

Representative Carolyn Partridge
Chair,
House Agriculture Committee



Senator Sara Kittell
Chair,
Senate Agriculture Committee

The General Assembly of the State of
Vermont

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

Deputy Administrator Coale:

Your department recently published an “Invitation to Submit Proposals for Consideration at a Public Hearing that May Be Held to Discuss Elimination of the Producer-Handler Provision and Revision of the Exempt Plant Provision in All Federal Milk Marketing Orders.”

In response to that invitation, Vermont Secretary of Agriculture Roger Allbee has submitted a formal proposal in accordance with USDA guidelines. We are now writing, as the Chairs of the Vermont House Agriculture Committee and Vermont Senate Agriculture Committee, in support of the Allbee proposal.

As you know, dairying is in a very difficult period, particularly in the Northeast, where our costs of production are higher than the US average. The challenges associated with these high costs are exacerbated by the cyclical nature of milk prices. These cycles are trending toward increasing amplitude coupled with a decreasing period, making each swing ever more difficult for Vermont farmers to cope with. With every trip through the cycle’s down trough, Vermont loses more producers, thereby leading to undesirable consequences, including decreased food security, a decreased number of providers, and increased market consolidation that diminishes the healthy, competitive operation of the northeast milkshed.

In this bleak agricultural landscape, there is one type of operator whose business is more stable, producing high quality products without dramatic price swings—both in terms of their own income and in terms of their product’s cost to consumers. We are referring to our region’s small producer/handlers, such as Monument Farms in Weybridge, Vermont.

If the USDA were to eliminate the producer/handler exemption, Monument and other small producer/handlers in the region would be subjected to higher milk acquisition costs—paying to the pool additional monies that are unmerited, given their very small-scale operations, which do not

adversely impact the much larger scale operations of the cooperatives and their processing customers.

If the Producer/Handler Exemption were eliminated, the USDA would put into jeopardy the long-term financial viability of one of our region's most reliable and sustainable sources of milk and dairy products.

We urge you to implement Secretary Allbee's producer/handler proposal, and to remain vigilant so that possible future rulings, designed for large-scale producers and processors—particularly the very large scale Western operators—are not implemented to the very real detriment of our local producers and processors.

Finally, as you move your process forward, please add both our names to your list of interested parties so that we can stay apprised of the status of this consideration.

Sincerely yours,

Carolyn Partridge

Carolyn Partridge
Chair, House Agriculture Committee

Sara Kittell

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Chair, Senate Agriculture Committee

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