

During a Friday afternoon press conference with Vermont dairy leaders in Fairfax, Rep. Peter Welch outlined new legislation to prevent volatility in the dairy industry and help Vermont farmers.

At the McNall family farm in Fairfax, Welch announced he will introduce the Dairy Price Stabilization Act next week with Rep. Jim Costa (D-Calif.). The bill seeks to stabilize the milk market by creating a disincentive for farmers to rapidly increase their herd size when prices increase.

"Following last year's devastating dairy price crisis, the need for a plan to match supply with demand is clear. To delay in addressing the enduring challenges of price volatility is to leave Vermont farmers vulnerable to a system that simply is not working," Welch said. "Introducing this bill is just a first step, but it is an important step. Working together, we will refine it to ensure that it works for dairy farmers – in Vermont and throughout the country."

The legislation calls on the U.S. Department of Agriculture to determine on a quarterly basis the capacity for growth in the dairy market. Producers who exceed the percentage increase allowed by the USDA would pay a market access fee, which would be distributed to all farmers.

The bill empowers farmers by allowing them to vote on whether to enact the program and, three years after it commences, to vote on whether to continue it. Farmers would sit on a 30-member board that would advise the Secretary of Agriculture on the implementation of the program.

Welch was joined at the announcement by statewide dairy leaders, including Vermont Secretary of Agriculture Roger Allbee, Amanda St. Pierre and Bill Rowell of Dairy Farmers Working together, St. Albans Cooperative Creamery board president Ralph McNall, Agri-Mark director Robert Foster and representatives of DairyIea/Dairy Farmers of America.

Allbee said, "I am pleased to join Congressman Welch today as he indicates his support for the Growth Management bill. This is an important first stage in the debate. This is critically needed to reform national dairy policy. In the Northeast, and increasingly across the country, it is well recognized that the current federal pricing system is broken, and that growth management is needed to reduce the extreme price volatility that exists that is bringing economic havoc to farmers, their families, and our rural landscape. I applaud Rep. Welch for taking action today in supporting this legislation."