



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.

September 2011

Idaho Dairy Producers Deserve the Opportunity to Thrive

By Congressman Mike Simpson

As the Congressman representing the third largest dairy-producing district in the United States, and as a co-chair of the Congressional Dairy Caucus in the U.S. House of Representatives, the economic well-being of the dairy industry is one of my primary considerations. I greatly value the cooperative relationship I have built with you, the members of the Idaho Dairymen's Association, over the years. I appreciate your input and expertise, and I frequently solicit your counsel when it comes to matters affecting one of Idaho's most valuable industries. I hope that you feel you have an "open door" policy with me, and my staff, as we continue an amicable and productive dialogue on dairy issues during the 112th Congress.

I have held deep concern for the dairy market since 2008 when prices collapsed and the export market declined substantially. High production costs left the Idaho dairy industry facing a dire situation, and far too many U.S. dairy farmers have exited the dairy business since 2009. While milk prices have recovered

since 2009, feed prices have remained high and many farmers remain in precarious financial situations. As dairy farmers nationwide continue to struggle with the aftermath of the 2009 dairy crisis, it is apparent that the existing government dairy programs are not working. Reform of these programs must come sooner, rather than later.

Recognizing that the status quo will simply not allow for optimization of the dairy industry in Idaho, I have joined U.S. House Agriculture Committee Ranking Member Collin Peterson (D-MN) in an effort to reform dairy programs. I am pleased to be the lead Republican proponent of



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Idaho - "The Wild, Wild West" - What is Happening to Idaho Dairymen?

By IDA President, Mike Roth

The answer to what is happening to Idaho Dairymen seems relatively clear to me. We are faced once again with record high feed costs primarily due to ethanol and Idaho farmers' options on what to plant when it come to potatoes, beets, grains, beans and so forth. The Idaho farmer has options other than our main feed-stuffs, hay and corn silage. With reduced acreage of hay and silage and alfalfa hay moving to other states for domestic as well as international exports, our feed price is approaching \$8.00 per

cow per day on high producing cows. Several months of \$20.00 milk is not enough to heal the Idaho dairy industry. Idaho dairy producers need a long sustained period of a fair milk price which reflects our cost of production plus a margin. I am not so naive to think that just because you're a dairyman you deserve a profit. I believe in Idaho we must protest for higher milk prices and support changes in national milk policies whatever that means or

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IDA Contracts with the Garrison Group

The Idaho Dairymen's Association (IDA) Board of Directors has contracted with Charlie Garrison of the Garrison Group, a Washington DC based lobbying firm. Recognizing the impact that national policy has on the Idaho dairy industry and the important legislation that will be proposed going into the Farm Bill debate, the Board saw value in having assistance based in Washington DC. The IDA Board has engaged Charlie to assist IDA staff with our efforts in Washington DC on dairy issues this year, with his primary focus on immigration.



Charlie is no stranger to Idaho. IDA has worked him multiple times in both, Annual Meetings and District Meetings as a political and educational speaker. **You will be able to hear Charlie this year during the IDA Business Meeting at the United Dairymen of Idaho's Annual Meeting. He will be speaking the afternoon of November 9th.**

Charlie is also no stranger to agriculture or the dairy industry. He was born and raised on a central Indiana dairy and row crop farm. He received a Bachelor's Degree in Animal Science from Purdue University and then was a partner in the family farm for ten years. During that time he was elected Vice-President of the Indiana Holstein Association and was selected as a participant in the Indiana Agriculture Leadership Program.

Charlie then accepted a staff position in Chicago with the Beef Industry Council, the checkoff-funded promotion and research arm of the beef industry that is now part of the National Cattlemen's Beef Association. While in Chicago he attended the Kellogg Graduate School of Management at Northwestern University.

Next, Charlie moved to Washington, D.C. to create the position of Director of Industry Relations for the National Dairy Promotion and Research Board. He remained in that role during and after the merger of the National Dairy Board staff and programs into Dairy Management Incorporated (DMI).

