

Dairy Policy Action Coalition (DPAC) Board Meeting Minutes
November 17, 2011—1:00 p.m. – 2:15 p.m.

By teleconference

Board Members present (* = part of the meeting): **Pennsylvania**—Cliff Hawbaker (chair), Rob Barley (vice-chair), Daniel Brandt (vice-chair), Jake Esh, Duane Hertzler, Dale Hoffman, Paul Horning, Zach Meck, Nelson Troutman. **Ohio**—Alan Kozak. **Wisconsin**—Sue Schultz.

Ad hoc Producer Members present by telephone: **Minnesota**—Joe Borgerding.

Professional Team present: **Recording Treasurer** - Bernard C. Morrissey. **Correspondence Secretary** - Sherry Bunting, Ag Writing Services. **Gov. Relations/Advocacy:** Dennis Wolff, Versant Strategies.

PROCEEDINGS:

Chairman Cliff Hawbaker called the Board business meeting to order shortly after 1:00 p.m. with 11 board members present; one ad hoc producer member present; and all three members of the professional team present.

Approval of Minutes and Treasurer's Report:

- Alan Kozak motioned to approve the October 2011 Minutes. The motion was seconded by Rob Barley and passed 11-0.
- Sue Schultz motioned to approve the November 10, 2011 Treasurer's report. The motion was seconded by Rob Barley and passed 11-0.
- **November 10, 2011 Treasurer's Report:**
 - **The beginning balance on October 24, 2011 was \$3,477.29**
 - Contributions from October 24 through November 10, 2011 totaled \$7,285.00 from four agribusinesses and/or organizations (\$6,300.00), and six dairy producers (\$985.00).
 - Expenses paid Oct. 24 through Nov. 10, 2011 totaled \$6,512.17, itemized as follows:

1) \$ 105.95	10/27/11 Staples (Paige Eshelman) reimbursement for paper & HP ink cartridges
2) \$3168.72	11/03/11 Ag Writing Svcs./Corresp. Secy services & expenses October 2011
3) \$ 375.00	11/03/11 Paige Eshelman Services 10/18/11–10/27/11
4) \$2,862.50	11/03/11 Versant Strategies – 2 nd 1/2 of Inv #1303 Relation Services & expenses Oct. 2011
 - **This left an ending balance on November 10, 2011 of \$ 4,250.12**
- Treasurer Bernie Morrissey noted that the only currently received and outstanding invoices are Versant Strategies' November invoice totaling \$5,725 and due by the end of November, and 2) Bernie Morrissey's November office rent of \$100 due "whenever." Current funds available of \$4,250.12 leaves us short by of \$1,574.88.
- Morrissey also reported that checks had been received this week, but his assistant was off all week and so these checks have not been processed.

Executive Board and Activities Report:

- Chairman Hawbaker noted that the Secretary has sent updates throughout the month.

Federal Legislative Update:

- Denny Wolff updated the board on the happenings in Washington.
- He discussed the lack of agreement on dairy between the chairs in putting forth a farm bill for the super committee. The clock is ticking for agreement on the farm bill for the super committee.
- He also noted that the House and Senate are still working in a farm bill – through the four chairs – with six days left to the super committee deadline.
- At this point the Dairy Security Act (Peterson bill), still appears to be what would be included, but DPAC and others are making their case as to why it should not be the solution.
- He talked about the letters to editor the producers have sent out and urged producers to keep telling the story.
- Denny said he also reached out to Senator Toomey's office in regard to Casey's Dairy Advancement Act and the role of a dairy bill in the work of the super committee which Toomey is a member of.
- If the super committee doesn't succeed, then the automatic triggers will begin in 2013.
- Denny also talked about the LGM Dairy Insurance – using up the \$7 million limit. Through the work of many people, we were able to get some of those producers covered. But the exclamation point is how much interest producers have for this program.
- Denny reported that he spoke with USDA Risk Management Agency (RMA) about what some of the options may be for structuring and funding an LGM with wider availability to benefit dairy.
- One aspect is to make the \$20 million first come / first served and that would be simply an RMA decision, which they did by putting \$7 million more out there for November after the first \$7 million was used in October. One strategy is to take the whole \$20 million pot and just make it available to dairy and livestock without segmenting it. If they did that, dairy would likely use it all immediately.
- Another option is to put LGM Dairy into Crop Insurance category so it's not a pilot program anymore. Denny sent this idea out to Rep. Thompson and Rep. Holden's office for feedback and the response he received is the question of how it would score (by the CBO)? That question goes back to how the parameters are set and the information about how much milk could be covered to determine a price tag. If put into normal Crop Insurance, then LGM would receive dollars in the three brackets: delivery, subsidy, claims.
- Denny noted we are gaining more information on how to move this forward, and what information we need to gather to promote the Dairy Advancement Act.
- Bernie noted that RMA's report to agents is they will no longer operate the LGM Dairy as they did before. They've set a definite time to start the sales period each month and that time will occur after every company is uploaded to the system.
- Many DPAC board members, along with Bernie and Denny, and other producers who've been contacted... have been communicating with their members of Congress. Bernie said all of this has been made possible by those who have worked on this for two years via DPAC. We have the most positive news today that we are making a difference. We were told in January that we didn't have a chance. We were told recently by NMPF that we were not

relevant, but we know better. Bernie's information from Washington is to "just keep doing what we're doing."

