

Washington, DC - The Vermont Congressional Delegation - Sen. Patrick Leahy (D), Sen. Bernie Sanders (I), and Rep. Peter Welch (D) -- scored a major win for Vermont dairy farmers after Midnight Friday when congressional negotiators agreed to extend and dramatically strengthen the safety net that protects dairy producers when milk prices plummet.

Conferees from the Senate and House agriculture committees early Friday morning agreed by voice vote to Leahy's proposal to renew and expand the Milk Income Loss Contract (MILC) Program. The MILC negotiations among the conferees were led by Leahy, who is the most senior member of either party of the Senate Agriculture Committee and is a former chairman of the panel. Sanders and Welch were active in lining up support outside the agriculture committees.

The MILC program's vital role as a backstop during milk price downturns has made extending it Vermont's single most important priority in the new Farm Bill.

As with most Farm Bills, the dairy policy negotiations were among the most difficult and were only settled near the end. The breakthrough came Thursday, only hours before the crucial bipartisan conference committee vote. Other issues in the conference still remain to be settled, and details of the package will be finalized over the next few days. The final Farm Bill package then will go to the Senate and House for approval, and then to the President for signing or veto.

Leahy's MILC provisions would amplify the help to Vermont dairy farmers in three ways. For the first time, feed costs would be included as a factor in triggering program payments. Rising feed costs, fueled especially by skyrocketing energy costs, are a continuing strain on dairy producers. The MILC Program's new "feed cost adjuster" will be based on three commodities used in feeding cows: corn, hay alfalfa, and soybeans.

Second, the bill would raise the percentage payment rate under the MILC program from 34 percent to 45 percent. And third, the size of herds covered by the program would be increased, from about 120 cows now, to about 165 cows.

Leahy said, "Vermont's priorities rank high in this bill. Keeping the MILC safety net in place was

Job One for us, and strengthening it was a close second. It wasn't easy, but methodical planning and teamwork, especially with Congressman Welch and Senator Sanders, now have brought us close to the finish line."

Sanders said, "This MILC expansion is a major step forward in protecting family farmers because it moves us in the direction of taking farmers' rising costs into account when we set a price floor. This means farmers will get a stronger safety net in these times of rising feed costs. This would not have been possible without each of us in the delegation working together and pushing these improvements forward up to the last minute. Senator Leahy deserves tremendous credit for his heavy lifting on the committee and it was a pleasure working with Rep. Welch, who proved himself an effective partner on the House side."

Welch said, "The Leahy MILC provision is a major win for Vermont farmers. Senator Leahy, Senator Sanders, and I made it our top priority to secure this critical safety net for our farmers and our teamwork is paying off."