In 1997, Charlie launched The Garrison Group, a Washington, D.C.-based public affairs firm specializing in food, agriculture and energy communications and policy. His clients have included

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UDI Resolutions Committee Meets

In preparation for the upcoming Annual Meeting the UDI Resolutions Committee met on August 30, 2011 to review all of our current policy positions. The committee does not have any proposed additions or deletions from our current policy. At the meeting we had a 100% attendance from your elected Resolution Committee members. If you have any questions or suggestions you can call Bob at 208-733-6372 ext 102 or call the Resolution Committee Member in your District.

Lou Murgoitio – Committee Chairman

District I

Rudi DeWinkle
Don Heida
Glenn VanderWoude

District II

Andrew Jarvis
Edwin Southfield
Arie VanStraalen

District III

Greg Anderson
Jenifer Jenson
Mike Loveland

2011 IDA Board & Resolutions Elections

The ballots have been mailed out to all of the Idaho Dairymen's Association Districts for the 2011 elections. **The returned ballots must be postmarked by October 1, 2011 to be valid.** Those running by District are:

For IDA Board Seat

District I (one seat)

Lou Murgoitio – Incumbent
Glen VanderWoude
Pete Doornenbal

District II (two seats)

Willie Bokma – Incumbent
Tony VanderHulst – Incumbent
Tony Dewit
Eric Evans

District III (one seat)

Lon Tueller – Incumbent
Greg Anderson
Alan Swainston

For Resolution Committee

District I

Rudi Winkle – Incumbent

District II

Andrew Jarvis – Incumbent
Joe Demello

District III

Mike Loveland - Incumbent
Alan Reed
Robert Hull



NMPF Board Advocates Changes to Peterson-Simpson Dairy Policy Reform Package



The National Milk Producers Federation's Board of Directors voted September 21st in favor of a revised approach to reforming federal dairy policy, with the key change of allowing farmers an individual choice between receiving the financial protection of a government safety net, or opting out of such protection. Below is a side by side outline of the changes. For more information please visit National Milk's website www.nmpf.org.

Program	Current Provision	Approved Change
Dairy Producer Margin Protection Program	Basic plan covers 75% of production history on margin below \$4.00	Basic plan covers 80% of production history on \$0.00 up to \$4.00 margin
	Supplemental plan covers up to 90% of production history. Premium rate per cwt. fixed.	Supplemental plan covers up to 90% of production history with growth coverage option. Premium rate per cwt. fixed.
	No production growth is covered in either Basic or Supplemental plans.	Growth coverage is optional under Supplemental plan. Percent of production history covered, coverage per cwt. and premium rate per cwt. are fixed. Production history would change as the producer's production grows.
	Production history fixed for length of farm bill on both the Basic and Supplemental (if selected) plans.	Production history fixed for Basic plan. Production history is updated annually if growth option selected under Supplemental plan.
	No administrative fee	Annual administrative fee required: Less than 10 million pounds = \$50 10 to 40 million pounds = \$200 Over 40 million pounds = \$500
Dairy Market Stabilization Program	Mandatory, covers all dairy farmers. Requires that 50% of monies collected go to the Treasury.	Only applies to farmers choosing to be protected by DPMPP. All monies collected go to purchase dairy products.
	If either U.S. NASS cheddar cheese price or NFDN price is 20% or more above World (Oceania) price for two consecutive months, DMSP program is suspended unless the margin is below \$4.00.	When the margin is \$6 or less and NASS cheddar or NFDN price is equal to or higher than the FOB Oceania price for 2 consecutive months, DMSP is suspended; or \$5 or less and NASS cheddar or NFDN price is 10% higher than the FOB Oceania price for 2 consecutive months, DMSP is suspended; or \$4 or less and NASS cheddar or NFDN price is 20% higher than the FOB Oceania price for 2 consecutive months, DMSP is suspended.
Federal Milk Marketing Order Reform	Specifies language that replaces or adds to existing federal order language, reducing 4 classes to 2: Class I = fluid; Class II = all manufactured products. Specifies a competitive pricing methodology and how specific proceeds are pooled and distributed.	Replace the use of end-product price formulas, including make allowances, with a competitive price for determining Class III milk prices, all other pricing provisions of current system remain unchanged. Only allow the hearing to consider this amendment through an expedited process which specifies that after USDA makes its decision, a majority vote by producers will put the changes into effect. If the changes are not approved, the current provisions remain in place. Maintains requirement to hold balancing hearing in an order if petitioned.

