Congress of the United States
Washington, DC 20510

July 28, 2016

The Honorable Tom Vilsack
Secretary of Agriculture
1400 Independence Avenue, S.W.
Washington, D.C. 20250

Dear Secretary Vilsack:

We write today to express our concern about the troubling economic challenges facing U.S. dairy farmers and the entire U.S. dairy industry. We have seen farm milk prices drop forty percent since 2014 and in May the nation's cheese stocks were recorded at their highest level since the data was first recorded in 1917. Current expectations are that the dairy market will continue to struggle with depressed prices and we seek your help as we search for ways to swiftly assist our nation's struggling dairy farmers.

Our dairy farmers have been hit extremely hard by low farm milk prices that have resulted in sharply reduced incomes, which is placing our nation's dairy industry in an extremely vulnerable position. A number of factors have contributed to this crisis. U.S. milk production has increased almost two percent above last year's level, while global milk production is up significantly, partly as a result of the European Union's decision to remove its milk production quotas and the loss of their export market to Russia. Furthermore, we are seeing an increase in production in other major milk-producing countries that have led to these depressed prices globally. All of this comes as our dairy farmers are still adjusting to the new Farm Bill, and the many changes that were made to our dairy support programs.

We are deeply concerned that U.S. dairy farmers, who are a key part of our agriculture community and agriculture economy, are in greater need of stability and support as they face these significantly lower prices, which for many are below their actual cost of production. As this industry is reeling from low prices, a glut of imports, challenges in our export markets, and poor economic growth projections we urge the USDA to use its secretarial authority under the Commodity Credit Corporation Charter Act (15 U.S.C. 714c), Section 32 of the Agricultural Adjustment Act of 1935 (7 U.S.C. 612c), and look to past precedent for how to take action to protect all of our nation's dairy farmers from further crisis and to aid in the expansion and maintenance of domestic markets. We encourage USDA to take any and all actions available in order to make an immediate market injection and offer financial assistance that will directly support U.S. dairy farmers equally, while being cautious to not stimulate overproduction further.

The family business of dairy farming has long been woven into our nation's agricultural history. Across the country, in all 50 states, dairy farms large and small are economic drivers providing local jobs and local products. During the 2009 dairy collapse, we saw far too many families have to sell off their cows and close the doors for good. Through the support of USDA, we can

hopefully prevent many farms from needing to make that same difficult decision today and we hope you will work to support all of our dairy farmers across the country.

We look forward to working closely with you in determining the best course of action to take in managing the current dairy industry financial crisis. Thank you for taking the time to address this important matter.

Sincerely,

PATRICK LEAHY
United States Senator

JOE COURTNEY
Member of Congress

ROBERT P. CASEY, Jr.
United States Senator

TAMMY BALDWIN
United States Senate

KELLY A. AYOTTE
United States Senator

COLLIN C. PETERSON
Member of Congress

BARBARA BOXER
United States Senator

GLENN 'GT' THOMPSON
Member of Congress

SUSAN M. COLLINS
United States Senator

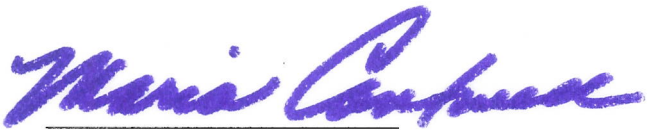
JIM COSTA
Member of Congress

RICHARD BLUMENTHAL
United States Senator

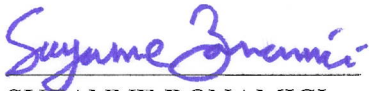
CHRIS COLLINS
Member of Congress

SHERROD BROWN
United States Senator

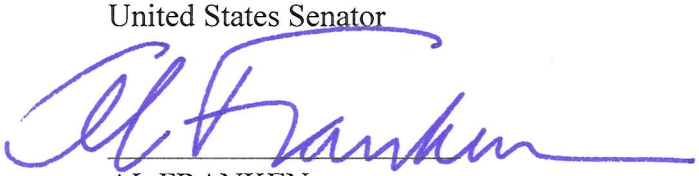
LOU BARLETTA
Member of Congress



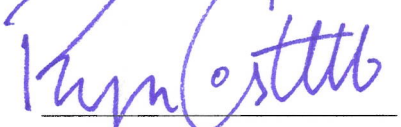
MARIA CANTWELL
United States Senator



SUZANNE BONAMICI
Member of Congress



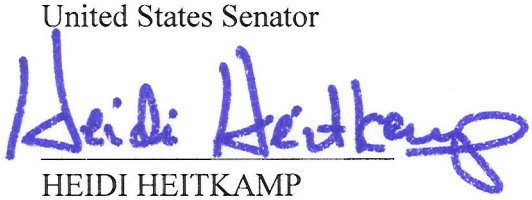
AL FRANKEN
United States Senator



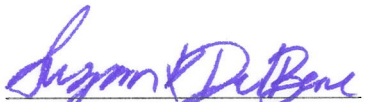
RYAN A. COSTELLO
Member of Congress

KIRSTEN GILLIBRAND
United States Senator

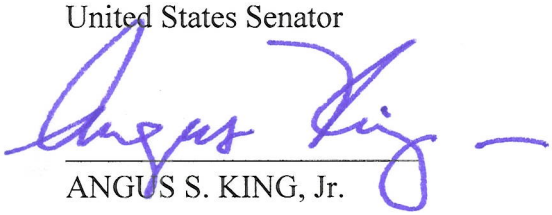
JOHN K. DELANEY
Member of Congress



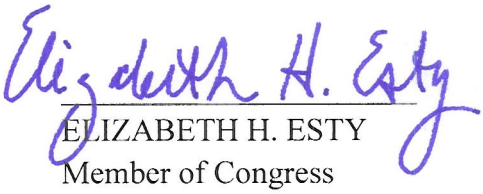
HEIDI HEITKAMP
United States Senator



SUZAN K. DELBENE
Member of Congress

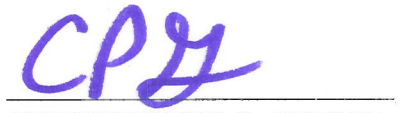


ANGUS S. KING, Jr.
United States Senator



ELIZABETH H. ESTY
Member of Congress

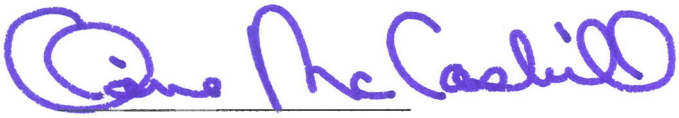
AMY KLOBUCHAR
United States Senator



CHRISTOPHER P. GIBSON
Member of Congress

EDWARD J. MARKEY
United States Senator

ANDY HARRIS
Member of Congress



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