



NEW YORK STATE SENATOR

William Larkin

Senator Larkin Announces \$30 Million In Relief To Dairy Farmers

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Senator Bill Larkin (R-C, Cornwall-on-Hudson) and members of the Senate Majority Conference today announced 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.

Governor Spitzer's and the New York State Assembly's versions of the budget provided no financial assistance package for the beleaguered dairy industry, however, 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.

"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."

"The \$3 billion dairy industry serves as the backbone of the upstate economy," said John W. Lincoln, President, New York Farm Bureau. "This major 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."

Under the new Dairy Assistance Program, eligible farmers will receive payments from the State in the form of a separate check based on pounds of milk produced during the 2006 calendar year.

Dairy farming generates 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 In addition, low milk prices, an outdated price control system administered by the United States Department of Agriculture (USDA), and the escalating cost of running a family farm have resulted in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.