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

ROBERT P. CASEY, Jr.

United States Senator

KELLY A. AYOTTE

United States Senator

BARBARA BOXER

United States Senator

SUSAN M. COLLINS

United States Senator

RICHARD BLUMENTHAL

United States Senator

SHERROD BROWN

United States Senator

JOE COURTNEY

Member of Congress

TAMMY BALDWIN

United States Senate

COLLIN C. PETERSON

Member of Congress

GLENN 'GT' THOMPSON

Member of Congress

JIM COSTA

Member of Congress

CHRIS COLLINS

Member of Congress

LOU BARLETTA

Member of Congress

MARIA CANTWELL
United States Senator

AL FRANKEN

AL FRANKEN
United States Senator

Kirsten Gillibrand

KIRSTEN GILLIBRAND United States Senator

HEIDI HEITKAMP

ANGUS S. KING, Jr.

United States Senator

United States Senator

AMY KLOBUCHAR United States Senator

Edward J. Markey

United States Senator

CLAIRE McCASKILL United States Senator SUZANNE BONAMICI Member of Congress

RYAN A. COSTELLO Member of Congress

JOHN K. DELANEY Member of Congress

SUZAN K. DELBENE Member of Congress

ELIZABETH H. ESTY Member of Congress

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CHRISTOPHER P. GIBSON Member of Congress

ANDY HARRIS Member of Congress

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JOHN KATKO Member of Congress Ifley A. Mulley

JEFFREY A. MERKLEY United States Senator

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BARBARA A. MIKULSKI

United States Senator

CHRISTOPHER S. MURPHY

United States Senator

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United States Senator

CHARLES E. SCHUMER

United States Senator

JEANNE SHAHEEN

United States Senator

JON TESTER

United States Senator

MIKE KELLY

Member of Congress

RON KIND

Member of Congress

ANN KIRKPATRICK

Member of Congress

ANN MCLANE KUSTER

Member of Congress

JAMES R. LANGEVIN

Member of Congress

MICHELLE LUJAN GRISHAM

Michelle huje

Member of Congress

SEAN PATRICK MALONEY

Member of Congress

TOM MARINO

Member of Congress

ELIZABETH WARREN United States Senator

> SHELDON WHITEHOUSE United States Senator

RON WYDEN
United States Senator

RICHARD E. NEAL Member of Congress

CHELLIE PINGREE
Member of Congress

KURT SCHRADER
Member of Congress

ELISE M. STEFANIK Member of Congress

PETER WELCH Member of Congress AMES P. McGOVERN Member of Congress

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PATRICK MEEHAN Member of Congress

TIM MURPHY
Member of Congress

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RICHARD M. NOLAN Member of Congress

MARK POCAN

Member of Congress

JASON SMITH Member of Congress

TIMOTHY J. WALZ Member of Congress