UDI Awards Scholarships to Dairy Farm Family Students

This year the United Dairymen of Idaho (UDI) established a scholarship program for students of Idaho's dairy farm operations. Originally intending to award seven (7) \$1,500 scholarships the program expanded to 15 awards because of the overwhelming number of applications received. Funding for the scholarships came from both the Idaho Dairymen's Association and the Idaho Dairy Products Commission. The program was proposed by Board member Sherman Toone from Grace, Idaho.

With over 50 applications, the process of narrowing down the finalists was difficult and we greatly appreciate the efforts of the committee members. From the UDI Board, Lou Murgoitio from District I, Willie Bokma from District II and Sherman Toone, Chairmen of the Committee from District III. Additionally Dr. Mireille Chahine from the University of Idaho Extension and dairy consultant Bob Ohlensehlen served on the committee.

Those receiving awards in 2011 were:

- Billy Arriaga, Parents - Rick and Lynn - College of Southern Idaho
- Charisse DeVries, Parents - Curtis and Cynthia - . Seattle Pacific University
- Katylyn DeVries, Parents - Gregory and Julie - Whitworth University
- Jeremiah McKell Funk, Parents - David and Shirlene - Univ of Texas Health Science Center- Houston
- Jacob Harris, Parents - Nils and Becky - Brigham Young University – Idaho
- Morgan Hubsmith, Parents - Rod and Kaysi - Idaho State University
- Kilee Lehman, Parents - Russel and Lauri - College of Southern Idaho
- Adam Machado, Parents - Matt and Jacqueline - University of Idaho
- Elizabeth Russell, Parents - Steve and Claudia - University of Idaho
- Michael Siegersma, Parents - Mike and Wendy - Carroll College
- Nolan Stouder, Parents - Gary and Charleen - Point Loma Nazarene University
- Katelin Taber-Barth, Parents - Chris Taber Karla Barth - University of Mary Hardin-Baylor
- Kaitlin Troost, Parents - Greg and Joyce - Dordt College

- Andrea Annie VanderWoude, Parents George and Bridget -University of Idaho

- Danielle Yett, Parents - Dan and Fran - Providence Christian College

Nitrate Concerns in ESPA

Recent allegations that the dairy industry was responsible for increased nitrate levels in ground water in the Eastern Snake Plain Aquifer (ESPA) were addressed at the Idaho Department of Environmental Quality (DEQ) July Board meeting by IDA staff, IDA legal counsel and Mike Backe a consultant retained by IDA. The DEQ board assured the industry that it wasn't being targeted, although a study prepared by the DEQ makes it difficult to believe that anyone reading the material would come to that conclusion.

IDA, submitted material prepared by Mike Backe utilizing water samples from Idaho State Department of Agriculture, the Idaho Department of Water Resources and the DEQ. By utilizing the agencies own water quality samples it was shown that the nitrate elevations was not a ESPA wide issue but mainly concentrated in a few "hot spots" along the Snake River Canyon rim. In addition it was pointed out that none of the information gathered from analysis of those samples could definitively point to animal agriculture as the source of the elevated nitrate levels.

There are obviously reasons to be concerned with the specific locations with elevated nitrate levels. Those concerns would include identifying and isolating the sources of the nitrates. If the dairy industry is responsible for a portion of the elevated levels, we will, as demonstrated before with other issues, develop a solution and mitigate the problem.

