



NEW YORK STATE SENATOR

Catharine Young

Senators Announce \$30 Million in Relief to Dairy Farmers

CATHARINE YOUNG April 1, 2007

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Senator Cathy Young (R-C-I, Olean) and members of the Senate Majority Conference today joined with New York dairy farmers at the Hourigan Dairy in Elbridge, New York to publicly announce the approval of the Dairy Investment Act, a \$30 million program included in the 2007-08 state budget that will provide direct and immediate financial relief to New York's dairy farmers.

For more information on the program, or to download the application, click the Dairy Investment Act link below.

[DAIRY INVESTMENT ACT](#)

The State Senate included \$60 million in funding for dairy farmers in their original budget proposal, while the budget proposals advanced by Governor Spitzer and the New York State

Assembly provided no financial assistance package for the beleaguered dairy industry. Throughout the budget process, members of the Senate Majority Conference fought to ensure that aid for dairy farmers would be included in the final state budget.

"Dairy farmers throughout Upstate New York are facing tremendous financial challenges right now, and I'm proud that the Senate Majority has stepped up to provide this critical relief," said Senate Agriculture Committee Chair Cathy Young, who was the prime sponsor of legislation that was the basis for this funding increase. "We need to invest in our dairy farms. A strong and vibrant dairy farm industry is vital to the health of our State's economy, and I'm pleased that this \$30 million will help our dairy farmers immediately."

"As the State Senator representing one of the largest agricultural districts in New York, I know how important the dairy farm industry is to our region and our State," said Senator Michael Nozzolio (R-C, Fayette). "This critical funding in the State budget is an integral part of our continued aggressive efforts to help New York's dairy farmers remain viable and competitive. It was a pleasure to work to secure this state funding for New York's dairy farmers, although we did not get the full amount included in our budget proposal, and they can be assured that I will continue to fight on their behalf."

"The dairy industry serves as the backbone of the upstate economy and the economic impacts of our \$3 billion industry ripples through a large number of local economies across New York," said John W. Lincoln, President, New York Farm Bureau. "This considerable investment in the dairy industry will go a long way in helping to financially strengthen dairy farms in a time of extremely low commodity prices and very high energy and livestock feed prices. Moreover, this major investment in the dairy industry will also be felt by the many businesses in our rural communities that support the farm industry. Quite simply, this investment is a win-win for upstate New York. We thank Senate Majority Leader Bruno,

Senator Young and the entire Senate Majority for their support of agriculture."

"The dairy industry is a \$3 billion dollar industry in New York State and it is in the best interest of everyone in this State to financially strengthen our dairy farms," said Senator John J. Bonacic (R-I-C, Mount Hope). "They are a vital part of the fabric of the state's rural communities, generating tens of thousands of jobs both on and off farms. High energy and feed costs, flooding, and low milk prices have resulted in unprecedented losses for dairy farms across New York State."

"Our dairy industry is a crucial part of the Upstate economy," said Senator John A. DeFrancisco (R-C-I-WF, Syracuse). "Our Central New York dairy farmers are among the most dedicated and hardest working individuals I know. Despite the financial challenges many of our farms are facing, they continue to provide quality products to consumers. This assistance will provide some much-needed relief for our hardworking farmers and it is critical in helping our dairy farmers preserve their farms."

"The agriculture industry is a vital part of the Upstate economy and one that we often take for granted," said Senator Joseph A. Griffo (R-C, Rome).

"Our farmers work hard to provide us with safe, fresh food and milk, despite the enormous pressures of the industry. This proposal will help to reduce some of that burden and help them to succeed and their success will benefit all New Yorkers."

"New York is the third largest dairy state in America," Senator Bill Larkin (R-C, Cornwall-on-Hudson) said. "New York's dairy farmers work long hours and tireless days to provide us with this most essential product, and the vast majority of them want to maintain their herds and keep their land in farming for future generations. But the market and other factors have

negatively impacted the industry recently. This relief plan is critical to the future of the dairy industry in New York State. It will help farmers reduce expenses, increase farm stability and maintain a vibrant and profitable dairy industry here in New York."

