

# MPC WEEKLY FRIDAY REPORT

DATE: MARCH 27, 2020

TO: DIRECTORS & MEMBERS

FROM: KEVIN ABERNATHY, GENERAL MANAGER

PAGES: 11

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## MPC FRIDAY MARKET UPDATE

CHICAGO CHEDDAR CHEESE			CHICAGO AA BUTTER			NON-FAT DRY MILK		
Blocks	-\$ .2475	\$1.5900	WEEKLY CHANGE	-\$ .2675	\$1.4875	WEEK ENDING 03/21		
Barrels	-\$ .0900	\$1.3400	WEEKLY AVERAGE	-\$ .0915	\$1.6360	NAT'L PLANTS	\$1.1160	22,729,400
WEEKLY AVERAGE CHEDDAR CHEESE			DRY WHEY			PRIOR WEEK ENDING 03/14		
Blocks	-\$ .1090	\$1.7545	DAIRY MARKET NEWS	W/E 03/27/20	\$ .3700	NAT'L PLANTS	\$1.1632	20,507,552
Barrels	-\$ .0375	\$1.4125	NATIONAL PLANTS	W/E 03/21/20	\$ .3787			

## CALIFORNIA FEDERAL MILK MARKETING ORDER PRICE PROJECTIONS

PRICE PROJECTIONS	CLASS I ACTUAL (RANGE BASED ON LOCATION)	CLASS II PROJECTED	CLASS III PROJECTED	CLASS IV PROJECTED
MARCH 27 EST	\$19.06 - \$19.56	\$16.77	\$16.23	\$14.91
LAST WEEK	\$19.06 - \$19.56	\$16.88	\$16.26	\$14.90



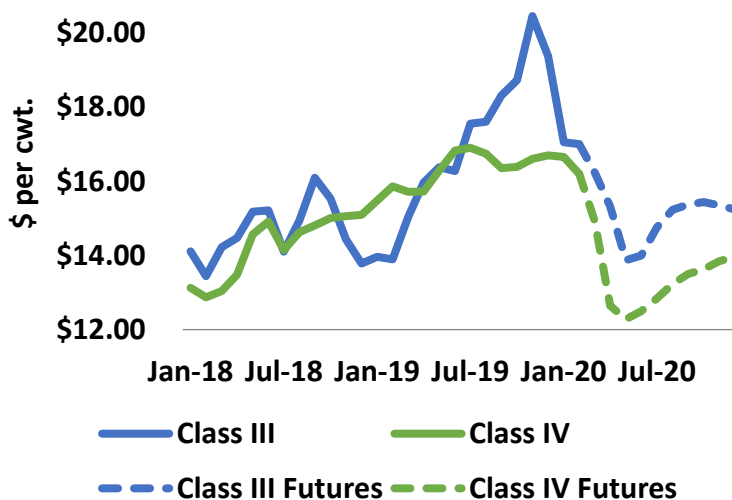
### Milk, dairy and grain market commentary

By Sarina Sharp, Daily Dairy Report  
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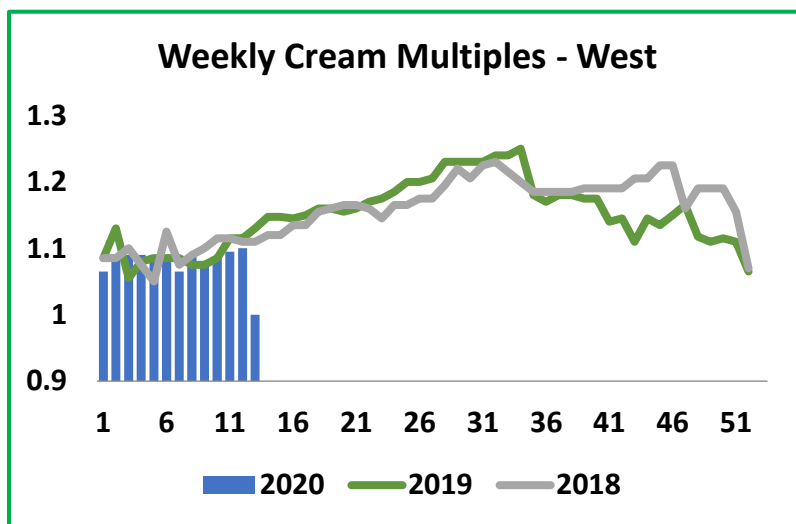
#### Milk & Dairy Markets