To accomplish a more complete review of the nitrite concerns IDA is financially supporting a study that will be conducted by USDA Agriculture Research Service. The study will seek input from all three (3) state agencies that are involved with water quality. The study is also being funded by Clear Springs Food.

(Garrison Continued from page 2)

businesses and organizations involved in dairy production, processing, marketing and exporting as well as meat processing, financial securities and renewable energy.

Welcome aboard Charlie were pleased to have you a part of the extended IDA family!!

Register for the 2011 UDI Annual Meeting

November 9th & 10th

Boise Centre

Call 208-327-7050

Congressman Simpson Addresses Dairy Producers Concerns on EPA Issues

Congressman Simpson is doing more for the dairy industry than being the first Republican to co-sponsor policy changes based on the Foundation for the Future proposal. Congressman Simpson is also leading the charge of closer scrutiny of the EPA. As Chairmen of the Interior and Environment Sub-Committee of the Appropriations Committee he has expressed concerns on their overreaching authority and their economic impacts on agriculture and business. As Chairmen of the sub-committee he has raised the level of accountability for the expenditures of the EPA.

The latest example of that concern was expressed this week when Congressman Simpson became a co-sponsor of Congressman Long's CERCLA Bill (HR 2997) introduced on Wednesday September 21st. The Bill would protect the livestock industry from mandatory reporting of emissions under the current CERCLA and EPCRA laws. The original intent of the CERCLA law, which passed in 1980, was to protect society from toxic waste dumps such as the Love Canal. EPCRA, which is a communities right to know law, pertains to accidental spills of toxic gases. Without a legislative fix, the EPA will always reach beyond the intent of the law.

The livestock industry nationwide deeply appreciates the efforts of Congressman Simpson in providing keener oversight of a run-away agency.

United Dairymen of Idaho Annual Meeting

The UDI Annual Meeting is being held on November 9-10, 2011 in Boise Idaho. During the Idaho Dairymen's Association Business meeting on the afternoon of November 9th you will hear from three special guest speakers.

- Dr. Scott Brown, University of Missouri. Dr. Brown was hired by the IDA Board to assess the competitive position of the Idaho dairy industry and assist the Board with identifying avenues the industry can take to influence the competitive pay price in Idaho.
- Charlie Garrison – Charlie will be speaking on Washington DC politics surrounding the immigration debate. For more information on Charlie please refer back to page 2.
- Dr. Melinda Hamilton – Dr. Hamilton is with the Center for Advance Energy Studies which recently entered a Memorandum of Understanding (MOU) with the Dairy Innovation Center. Dr. Hamilton will update the membership on the MOU and sustainability as it relates to dairies.

Washington DC Immigration Legislation

Note: IDA is a member of the Agriculture Coalition for Immigration Reform (ACIR) and an Associate Member of National Milk Producers Federation (NMPF). IDA Executive Director Bob Naerebout serves on the ACIR's Executive Committee as well as the NMPF Immigration Task Force.

Key policy positions for IDA as the immigration debates move forward are: (1) Any new program must be able to include our current workforce. There must be an avenue for them to access legal status. (2) Any program must allow a worker to stay longer than 10 months before being required to return back to his country of origin. Ideally it would be a three year program with a three year renewal. (3) Mandatory e-verify can only be supported if the positions above are included in a new visa program. Please see the article below for the latest on this weeks legislation.

HOUSE COMMITTEE ADVANCES E-VERIFY, NO AG FIX YET

By Craig Regelbrugge, co-chairman, Agriculture Coalition for Immigration Reform

Late yesterday, the House Judiciary Committee approved Chairman Lamar Smith's H.R.2885, the Legal Workforce Act, after three days of contentious debate. The Committee failed to address the question of how to prevent the expected devastation in the agricultural sector if E-Verify displaces the roughly 1 to 1.2 million experienced farm, nursery, and greenhouse workers who lack proper work authorization. Yet, agriculture was at the very center of the debate throughout the Committee process.

