

The California FMMO hearing is finally upon us

The California Federal Milk Marketing Order (FMMO) Hearing is set to begin September 22, 2015 at 9am at the Clovis Veterans Memorial District Building, located at 808 Fourth Street, Clovis. Anybody is welcomed to attend. It may be of interest that during the first stage of the hearing the U.S. Department of Agriculture (USDA) will enter documents and data into evidence. Given the volume of material, USDA estimates this may take several days. Once the government witnesses are through their testimony, the administrative law judge will open the floor to proponents. If you are interested in testifying, the following USDA guidelines are useful:

- To participate, you must be physically present at the hearing.
- Upon arrival at the hearing site, please inform USDA staff you wish to testify. The judge will try to accommodate you. Dairy farmers will be given priority to testify. If you wish to schedule a specific day and time to testify, USDA will make every effort to accommodate your request.
- All witnesses are sworn in by the judge, and all testimony is given under oath or affirmation.
- All witnesses are subject to cross-examination by anyone in attendance in connection with their testimony.
- You may ask any witness questions about his or her testimony. When prompted by the judge, approach the microphone and identify yourself.

To those familiar with the CDFA hearing process, this probably looks similar. The biggest difference with a CDFA hearing is the cross-examination. While this may sound intimidating, there are a few things producers can do to avoid being cross-examined, or at least make it so that the questions asked are not daunting. Testifying about what you know is the best approach. Dairy producers in the state face similar challenges, but they mean different things for different operations so you are uniquely positioned to talk about what is relevant to you. Unless you are familiar with the specifics of the proposals, you don't need to talk about them. Stating your position regarding at least one proposal and continuing with details about your dairy operation would be an example of a simple but impactful approach. It is important to remember that attacks against CDFA will not bring any productive information into the record so it is best to avoid such statements. If you need assistance in preparing for testimony, please feel free to contact me (aacmoody.wud@gmail.com or 765.543.4483).

How to stay in the loop

Days, weeks, months... sitting in a chair... listening to testimony. Sounds like the dream, doesn't it? Well, if you're an attorney, maybe. Otherwise, I think the majority of dairy producers in the state may have things to do on their operations other than spend weeks in a hearing room. Still, it doesn't mean what will be said will not be of interest or that it does not matter to you. That is why WUD will launch an effort to keep you updated on a timely basis. To achieve this, we will use social media feeds where you will be able to follow what is going on in close to real time. Make sure to like Western United Dairyman's page on Facebook and follow @wudnews on Twitter (#WUDCAFMMO to add to the conversation). Not on social media? Not a problem. If you don't think your niece will share her Facebook account with you, we will include each week's progress report in the Friday Update to keep you in the loop. USDA will also have a listen-only audio feed of the hearing available at: www.ams.usda.gov/caorder.

WUD has been in support of the coops' proposal – what does it support exactly?

If you have been reading this newsletter or have seen the recently released WUD FMMO brochure (if you haven't, you can ask your dedicated WUD field rep for a copy), you know that WUD's board of

director voted to support the coops' proposal at their February 2015 board meeting. What this means is the board feels that if the proposal was adopted by USDA as is, it would likely result in a better outcome for California dairy producers than the pricing system we have now. Testimony presented at the hearing by your association will reflect this. After USDA goes through the process and makes its recommendation for a CA FMMO, the proposal may look different. Ultimately, it will be up to the producers to vote "yes" or "no". There has been much said about the process in recent weeks, but not much about the proposal itself. Below is a summary of the key demands stated in the coops' proposal. They will be at the forefront of the hearing in the next few weeks.

- The California state quota system is to remain intact and be administered by CDFA (like it is now)
- All California plants purchasing milk from California grade A dairy producers will be pool plants. Voluntary depooling of any class of milk will not be permitted.
- Class prices would be the same as the current FMMO classes
 - o Class I (fluid milk)
 - o Class II (soft and frozen products)
 - o Class III (cheese and whey)
 - o Class IV (butter and powder)
- Fortification of milk for Class I uses to meet the California fluid milk standards will be accommodated through a fortification allowance to Class I handlers (similar to how it is now)
- A system of transportation subsidies for the movement of milk from production areas to qualifying Class I and II processing locations will be established (similar to how it is now)