President's Letter Gary Bonestroo February, 2006

Greetings, fellow dairy producers. Hope this letter finds you well in this new year.

Now that we are a month and a half into the year, we see that it is a year with new problems, but great weather. First of all, some of New Mexico state government thinks minimum wage should be raised to \$7.50. This includes an exemption for agriculture which Sharon and her team were able to keep in there. However, our cost for supplies and service will increase if this passes.

President Bush wants to tax us three cents per cwt on all milk to make up for a budget deficit. This will cost an average size producer \$700 plus or minus and cost a producer milking two thousand \$15,000 plus. At the same time, the President supports MILC which cost the taxpayers billions of dollars that has a cap on how much a large producer receives. What about all the money we are saving taxpayers with our own cwt program. For instance, no CCC purchase for over a year and a half.

Last but not least, some co-ops of ours support raising the make allowance for processors to cover their extra energy costs. Give me a break!! We pay extra for feed trucked in and our milk trucked out to the processors, just for starters. Then, we get to run our dairies. We want a better milk alliance. Oh yeah, and we are starting the year off two dollars cwt less! Happy New Year!

Glad I could cheer you all up. There is hope, though. We have Sharon and her agricultural team lobbying in Santa Fe to make sure the increase in minimum wage will not be too harsh besides all the other bills she is watching – there are too many to list here. And, Ben Yale has been working on the new make allowance from when it was first introduced almost a month ago.

I went to Sacramento, CA, for the National Milk Producers Federation (NMPF) Conclave. It was an all producer meeting (mostly). Let it be heard that DPNM is against any increase in the make. The meeting was very good, and discussed a wide range of topics. Environment issues are a very big concern for everyone, so a lot of time was spent talking about this. Some other topics that were discussed included raw milk, animal health and care, milk security, animal ID, product standardizing and labeling organic, and CWT. They had three different meetings around the country. NMPF will be sending out a conclusion summary of all that was discussed.

DPNM will host our fourth Producer Forum on National Dairy Policy on March 6-7 in Washington, D.C. We will meet with our delegation on the 8 th to talk about issues. A few other dairymen in Portales, Clovis, other locations and me are going to meet with dairymen from 15-20 other states in order to see if we can make a difference. DPNM will send a report out about the conclusion of the meeting.