Rep. Dan Lungren (R-CA) offered his own Legal Agricultural Workforce Act, H.R. 2995, as an amendment to the Smith E-Verify bill, but it was ruled non-germane. Many agricultural groups, including the umbrella Agriculture Coalition for Immigration Reform (ACIR), voiced their strong support for Lungren's effort, which would establish a more market-oriented and flexible agricultural worker program. After being denied consideration, Lungren and other Members of the Committee, both Democrats and Republicans, sounded the alarm that without better legal workforce options, agriculture would be irreparably harmed.

A particularly stark moment in the process came when Rep. Howard Berman (D-CA) offered an amendment to strip Smith's bill of a provision which would have allowed agricultural employers to continue to rehire returning seasonal farm workers without having to verify them. This provision offered the perception of some relief for the agricultural sector, though ACIR criticized it as having loopholes and trap doors, and sidestepping the problem

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Teat dipping and the cold weather

Dr. Mireille Chahine, Associate Professor and Extension Dairy Specialist, Animal and Veterinary Science Department, University of Idaho, mchahine@uidaho.edu.

Teat dipping at the end of milking has proven to be an effective tool for reducing new intramammary infections in dairy cows because it prevents mastitis causing microorganisms from penetrating the teat canal.

During Idaho winters, declining temperatures and strong winds create unfavorable conditions for teat ends and can lead to issues with teat frostbite and winter lesions. Should dairymen continue dipping the teat ends during cold weather? The National Mastitis Council and recent research recommend that teat dipping continue during cold weather. Remember that even without the teat dip, teats are wet after milking. Stopping the use of teat dips will actually increase the risk of teat skin cracking because no skin conditioners like glycerin and lanolin would be applied to the teat ends. Make sure however to use a powder-based germicidal teat dip or a liquid teat dip that is formulated for cold weather (low freezing point) and that is rich in skin conditioners. You could also choose to only dip the end and blot off the excess with a single use paper towel.

Remember however that a sound mastitis prevention program is very important. The udders and teats should be clean and dry before machine attachment, the milking system should be maintained, and milkers should always follow an appropriate milking protocol. The last step in the milking process is the teat dip which is a simple, effective, and economic method to reduce bacterial populations on teat skin and thus improve or maintain milk quality on dairies.

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discussion draft legislation released by Representative Peterson last month. I look forward to working with members of the dairy industry and Representative Peterson to prevent another economic disaster like the industry suffered in 2009. This legislation starts a critical conversation on how to build a more effective economic safety net for the U.S. dairy industry. Your continued involvement will be crucial to the success of this endeavor, and I will continue to work closely with you on it.

I have worked with the dairy industry long enough to know that unity is an elusive goal and regional disparities inevitably compli-

cate reform. Still, I believe it is important to put a concept on paper and to start discussing the concept with the various stakeholders. That is what I intend to do in this situation, and, as in all major reform efforts, it is hard to predict in the early stages of the process exactly where it will lead. I am comfortable helping to lead this discussion because Idaho's dairy producers are in substantial agreement with the direction of the conceptual reforms. Further, I am pleased that Idaho industry stakeholders are working together toward the common goal of ensuring a solid future for the Idaho dairy industry.

Ongoing discussions in Congress on how to reduce federal deficits will affect dairy industry reform. It is important that all policy reform fits into a national plan for reducing overall expenditures by the federal government. It is difficult to predict how the Joint Select Committee on Deficit Reduction's deliberations might impact the prospects for dairy reform now or in a future farm bill. One thing, however, is certain: as Congress finally begins dealing with the budget deficit and out-of-control spending, there will be few federal programs that won't feel the impact. However, debt reduction and maintaining a viable dairy industry are not opposing goals, and now is the time to put the dairy on the path toward long-term stability and prosperity.

As the backbone of our rural economy, the health of the agriculture sector has never been more important to Idaho than it has been during the course of the current economic downturn. Providing Idaho dairy producers with the tools to succeed is vital to the recovery of our whole economy. Farmers know better than anyone that tough times come and go, and by working together we can ensure that a robust dairy industry can play an important role in turning our economy around.

