NMPF*

Your Members of Congress will be at home this month, which offers the perfect opportunity to address with them issues of major concern to you. Naturally we recognize that the continual financial pressures on dairy producers remain top of mind for many. NMPF urges you, however, to also use this opportunity to reiterate your strong opposition to the inclusion of U.S.-New Zealand dairy trade in the Trans-Pacific Partnership (TPP) Free Trade Agreement.

Talks on this TPP trade agreement continue to move forward rapidly. USTR is negotiating again with the TPP countries in mid-August and could be making decisions about the structure of the agreement that would negatively impact our ability to get the type of outcome dairy producers so urgently need in order to fully address our concerns with dairy imports from New Zealand.

SAVE THE DATE August 23-27, 2011

It is a year away but the available spaces will fill fast for the TEAM CON PAULOS "I Like Milk" Charitable Fishing Derby, the official United Dairymen of Idaho fishing derby.

To reserve your spot for the ultimate Inland Passage fishing experience contact Roberta at North King Lodge at 1-800-253-3783. For more details go to our website; www.Idahodairymen.org





IDAHO DAIRYMEN'S ASSOCIATION

1182 Eastland Drive North

Suite A

Twin Falls, Idaho 83301

Upcoming Meetings

- August 11 Producer Meeting—Twin Falls, ID
- August 18 Resolution Committee Meeting—Twin Falls, ID
- September 16 Industry Relations & IDEAL Board of Managers Mtg—Twin Falls, ID
- October 25-28 DMI/NMPF Annual Meeting—Reno, NV
- November 9 UDI Board Meeting—Boise, ID
- November 10-11 UDI Annual Meeting—Boise, ID

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