Red ink flooded LaSalle Street this week. The dairy markets were decimated. Every Class III and Class IV contract on the board scored new life-of-contract lows. The selloff was steep and widespread, but second-quarter contracts suffered most. May Class III plummeted \$1.44 to a painfully low \$13.87 per cwt. May Class IV fared even worse, falling \$1.79 to an unbearable \$12.28. At today's prices, dairy producers in a region with roughly half of their milk check derived from Class III and half from Class IV will earn just \$13.08 per cwt., and \$13.83 on their Class I share.

#### Milk Prices



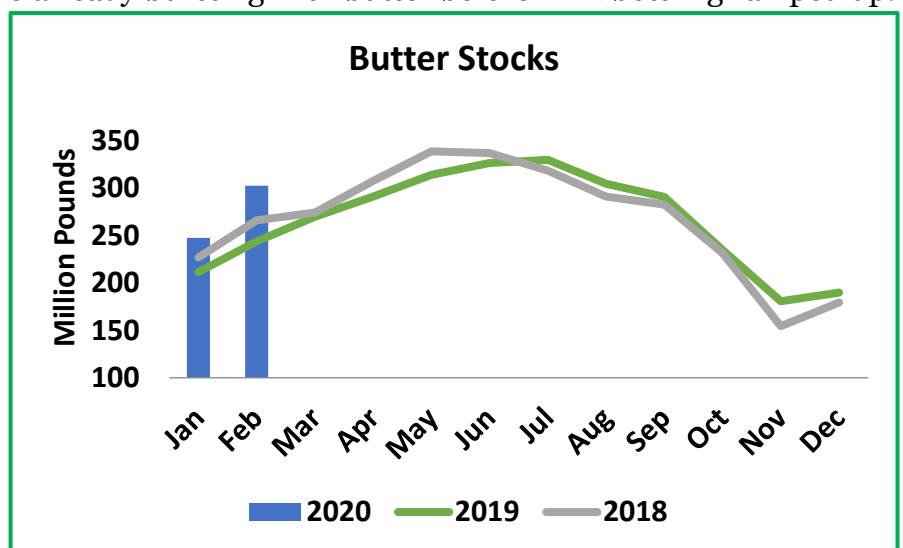
Those numbers clearly won't pay the bills, and after four painful years (and a couple good months) dairy producers are in no shape to weather this storm. Congress set aside billions of dollars for agricultural aid and for food purchases as part of its \$2 trillion aid package, but the timing and structure of these payments are still unknown. The dairy safety net will provide a financial cushion for those who enrolled, but low participation in these programs reveals that many are vulnerable to the whims of an increasingly cruel market. Dairy producers insured quarterly floor prices on about 20% of the nation's milk through Dairy Revenue Protection (DRP). Barring a steep recovery in milk prices, most of these policies are projected to pay indemnities. Less than half of all dairy producers representing 56.2% of the nation's established milk production history – and a somewhat smaller share of today's greater milk production – enrolled in the Dairy Margin Coverage (DMC) program, which is now projected to make payments in March through December. It's likely that many dairy producers who signed up for DRP also enrolled in DMC, so much of the nation's milk will be sold at very low values, without any safety net protections at all. Unless creditors are exceedingly patient, the industry is likely to suffer a tidal wave of sellouts.

