

By: Representative Eubanks

HOUSE RESOLUTION

TO ENCOURAGE THE UNITED STATES CONGRESS TO REVIEW
ISSUES RELATED TO DAIRY PRODUCTS AND MAKE CHANGES TO
IMPROVE FEDERAL MILK MARKETING ORDERS IN ORDER TO
BETTER SUPPORT DAIRY FARMERS.

Subtitle

TO ENCOURAGE THE UNITED STATES CONGRESS
TO REVIEW ISSUES RELATED TO DAIRY
PRODUCTS AND MAKE CHANGES TO IMPROVE
FEDERAL MILK MARKETING ORDERS IN ORDER TO
BETTER SUPPORT DAIRY FARMERS.

WHEREAS, price discovery for milk should be improved through mandatory daily electronic reporting of most dairy products, including reporting and auditing of prices and inventories and high-value dairy products as well as prices paid for milk and milk components; and

WHEREAS, consideration should be given to including different dairy product specifications and dairy products sold under terms of a forward contract; and

WHEREAS, changes to the Federal Milk Marketing Order program should be made to reduce or eliminate negative producer price differentials and reduce the economic incentives to de-pool milk, including without limitation modifications to the Class I milk pricing formula, adjustments to pool qualification criteria, and stricter limitations on producer milk receipts in months following the de-pooling of milk; and



WHEREAS, the dairy transportation credit should be eliminated by reducing the credit by twenty percent (20%) over the course of five (5) years; and

WHEREAS, the referendum approval threshold should be modified to require a two-thirds majority of the voting producers and two-thirds of the voting milk volume to amend or issue a Federal Milk Marketing Order; and

WHEREAS, the United States Department of Agriculture should develop an improved method to determine the Class I Milk Mover Base Price, which is not reliant solely on manufacturing dairy products, to better reflect local market conditions, provide more appropriate economic incentives to fluid milk producers and processors, recognize the costs in servicing a fluid milk market, and continue to ensure fluid milk consumers have a quality and adequate supply of fresh fluid milk; and

WHEREAS, the pooling requirements under Federal Milk Marketing Orders should be changed so that shipping costs are allocated to the exporting area; and

WHEREAS, only milk delivered on a specific milk marketing order should receive pooling benefits for that order,

NOW THEREFORE,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE NINETY-THIRD GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

THAT the House of Representatives encourage the United States Congress to review issues related to dairy products and make changes to improve Federal Milk Marketing Orders in order to better support dairy farmers throughout the country.

BE IT FURTHER RESOLVED THAT upon adoption of this resolution, an appropriate copy be provided by the Chief Clerk of the House of Representatives to the United States Department of Agriculture, the majority leader of the United

States Senate, the Speaker of the United States House of Representatives, and the members of the Arkansas congressional delegation.