

## Letter of Support for Change to Federal Milk Pool Order

Deputy Administrator USDA/ AMS Dairy Programs STOP 0231, Room 2971 1400 Independence Ave. SW Washington, DC 20250-0225



RE: Disorderly & Unfair California Milk Pool Conditions for PD's and Support for change to Federal Milk Pool System.

February 18, 2015,

Dear USDA,

The current California Milk Pool system is highly unjust at many levels. The CDFA Milk Pool requirement that negatively effects the vertically integrated Producer–Distributors (PD) is particularly unjust, unfair and economically oppressive. As a PD, we utilize our own milk from our own dairy and cows, yet <u>we are required to pay into the CA milk pool for utilizing our own</u> <u>milk.</u> It is our best guess that our payments are then sent to large cheese producers or processors as a subsidy. The CA Milk Pool refuses to reveal to us where our payment funds are actually paid citing privacy rights for those that receive payments from the pool.

As a USDA certified organic PD producer payments into the conventional milk pool is particularly unjust. The payment subsidies that organic PD's pay into the pool support use of GMO, antibiotics, hormones and CAFO systems. None of these systems are part of the organic philosophy or markets. <u>In December 2014, our pasture based organic dairy paid \$55,000</u> <u>dollars into the CDFA milk pool, when using our own milk, to make our own products, at our</u>

on farm creamery facilities, that were carried to market in our own trucks and sold under our family brand!

Other organic and also conventional California PD operators also endorse the change to the Federal Milk Pool system. As you know the Federal Milk Pool orders provide for an exemption for up to 11,000 gallons per day from a PD's own production. "Organic Pastures Dairy Company" Fresno CA, "Dairy Goddess" Hanford CA, "Top O the Morn" Tulare CA, "Rosa Brothers" Tulare CA, "Straus Family" Marin County CA, "Rock View" Los Angeles CA, are all CA PD's and all support the change to the Federal Milk Pool system.

We all find great comfort in knowing that the USDA federal milk pool orders provide for an exemption for PD's that includes an 11,000 gallon per day exclusion. We all strongly support the move for California to enter the Federal Milk Pool System <u>as soon as possible</u>.

Most kind regards,

CEO OPDC

7221 So, Jameson Ave Fresno, CA 93706

559-846-9732 office 559-970-5581 cell

www.mark@organicpastures.com

This letter also represents this list of PD's under a consortium agreement: Top of the Morn, Dairy Goddess, Rosa Brothers, & OPDC



1400 Independence Avenue, SW. Room 3071-S, STOP 0201 Washington, DC 20250-0201

March 30, 2015

Mark McAfee Organic Pastures Dairy Company 7221 So, Jameson Avenue Fresno, CA 93706

Dear Mr. McAfee:

Thank you for your February 18, 2015, letter supporting establishment of a Federal milk marketing order for the State of California.

As you are aware, on February 5, 2015, USDA received a proposal from three dairy cooperatives requesting the establishment of a Federal milk order for the State of California. In response, USDA issued a request for additional proposals with a deadline of April 10, 2015. USDA has not decided at this time if a hearing will be held.

Your letter supports the producer-handler concept contained in the cooperatives' proposal. In the proposal a producer-handler is a person who owns and operates a dairy farm and distributing plant. The entities are exempt from Federal order pooling and pricing provisions if route distribution and packaged transfers of fluid milk from the plant do not exceed 3,000,000 pounds a month.

USDA will hold three public outreach meetings in California during the first week in May to explain the Federal milk order rulemaking process and give hearing proponents the opportunity to explain their proposals to the public. You are encouraged to attend one of these meetings to understand how the proposals, if adopted, might affect your business.

Information regarding the meetings is available at <u>www.ams.usda.gov/CAOrder</u>. Additional proposals received will also be posted to the website after the April 10, 2015, deadline.

Please contact William Francis, Order Formulation Division Director, at 202-720-4392 if you have further questions or require additional information.

Sincerely,

Dana H. Coale Deputy Administrator Dairy Program