



**Executive Committee Meeting  
Burlington, Vermont  
August, 5, 2009**

**RESOLUTION ON STATE EFFORTS FOR THE DAIRY INDUSTRY**

**WHEREAS**, the consumer demand for fresh milk products in the Northeast has been sufficient to sustain a dynamic and stable industry; and

**WHEREAS**, the dairy industry is a keystone industry in the Northeast, providing open space for recreation, sports, tourism, water recharge and wildlife areas; and

**WHEREAS**, the dairy industry provides direct economic impact of an estimated \$14,000 per cow per year, serving as an anchor for all Northeastern agriculture, rural communities and economies; and

**WHEREAS**, outdated federal policies and the consolidation of both cooperatives and processors have resulted in an economic crisis for the nation's dairy farmers and threatens the region's food security, and

**WHEREAS**, the Northeast has lost more than 30% of its dairy farmers in the last decade;

**WHEREAS**, the farm gate price for milk has collapsed by more than 50% from one year ago, in part because of continuing flaws in federal policy; and

**WHEREAS**, farmers now face prices that are less than half the cost of production; and

**WHEREAS**, assumptions that the milk price collapse is related to a surplus of milk in the market are not supported by data that show the U.S. importing record amounts of product and increased commercial disappearance; and

**WHEREAS**, Northeast states have been proactive and innovative in responding to the continuing volatility in the pricing of milk with programs providing direct producer support, farmland preservation, business planning assistance; and

**WHEREAS**, states are facing a fiscal crisis and cannot continue to fund many of the programs needed to prevent the collapse of the dairy industry;

**NOW, THEREFORE BE IT RESOLVED** that The Council of State Governments' Eastern Regional Conference (CSG/ERC), and its affiliate the Northeast States Association for Agricultural Stewardship (NSAAS), urge Northeast state policy makers to work toward developing state milk pricing policies similar to Pennsylvania and Maine, that capture funding from the marketplace, rather than state general budgets, when federal policies fail; and

**BE IT FURTHER RESOLVED**, that CSG/ERC and NSAAS urge Northeast state policy makers to ensure that state law identifies that ownership of milk changes when milk is comingled with milk from other farms; and

**BE IT FURTHER RESOLVED**, that CSG/ERC and NSAAS urges Northeast state policy makers to review processes in which farms are charged for hauling product that they no longer own, and

**BE IT FURTHER RESOLVED**, that a copy of this resolution be forwarded to the chairs of the Northeast states Senate and House committees that oversee agriculture and rural communities.

**BE IT FURTHER RESOLVED**, that a copy of this resolution be forwarded to the Secretaries and Commissioners of Agriculture that represent the states that comprise the CSG/ERC.