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CALIFORNIA LEGISLATURE

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SACRAMENTO, CALIFORNIA
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OFFICE OF THE
CHIEF COUNSEL

August 16, 2012

The Honorable Karen Ross
Secretary, California Department of Food and Agriculture
1220 N Street, Room 400
Sacramento, California 95814

RE: Western United Dairymen's petition for emergency hearing to consider temporary price relief

Dear Secretary Ross:

We, the undersigned members of the California Legislature, would like to express our deep concern for the continued viability of the dairy producer sector of California agriculture. Milk is our state's number one agricultural commodity. A recent report from the California Milk Advisory Board indicates that the dairy sector – including dairy farms, creameries, transporters of raw milk and milk products, etc. – annually contributes nearly \$65 billion in economic activity and is responsible for nearly 450,000 jobs.

Our state's dairy farm families are in the midst of an economic catastrophe. Feed costs are at record highs due to both federal ethanol policy and the disastrous drought enveloping the major dairy feed producing areas of our country. Bankruptcy filings are accelerating in the dairy farm sector and many dairy families are presently unable to acquire feed for their cattle unless they pay in advance, pay upon delivery of feed to their farms, or agree to sign over a second deed of trust on their property to the feed supplier.

Further pressure on California's dairy farm families relates to a revenue disadvantage compared to farmers in other states. California's regulated minimum milk prices are severely lagging below prices paid to farmers within other milk marketing orders for the same class of milk.

The infrastructure of the dairy industry in our state is in tremendous jeopardy as a result of farmers' continued negative margins. We are concerned about a potential collapse of these family-owned enterprises, the operations and businesses they support within their communities, and our constituents' own well-being. As you know, many of our Central Valley counties have unemployment rates as high as 20%. Loss of well-paying, year-round jobs in the dairy sector would have crippling effects on our economic revival.

We understand that a petition seeking a hearing for emergency price relief has recently been filed with your office by Western United Dairymen. We respectfully request that you expeditiously review their plea for relief. The opportunity for California's dairy industry to provide information highlighting their plight is essential to their effort to ensure the viability of family farms and surrounding communities.

Thank you for your consideration of this very important matter.

Sincerely,



David G. Valadao
Assemblymember, 30th District



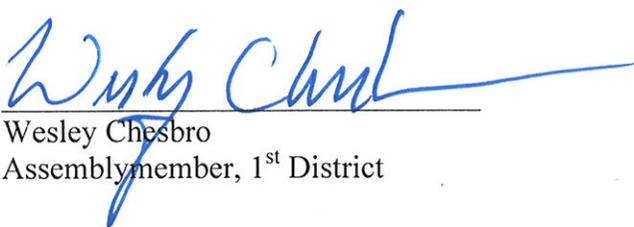
Anthony Cannella
Senator, 12th District



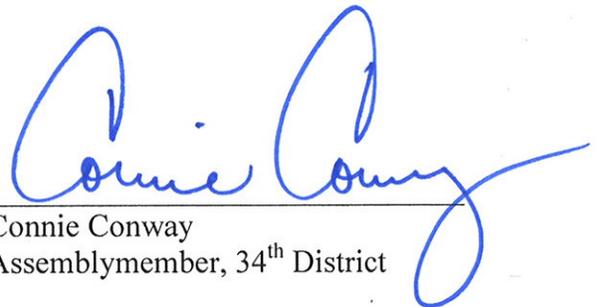
Bill Berryhill
Assemblymember, 26th District



Tom Berryhill
Senator, 14th District



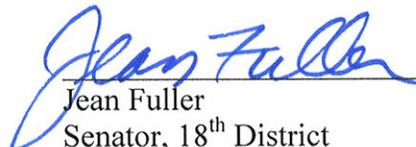
Wesley Chesbro
Assemblymember, 1st District



Connie Conway
Assemblymember, 34th District



Noreen Evans
Senator, 2nd District



Jean Fuller
Senator, 18th District

Cathleen Galgiani

Cathleen Galgiani
Assemblymember, 17th District

Doug La Malfa

Doug La Malfa
Senator, 4th District

Fiona Ma

Fiona Ma
Assemblymember, 12th District

Gloria Negrete McLeod

Gloria Negrete McLeod
Senator, 32nd District

Kristin Olsen

Kristin Olsen
Assemblymember, 25th District

Michael J. Rubio

Michael J. Rubio
Senator, 16th District

Lois Wolk

Lois Wolk
Senator, 5th District

Leland Y. Yee, Ph.D.

Leland Y. Yee, Ph.D.
Senator, 8th District

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