"Farmers in Broome, Tioga, Chenango and other Upstate Counties are facing tough challenges and need relief now from rising energy costs and decreasing milk prices," said Senator Tom Libous (R-I-C, Binghamton). "We had to step up to the plate to deliver."

"This assistance comes at a critically important time for many dairy farmers struggling to make ends meet," said Senator Betty Little (R,C,I-Queensbury), a member of the Senate Agriculture Committee. "Our farmers are facing increased costs for energy and feed, while milk prices are still at low levels. This funding will help keep many operations running while a long-term plan to address milk pricing is implemented."

"The dairy industry has faced unexpected and unfair hardships of late," Senator George Maziarz (R-C, Newfane) said. "I'm proud that the financial assistance included in the state budget begins to address the critical need to help dairy farmers get back on their feet. This aid would not have been approved were it not for Upstate senators responding to an Upstate need."

"As my Senate District has a high concentration of dairy farms, I am proud to support this Senate initiative which will provide much-needed assistance to our dairy farmers," said Senator Mary Lou Rath (R-C-I, Williamsville). "It is essential the dairy industry in New York State has the resources to compete in a global market. The measure the Senate worked to include in the budget will help them to do that."

"Agriculture remains a vital component to ensure a thriving economy, especially here in

Upstate New York," stated Senator Joseph Robach (R-C-I-WF, Rochester). "Our dairy farmers play an important and necessary role in providing wholesome, nutritional staples as part of our everyday consumption. This urgent financial assistance will help keep thousands of our citizens working and ensures a healthy, quality product for all residents of this state."

"The Senate Majority fought for some genuine help for the state's dairy farmers because they're experiencing low milk prices and jumping expenses, like fuel, feed, energy and taxes," Senator James Seward (R-C-I, Oneonta) said. "Saving our farms in this budget -- a way of life that has historically been the backbone of our country -- was one of our highest priorities."

"Upstate dairy farmers are under real pressure right now, and that threatens many rural, upstate economies. The dairy industry is an economic engine that we can't afford to let break down," said Senator George H. Winner, Jr. (R-C, Elmira), chairman of the Legislative Commission on Rural Resources. "The Senate fought hard for this major investment to extend a hand-up to New York's dairy farmers. It's common sense. It's a must-do for upstate farms, businesses and consumers."

"Historic low milk prices, coupled with high fuel and feed prices have dealt a tremendous blow to the dairy industry. New York and New England states compete for a piece of the same dairy market. Therefore, it makes sense that New York should follow in the example of Vermont, and offer additional supports to farmers," said Senator Jim Wright (R-C-I, Watertown), who represents two of New York's top three counties in dairy productions. Senator Wright was the co-prime sponsor of legislation that was the basis for this funding increase. "It is essential to ensure that dairy farms can not only stay in business, but survive in their business. Providing an additional financial support system is not only good for dairy farm families, but also for rural upstate economies and consumers."

The State Budget passed by the Legislature establishes a new Dairy Assistance Program within the New York State Department of Agriculture. The program, which is similar to an initiative used in the State of Vermont, will pay eligible farmers the difference between target prices established by the Agriculture Commissioner and the combined Northeast Federal Order Statistical Uniform Price, plus the amount of the Milk Income Loss Contract X payment rate on a per-hundredweight basis.

Dairy Producers will receive payments from the State in the form of a separate check based on pounds of milk produced during the 2006 calendar year. These payments will be made within thirty days of the proposal's enactment.

Dairy farming is a vital part of the fabric of the state's rural communities, generating tens of thousands of jobs both on and off farms, and productively employing millions of acres of farmland. Unfortunately, high fuel and feed costs, labor shortages and flooding have created a "perfect storm" scenario that has had a devastating economic impact on many milk producers. In addition, low milk prices, an outdated price control system administered by the United States Department of Agriculture (USDA), and the escalating cost of running a family farm have resulted in unprecedented losses for dairy farms across the State.