- Denny said he appreciated the board members energy in following through as producers and thanked Alan for attending various roundtables.
- The Chairman thanked the board and professional team for their efforts and said "we'll all be waiting to hear and staying tuned to the outcome."
- Denny said an example of something we've done very effectively is the Side by Side Comparison. He said local dairy farmers have taken hold of that and used it with Farm Bureau to draft policy recommendations for the coming year. That happened because of DPAC. Now multiply that. It's good, grassroots work, rolling up sleeves and getting involved in this debate.

Correspondence with other groups – Roundtable with PDPW

- Alan Kozak reported about the Roundtable he was invited to participate in with NMPF and NDPO, moderated by Mark Stephenson.
- He reported there weren't a lot of questions.
- Georgia dairyman Everett Williams was there to speak on immigration and he asked the question during the policy roundtable: how can NMPF continue to push this agenda after seeing the Stephenson / Nicholson analysis. No answer was really given.
- Since the meeting, a farmer from Wisconsin contacted Alan. In essence it was another opportunity to express.

Feedback from guests and regions:

- He said he sees some areas where DPAC and Holstein USA could perhaps work together and that he is continually gathering information to keep abreast of what is going on and all the options that are available. He indicated his hope that there are areas where we run parallel because we are both concerned about what is best for the dairy producers.

New York

- Sherry mentioned that she has been invited by extension to speak at a farmer meeting in Oneida County, NY to talk about different policy proposals.

Southeastern States

- No one attended the call from the Southeast to report.

Midwestern States

- Sue Schultz of Wisconsin said Family Dairies appreciates the position paper Minnesota Milk came out with. She said the Family Dairies board wants to take some time to come up with a position statement as well.
- She also praised the courage of producers who wrote letters to the editor about dairy policy.
- Sherry reported for Howard Straub of Michigan who could not be on the call. He wanted to report that his letter was most likely going to appear in Hoards Dairyman. He also reported that Congressman Dave Camp of Michigan – who is on the super committee -- had done a radio show in Michigan, where he reported that the super committee is deadlocked at this time. Howard also reported that he would attend the December board reorganization and the dinner.

- Bernie thanked the Midwest and the various groups across the U.S., who have continued to support DPAC. He reminded everyone it still costs money to keep our name and information out there and he thanked those organizations, businesses and people that have helped.

Pennsylvania Report:

- Daniel Brandt reported from Pennsylvania that the PA Farm Bureau delegates voted the first day to remove the “temporary supply management” language out of their dairy policy recommendations as written last year.
- The second day they voted to keep the language in after the executive secretary briefed everyone about all the work PA Farm Bureau had done on this part of the last year’s recommendations. He also indicated that it was not good to be out of step with American Farm Bureau. After hearing this speech, the PA Farm Bureau delegates voted to keep the language from last year intact (60/40)
- However, a resolution from the floor was put forward to oppose National Milk’s Foundation for the Future. The first day this passed 65/35 by electronic vote after a weak voice vote.
- On the second day the same resolution received a strong voice vote in favor of the resolution to oppose FFTF.
- On state issues, PA Farm Bureau continues to support pooling of the PA premium, which has been part of their dairy policy recommendations for a long time.
- Several people spoke that it is not in the interest of the farmers.
- Brandt also noted that a few of the delegates wanted a DPAC representative on the Farm Bureau dairy policy committee.
- Nelson Troutman reported being at an equipment open house and saw Sen. Mike Brubaker’s assistant Kristen Crawford who noted that S.B. 991 is not moving and that Sen. Vogel has not come up with his version.
- Denny Wolff said that he has maintained contact with Mike at Sen. Vogel’s office on that.
- Bernie Morrissey noted that he will be at an event with Sen. Scarnati, majority leader, that evening. He wanted to meet with the PA State Issues Action Group after the DPAC board meeting on Nov 17 to be prepared with a formal request from DPAC for assistance from Sen. Scarnati in getting interested parties regarding legislation to change the PA Milk Marketing Law.

Old Business:

- Bernie gave a fundraising report, and urged everyone to help make sure we continue to have money in the treasury for the professional team. He said without them, we would not be where we are.

New Business:

- Chairman Hawbaker reminded the board about the annual reorganization meeting December 22 at 3:00 in the afternoon at the Ephrata office before the Christmas dinner at 6:30 at Shady Maple.

- Chairman Hawbaker noted his intent to have a board that keeps DPAC effective as an organization in regions nationally. He also reminded everyone of the mission for truth and transparency. He reported that some board members have contacted him about whether they want to remain on the board or move to the second row to make seats available to more producers from other areas. He asked board members to contact him if they have a desire to remain on the board or to move to the second row.
- Bernie announced that responses are coming in to the invitations for the Dec. 22 dinner at 6:30 at Shady Maple in East Earl, PA; doors open at 6:00 p.m.

NEXT MEETING

- The next official board meeting is the annual board reorganization on December 22 at 3:00 p.m. EST in Ephrata, PA and by teleconference.

Respectfully Submitted,

Sherry A. Bunting

DPAC Correspondence Secretary

December 9, 2011