



The View from Washington, D.C. for 2003

Southern Dairy Conference

February 10, 2003



Impact of the Election on Dairy Policy for 2003

- **The White House**
- **The U.S. Senate**
- **The U.S. House of
Representatives**



Federal Dairy Policy in 2003

- **The White House**
- **After the mid-term elections:**
 - **Stronger politically**
 - **Can set the stage for 2004**
 - **National Security Issues dominate the national agenda**

Federal Dairy Policy in 2003

- **The U.S. Senate**
 - **New Majority Leader**
 - **Dr. Bill Frist (TN)**
 - **New Majority Whip**
 - **Mitch McConnell (KY)**



Federal Dairy Policy in 2003

- **The U.S. Senate Leadership**

- **Democrats**

- **Tom Daschle (SD) minority leader**

- **Harry Reid (NV) assistant**



Federal Dairy Policy in 2003

- **The U.S. Senate Leadership**

- **Democrats**

- **Tom Daschle not running for president**
 - **Several of his caucus are**
 - **Has work cut out for re-election in South Dakota in 2004**
 - **Dem's must defend 19 of 34 Senate seats up in 2004**

Federal Dairy Policy in 2003

- **The U.S. House of Representatives**
 - **Republicans**
 - **A little stronger politically**
 - **Exerting more control over the agenda**
 - **Democrats**
 - **New leadership**
 - **New direction**



Federal Dairy Policy in 2003

- **The U.S. House Leadership**
 - **Republicans**
 - **Hastert (IL) Speaker**
 - **Armey (TX) retires**
 - **DeLay (TX) Majority Leader**
 - **Blunt (MO) Majority Whip**
 - **Cantor (VA) Chief Deputy Whip**



Federal Dairy Policy in 2003

- **The U.S. House Leadership**

- Democrats**

- **Pelosi (CA) Minority Leader**
 - **Gephardt (MO) running for President**

Federal Dairy Policy in 2003

- **Agriculture Committees**
 - **U.S. Senate – Major changes**
 - **Thad Cochran (MS) to chair Ag**
 - **Lugar (IN) to chair Foreign Relations**
 - **Chambliss (GA), Dole (NC), Talent (MO), Grassley (IA) and Coleman (MN) added to Ag**



Federal Dairy Policy in 2003

- **Agriculture Committees**

- **U.S. House**

- **Goodlatte (VA) the New Chairman**
 - (Combest (TX) resigns)
 - **Stenholm (TX) ranking Member**
 - **New chairs of subcommittees and jurisdiction**



Federal Dairy Policy in 2003

- **House Agriculture Committee**
 - **New chairs of subcommittees and changes in jurisdiction**
 - **Gutknecht (MN) chairs Department Operations, Oversight, Nutrition and Forestry**
 - **Jurisdiction over dairy programs**
 - **Will Dems interested in dairy follow?**



Federal Dairy Policy in 2003

- **House Agriculture Committee**
 - **New chairs of subcommittees and changes in jurisdiction**
- **Hayes (NC) to chair Livestock Subcommittee**
 - **Jurisdiction over animal side of the business?**

Federal Dairy Policy in 2003

- **House Agriculture Committee**
 - **Republicans newly named**
 - **Janklow (SD), Burns (GA), Bonner (AL), Rogers (AL), King (IA), Chocoma (IN), Musgrave (CO) and Nunes (CA)**
 - **Democrats newly named**
 - **Ballance (NC), Cardoza (CA), Case (HI), Marshall (GA), Alexander (LA) and Scott (GA). Still 4 or 5 more TBD.**



Federal Dairy Policy in 2003

- **Agriculture Appropriations Subcommittees**
 - **U.S. Senate**
 - **Thad Cochran (MS) returns to chair**
 - **Regional fights still a factor**
 - **U.S. House of Representatives**
 - **Bonilla (TX) chair; survived close race**



Federal Dairy Policy in 2003

- **Federal Dairy Program**
- **Trade**
- **Conservation/Environment**
- **Child Nutrition Reauthorization**
- **Farm Bill Implementation**
- **Johne's Program**
- **Taxes**
- **Energy**



Federal Dairy Policy in 2003

- **Federal Dairy Program**

- **Federal Orders**

- **Price Support Program**

- **Alternative Proposals**

- **H.R. 455 would require “Option 1B”**

- **Compact Bill introduced**



Federal Dairy Policy in 2003

- **Trade**

- **MPC Imports**
- **WTO Negotiations**
- **Bilateral Negotiations (Australia)**



Federal Dairy Policy in 2003

- **Conservation/Environment**
 - **EQIP Funding**
 - **New payment limitations on cost-share**
 - **New CAFO Proposed Rule**

Federal Dairy Policy in 2003

- **Child Nutrition Reauthorization**
 - **School Lunch Program; WIC**
 - **Dairy a major portion of funding**
 - **Access for competitive beverages sought**
 - **Other commodities vying for funding**



Federal Dairy Policy in 2003

- **Farm Bill Implementation**

- **No changes to date**

- **MILC Payments**

- **September 2005 sunset**

- **“Score” about to be exceeded**

- **Alternatives**



Federal Dairy Policy in 2003

- **Johne's Program**
 - Funding, implementation
- **Taxes**
 - Tax cuts permanent (Estate Tax)
 - Limitations on reinvestment
- **Energy**
 - Incentives for generation from farm waste



South East Dairy Farmers Association

- ***Washington Report***

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