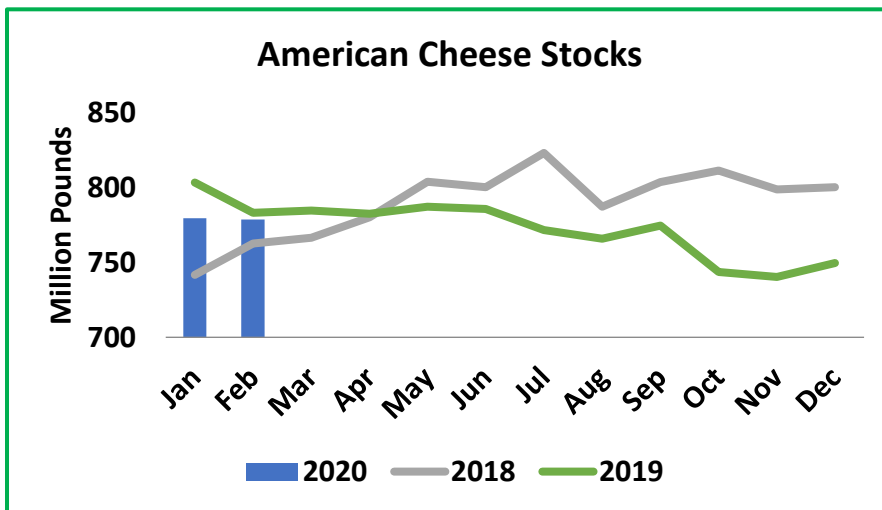


The impact of Covid-19 is beginning to disrupt milk processing along the East Coast. Amidst fear of contagion, some of the labor force is staying home, forcing plants to run below capacity. As a result, more milk is sloshing around the rest of the nation and more tankers are hauling milk greater distances at a discount, even as fluid milk bottling remains elevated. Milk continues to fly off the shelf at grocery stores, although sales are not quite as high as they were during the initial panic-buying surge. Fluid milk is the lone bright spot in the dairy complex. Milk bottlers are skimming off huge volumes of cream, and churns are

running hard. Cream is particularly abundant in the West, where cream multiples – the factor used to convert the butter price to a cream price – have dropped to multi-year lows.

America's refrigerated warehouses were already bursting with butter before milk bottling ramped up. USDA reports that on February 29 there were 302.3 million pounds of butter in cold storage, the highest total for the month since 1993 and nearly 55 million pounds more than on January 31. The month-to-month build marked the largest January-to-February increase since 1992. February butter inventories are 24% higher than they were a year ago. We're now adding to that stockpile, and the market is feeling the pressure. CME spot butter plunged 26.75¢ this week to \$1.4875 per pound, its lowest value since October 2013.



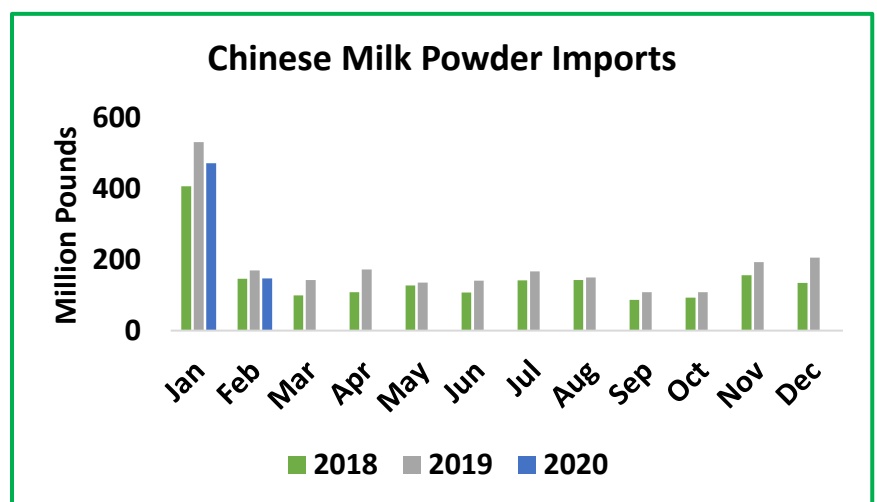


The cheese market was much healthier coming into the crisis. Cheese stocks climbed only slightly from January to February. At 1.36 billion pounds, February cheese stocks were 0.5% lower than a year ago. Inventories of American-style cheese, including Cheddar, were down 0.6%. Cheese is moving quickly at retail, but it is likely not replacing all the lost demand from foodservice. Although pizza delivery franchises are moving a lot of product, sit-down restaurants are not, and mozzarella