Meetings with National Delegation Members

Over the course of the summer UDI Board members and staff have met with **ALL** of our national delegation members. For other state dairy organization that would be a daunting task. In California with 55 members that would be next to impossible but in Idaho with, only four (4) members it is more than doable. The meetings were in Washington DC, Boise and Twin Falls.

The main issues that the Board covered with the delegation members were: (1) The current economic condition of the Idaho dairy industry. (2) The need to reform the current national dairy policy with an emphasis on the NMPF proposed and IDA membership supported Foundations for the Future. (3) Much needed immigration Reform.



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Cheese Prices Vulnerable to more Downside

I'll be the first to admit that August is typically a very slow month for commodity markets. Normally the dog days of summer serve as the quiet before the storm of fall market volatility. But the "norm" has been largely defeated with this summer's \$2.00 cheese market.

So far this summer, the news seems constant and bleak. Daily discussions seem to haplessly jump from drought to downgraded debt ratings to a host of other global macro-economic maladies that leave many people lurching for the Maalox in lieu of afternoon lemonade.

Unfortunately, the usually insulated dairy markets have not avoided the uncertainty.

For U.S. cheese prices, there were several contributing factors promoting a \$2.00 lb. market since early June. For one, domestic demand remained somewhat robust through mid-year as \$4.00 gasoline took several months to impact spending habits. International demand too remained strong well into mid-year as the U.S. dollar continued to spur global commodity interest. Perhaps most important, however, was that U.S. cheddar cheese productive capacity was compromised.

Problems in plant operations, lofty dry whey prices, milk pull from butter/powder plants and milk pull to other types of cheese all had a hand. In addition, Mother Nature topped off the bullish cocktail with oppressive heat and humidity which has stunted milk production growth in the upper Midwest. But that all appears to be changing.

So where does that leave us?

As the upper Midwest weather cools and New Zealand ramps up for their peak milk producing season, however, demand will be the name of the cheese pricing game through year-end. Market participants are clearly focusing on international dairy price weakness of late and weighing our ability to compete globally at higher price levels. They're also following closely the good, bad and unthinkable of Europe and China's economic growth potential.

Few, however, are considering the very real possibility that any U.S. dollar strength would potentially jeopardize export sales and higher dairy prices from Q4 well into 2012.

We in the commodity world have leaned hard upon Mr. Bernanke's weak dollar policies presented to Americans for quite some time now. And while there doesn't seem to be much reason today to doubt a pro-business, low-interest rate environment to be augmented by another round of currency deflating, money-printing by the U.S. Federal Reserve, be careful not to lean to hard.

Although bullish dollar news is in short supply today, there is potential for a significant rally of the U.S. dollar – and in short order. The dollar boat is profoundly tilted with market bears and it's getting ready to tip. From a technical perspective, the market is at a very pivotal point and should the dollar soar as I expect, there will be another round of pressure for commodity prices.



U.S. Dollar Weekly Index

Looking ahead, few end-users of cheese will disagree that buying cheese at a \$1.70 lb. price level is much more palatable than \$2.00. Remarkably, 2012 Class III futures have remained perched at approximately that level since late July despite the recent cheese price and the nearby futures volatility.

Value-buying from commercial hedgers underpins the market as they understandably want to avoid the pain felt this summer. While that would normally be a good thing for proactive, risk management-minded dairy producers because prices tend to rise when buyers get worried – the \$7.00/bu corn and \$300/ton hay you're paying make it difficult to bring home profits today.

Higher prices are just now being passed along to U.S. consumers. And with little in the way of promotion to occur for the next several months, demand may be on shaky footing. Add a stronger U.S. dollar to the mix and more demand destruction abroad and the justification for high priced milk (and corn, hay and meal) dissipates and lower prices ensue once again. So while it is difficult, be vigilant in using tools to manage your dairies profitability and let's build back some equity.

Do You Need a SPCC Plan to Keep EPA Satisfied?

