



Georgia Milk Producers, Inc.

2023 Farm Bill Priorities

Georgia's Dairy Industry

- There are **89 dairy farms** and **92,000** dairy cows in Georgia.
- Georgia **leads the Southeast** in milk production and the **2nd** fastest growing state for milk production in U.S.
- In 2022, Georgia dairy farms producers **2.02 billion pounds** (235 million gallons) of milk
- The dairy industry in Georgia has a direct economic impact of **\$2.5 billion** and directly creates and supports over **21,000 jobs**.
 - Each dairy cow contributes **\$12,600** in economic impact annually to the surrounding community.
- Leading dairy counties in Georgia are **Macon, Burke, Brooks, Sumter, Morgan, and Putnam** counties.

Dairy Margin Coverage (DMC): Increase Tier I Limit and Update Production Histories

DMC is a very popular program with near universal participation among Georgia dairy farmers. This program geared towards smaller and medium-sized dairies provides a valuable risk management tool to producers. However, the Tier I coverage limit caps eligible production to 5 million pounds of annual production (roughly 220 cows). The Georgia dairy industry, like the U.S. dairy industry, has seen the average herd size grow significantly over the past 20 years. Currently 49 percent (44 out of 89) Georgia Dairies have herd sizes greater than 220 cows. Increasing the production limit would allow Georgia dairies to enroll more (and in some cases all) of their production under Tier I coverage with lower premiums and higher coverage levels. This could allow for savings of up to \$0.80 per hundredweight in premiums and another \$1.50 in margin coverage.

Furthermore, DMC production histories were set using data from the highest total production from production years 2011-2013. Since DMC was first included in the 2018 Farm Bill, Georgia's dairymen have continued to increase efficiency over the past 5 years. According to USDA NASS Milk Production reports, Georgia's dairy herd has increased 15 percent since 2012 while milk production has increased 32 percent over that same period. Along with increasing the Tier I production limit, DMC should also allow producers to establish updated production records easily throughout the life of the program.

Feral Swine Eradication Pilot Program: Continue Funding or Make Permanent

Feral Swine are a pestilence in Georgia causing \$150 million in damage to agricultural operations each year. This invasive species is incredibly destructive to crops, waterways, and existing ecosystems. The Feral Swine Eradication Pilot Program funding two pilot projects in South Georgia from 2019-2023. These projects tracked movements of swine in South Georgia and allowed USDA APHIS, NRCS, and local partners to develop and implement new control techniques, collect data on environmental impacts, and potential disease transmission from swine to domestic livestock and native wildlife.

By continuing to fund these pilot projects, the 2023 Farm Bill will allow USDA, partner agencies, and stakeholders to continue to build tracking and control programs in Georgia and throughout the US. Feral swine have the ability to damage cropland and the dangerous potential to spread foreign animal disease throughout the country. The lessons learned through current and future pilot projects could also unlock management techniques and best practices for controlling other invasive species.

Environmental Quality Incentives Program (EQIP): Maintain Prioritization for Livestock & Increase Funding to Support Net Zero Initiative

The U.S. Dairy Industry has set the ambitious goal of attaining net-zero carbon emissions by the year 2050. This industry wide approach will require producers to continue to adopt conservation practices that reduce the carbon footprint of their farm. EQIP's cost share structure helps producers incorporate new management practices while alleviating some of the financial burden that accompanies these important investments.

EQIP is an incredibly popular program among all commodity groups, and the allocation of funds to livestock operators allows dairy farmers in Georgia to participate where they may not otherwise. Georgia is a very diverse state for agricultural production leading the nation in several commodity categories. For dairy farmers to continue to participate in this overprescribed program, the Farm Bill must maintain or increase the allocation of funds for livestock projects. Furthermore, as the dairy industry moves towards the ultimate goal of net-zero emissions, producers will rely more and more on this and other NRCS programs to assist in the capital investments necessary to reduce their operation's carbon footprint.

Supplemental Nutrition Assistance Program (SNAP): No Additional Restrictions on Milk

USDA Food & Nutrition Service published a proposed rule in November of 2022 that would reduce the maximum monthly allowance for dairy products in the WIC program. In February 2023, USDA FNS published another proposed rule that would further limit the choices of beverage milk in schools. Dairy is a nutrient dense food group that provides 13 essential nutrients per serving. Restrictions on choice within Farm Bill feeding programs will inevitably lead to less consumption among SNAP participants and worse health outcomes overall.

The 2023 Farm Bill should not codify any further restrictions on the types of dairy products available to participants and, when practicable, should allow for greater access to whole milk, two percent milk, and certain varieties of flavored milk to encourage increased dairy consumption and thus increased consumption of the 13 essential nutrients milk provides.