sales are down. That means cheese makers are likely making a lot of commodity Cheddar. This week both blocks and barrels dropped to one-year lows. Spot Cheddar blocks fell 24.75¢ to \$1.59. Barrels closed at \$1.34, down 9¢ since last Friday.

Sales patterns are similar in Europe, with cheese moving in large volumes through retail channels. However, some European cheesemakers are finding it difficult to obtain the materials necessary to repackage bulk cheese into retail-friendly sizes. As the bloc struggles to contend with border controls for the first time in decades, bottlenecks are slowing the flow of product from the warehouse to grocers. That's likely to translate into lost demand despite robust consumer appetites. European cheese stocks were tight before Covid-19 slowed markets. European cheese production grew just 0.3% year-over-year in 2019, and exports impressed. In January, Europe sent 19% more cheese abroad than it did the year before.

They spot whey market is holding steady, which is a victory in this environment. CME spot whey powder didn't budge this week; it stands at 33¢ per pound. The futures gained ground. In January and February, China imported 4.6% more whey than in the first two months of 2019, after adjusting for Leap Day. The U.S. continues to regain market share now that China has rescinded its punitive tariffs on U.S. whey.



Although Covid-19 was already raging through China in January and February, milk powder imports were better than feared. Combined imports of skim and whole milk powder fell 11.7% from a year ago, when Europe was aggressively moving out its Intervention stockpile and China was buying record volumes of cheap milk powder. Given slowdowns at Chinese ports and reports of very high domestic milk powder output earlier this year, these figures were positive. Now, however, the global trade has stalled. Sporadic port closures are likely to entangle international freight, and foreign buyers have lost considerable purchasing power. The milk powder market is the most dependent on exports, and it is likely to remain under pressure until the impacts of the virus subside. This week, CME spot nonfat dry milk (NDM) dove 6.75¢ to 92¢, the lowest spot value since December 2018. Covid-19 has erased years of hard-won gains in the dairy markets.

## Grain Markets

Ethanol plants are slowing output or closing their doors altogether, disrupting the feed markets throughout the Corn Belt. The corn basis had been sky-high since the rains became problematic last spring, but now the basis is close to zero in much of the Corn Belt. Cash corn values are down hard. Dairy producers and other livestock growers who fed distillers grains will have to adjust their rations, which likely means more soybean meal purchases. Unfortunately, soybean meal is one of the few commodities that has been rising in value.

The soy complex got some further support this week from fears that Argentina would halt exports. Port workers are demanding closures so that they can stay home until the virus recedes. But Argentina depends on export taxes and is likely to try to keep product moving, albeit at a slower pace.

May soybeans closed at \$8.815, nearly 20¢ higher than last Friday. At \$323.10, soybean meal fell back \$2.10 per ton after a sizable rally last week. The corn market inched upward from last week's multi-year lows. May corn settled at \$3.46 per bushel, up 2.25¢.



### MPC collaborates with partners to ease milk purchasing limits

By Kevin Abernathy, General Manager

[Kevin@MilkProducers.org](mailto:Kevin@MilkProducers.org)

We've all seen it on the news or experienced it firsthand at the local grocery store – limits on the number of certain foods as well as home items consumers can purchase at one time. I've experienced it myself, leaving behind a loaf of bread and a gallon of milk at the check-out stand because I was over the store-imposed limit for those items.

With regular life put on hold to stop the spread of the novel coronavirus, concerns by retailers and consumers about the availability of staple foods for the foreseeable future is understandable. Uncertainty fuels anxiety – which unchecked – can lead to panic. This has manifested in picked-over shelves at stores large and small across the country, with folks buying up food that will sustain them for the long-haul. With a nutrient density unmatched by other foods, it's no surprise that milk is flying out of the dairy case at a rate unseen in decades.