National Milk Producers Federation (NMPF) does more for all dairy producers than just addressing marketing issues. Idaho Dairymen's Association as an associate member of NMPF serves on the Environmental Task Force of NMPF. In a recent conference call NMPF staff updated the committee members about the upcoming deadline for the Oil Spill Prevention, Control and Countermeasure, or SPCC, rule for farmers. The deadline to maintain, amend or prepare an SPCC plan is November 10, 2011. There have been efforts in Congress to extend this deadline further. However, these efforts have proved to be unsuccessful thus far.

On April 18, 2011, EPA published a final rule amending the SPCC regulations to exempt milk and milk product containers, associated piping and appurtenances. EPA believes that certain specific construction and sanitation standards and requirements address the prevention of oil discharges in quantities that may be harmful. The capacity of the exempt milk and milk product containers, piping and appurtenances should not be included in a facility's total oil storage capacity calculation to determine if the facility is subject to SPCC. The Agency is also removing the compliance date requirements for the exempt containers. http://www.epa.gov/oem/content/spcc/spcc_milk.htm

There is an SPCC template, which was developed in coordination between NMPF and NRCS, to aid farmers with compliance. The template is available at: http://www.nmpf.org/washington_watch/environment/spcc.

Currently, farms in operation on or before August 16, 2002, must maintain or amend their existing SPCC plan by November 10, 2011. Any farm that started operation after August 16, 2002, but before November 10, 2011, must prepare and use a plan on or before November 10, 2011.

To aid farmers with compliance, NMPF, in part with USDA's Natural Resource Conservation Service (NRCS), developed an SPCC template to assist dairy producers with SPCC compliance. The NMPF SPCC template is available online at <http://www.nmpf.org/files/file/SPCC-Plan-Template-Final-Sept-20-2010-FORM.pdf>. Also, the template isn't only for dairy producers. According to NRCS, 84% of farmers may be able to utilize the template.

Harvesting Clean Energy in Boise

Why should you attend and bring your electrical contractor, foreman, manure manager, extension agent, banker and your kid to the [Harvesting Clean Energy conference in Boise Oct 23-25?](#) Because the information and contacts available are too darn useful to pass up. This event is the premier gathering of Northwest agriculture and energy people looking to sustain their farms for future generations and employ practical solutions that benefit the bottom line.

Leaders and experts from dairy and other ag sectors will explain sustainability innovations that make good business sense and make good stewardship sense. There will be sessions on a variety of topics including USDA energy programs, a presentation by Donald H. Schriver of the Innovation Center for U.S. Dairy on the Dairy Sustainability Initiative, presentations on solar hot water, dairy energy efficiency projects, and anaerobic digesters.

The conference is remarkably affordable, thanks to the generosity of conference sponsors, including Idaho Dairymen's Association. Farmers, ranchers and other private individuals [can register early for just \\$90, professionals for \\$160](#). This includes conference registration, continental breakfasts, luncheons and receptions. **The early registration deadline, September 26**, is approaching quickly. Make sure your farm is represented at the Harvesting Clean Energy Conference!

For more information, contact Clark Gilman at clark@climatesolutions.org or 509-599-7425.

Dairy Leaders Host Fundraisers

Dairy producers who serve on the Board of the United Dairymen of Idaho (UDI) hosted a campaign fundraising dinner in Washington DC for Congressman Labrador in July. They are also hosting a similar activity for Congressman Simpson in Washington DC on October 13th.

Federal Campaign laws prohibit organizations such as IDA from hosting the events, so the dairy producer Board members and staff participate in the functions using their own funds. The Board and staff recognize that campaigning for a national elected office is a grueling process and it is important for the dairy industry to support those in elected office that work with and support our industry.

Negotiated Rules Completed

Staff members of IDA participated in two (2) negotiated rules at the Idaho State Department of Agriculture (ISDA) this summer. Both rules were necessary because of laws passed in the 2011 legislative session. The final rules will need to have legislative approval which should happen in the beginning of the 2012 legislative session.

The first rule deals with oversight by ISDA of the dairy labs that test components of milk for producer payment. The purpose of the law and rule is to provide assurances to dairy producers that their milk is being tested accurately by the companies they are selling to.

The second rule pertains to new poultry operations. Our involvement was to understand the rule and make sure that nothing in the rule had negative implications on the dairy industry. Our main opposition to the language in the proposed rule was requiring the poultry operations to have their lagoons have leak monitoring technology put into place. Our position is that that puts an unnecessary costly burden on industry that isn't needed if they are following NRCS and ISDA guidelines.

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wherever that process ends up, namely Foundation For the Future. We call ourselves United Dairymen of Idaho, sometimes that seems far from the truth. We have producers for and against Foundations For the Future. We have producers receiving Class III, Class IV or cheese yield pricing. We have only 100 of 550 dairymen attend the Annual Meeting. The reason we can't totally unite is because there are so many of us and it is difficult to come to a consensus which fits so many different situations.

I believe though there are several issues we can all agree on. We need to be paid at least Class III for our milk in Idaho no matter what processors say. We need to attract more processors. We need immigration reform, ethanol subsidies and blending mandates to go away and to support national dairy legislation that works to raise prices for dairymen all over the nation.

Quite frankly, I think most dairymen right now are somewhat confused and afraid because if it truly cost \$17+ per cwt to produce milk, what happens when it goes to \$15.00? The banks are not going to have patience going forward and grain companies are reluctant to forward contract out very far. I do believe that at some point in the future a new paradigm will exist where cost of production and the price we receive for milk will come together.

I would encourage everyone to attend this year's Annual Meeting in Boise on November 9-10, 2011. 16¢ of every cwt produced on your dairy is deducted from your milk check. If I were you, I

would want to know where that money is going. Your Board of Directors is engaged in this state and nationally working on important topics like previously stated: immigration, national dairy legislation, attracting new processors and working with processors who are here in Idaho.

We have a lot of work left to do but the Board feels like we're working on behalf of all dairymen and picking the right battles to fight.

Thank you for your support.

(Immigration Continued from page 5)

rather than squarely addressing it. Berman's amendment passed 19-12, with several Republicans crossing over to join the Democrats.

Stripped of this one bit of relief for agriculture, the E-Verify bill now leaves the agricultural dilemma in the stark, bright light of day. Unless amended, it is crystal clear that the bill utterly fails to address the looming devastation, offshoring of production, exporting of economic activity, and loss of on-farm and farm-dependent jobs.

Chairman Smith had planned but has postponed a separate mark-up of his H.R.2847, the American Specialty Agriculture Act (ASAA), which would substantially reform the existing H-2A program. Some of those reforms would be beneficial for current program users. However, many agricultural organizations, including ACIR, have criticized the H-2 program structure as too inflexible and bureaucratic to address the problem. H-2A provides only two to four percent of the hired farm labor force across the country, and has been plagued with delays and other problems. Recent Congressional testimony before the House Education and Workforce Subcommittee on Worker Protections, and an in-depth research project by the National Council of Agricultural Employers (NCAE), have exposed the deep flaws of the program. A summary of an NCAE survey of program users can be found at http://www.ncaeonline.org/files/ALRP2011_brochure.pdf.

The twists and turns of the legislative mark-up completed yesterday may now give the agricultural crisis the full limelight. Chairman Smith is reported to have committed to Rep. Lungren to hold a special hearing to explore more deeply the needs of the agricultural sector if mandatory E-Verify becomes the law of the land. The growing awareness in Congress and beyond of the agricultural problem may create a better opening to more fully address it. **The roughly 200 agricultural associations active in ACIR will continue their collaborative efforts to ensure that if E-Verify moves, it will include solutions that can actually work for ALL sectors of agriculture across the U.S.**



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Upcoming Meetings

November 8th UDI Board Meeting in Boise

November 9th & 10th UDI Annual Meeting in Boise

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