The good news is that we have no shortage of milk according to every dairy representative I visited with over the past week. Any shortages seen in stores were due to logistical transportation issues, which are being resolved. So that got me thinking: If we have the milk consumers want and it can get to stores, is the purchase limit of two gallons per visit (the most common limit in place) necessary? For a family earnestly trying to reduce contact with others by sheltering in place, they must make more trips to the store to purchase essential food items, like milk, due to purchasing limits. That seems counterintuitive to me.

Earlier this week, I reached out to Tammy Anderson-Wise, CEO of [Dairy Council of California](http://DairyCouncilofCalifornia.org), to check-in on what she was hearing about the issue and to see if we could get the ball rolling to provide assurances to retailers that the milk supply is plentiful and reliable. She and her staff said that some grocery chains are limiting purchases, while others are not. She also reached out to Bill Schiek,





Executive Director of [Dairy Institute of California](#), to see if processors were confident in supplying retailers based on increased consumer demand. Bill is working with his membership to provide that assurance, and upon doing so, has pledged to write a letter to the California Grocers Association stating that restrictions on milk purchases should be reconsidered since the California dairy industry, both producers and processors, can meet their needs.

My personal thanks to Tammy and Bill for jumping on this issue so quickly. We'll continue to stay engaged and report back with additional information.



### What a week...

*By Geoff Vanden Heuvel, Director of Regulatory and Economic Affairs*  
[Geoff@MilkProducers.org](mailto:Geoff@MilkProducers.org)

We took a highly sophisticated, fully integrated and massive economy rolling down the freeway at top speed and slammed on the brakes. There will no doubt be extensive damage, but the magnitude of that damage at this point is unmeasurable.

I watched a [webinar](#) on the dairy situation conducted by Dr. Marin Bozic on Wednesday. His first slide summarized the retail sales of dairy products for the week ending March 15. Those are truly astounding numbers as you can see below.

This surge in retail demand, accompanied by the mandatory closing of many restaurants in the country, has led to massive shifts and strains on the logistics of getting milk and dairy products to the market. Dr. Bozic was asked about what the impacts are on exports and he responded that while retail sales data is collected in real time, export data takes a while to collect and report. So, it's too early to tell on that front.

#### DAIRY RETAIL SALES HAVE DRAMATICALLY INCREASED

##### FLUID MILK

- Fluid milk volume sales are up +33.6%. For perspective, fluid milk sales were down -3.8% at the end of 2019.
- Looking at San Francisco/Oakland, California, an area that has much greater spread of COVID-19, fluid milk volume sales have increased +42.8%. This may mean our region has more sales growth to come.
- Extended shelf life milks (Fairlife is an example of an extended shelf life milk) have an increase of +70.3% in volume sales.

##### SHELF-STABLE MILK

- We are also tracking shelf-stable milk volume sales, which are up +64.2%. Again, this is even higher in the areas with greater COVID-19 impact (increase of +142% in New York, NY).

##### POWDERED MILK

- Has an increase of +366.8% in volume sales.

##### OTHER DAIRY FOODS

- Butter has increased +85.2% in volume sales (in 2019, had an increase of +2.3%).
- Natural cheese is up +62% in volume sales (In 2019, had an increase of +2.2%).
- Processed cheese is up +72.1% in volume sales (In 2019, had a decrease of -2.5%).
- Yogurt is up +41.3% in volume sales (In 2019, had a decrease of -1.2%).
- Refrigerated alternative beverages are up +68% in volume sales and shelf stable alternative beverages have grown +173% in volume sales.

### Mitigate your risk with the Dairy Revenue Protection Program

Another significant focus of Dr. Bozic's webinar was making the point that what we are experiencing with COVID-19 is a "black swan" event: something rare and unexpected. He talked about the desirability of using risk management tools to protect against the negative impacts from these shocks. He encouraged producers to look very seriously at the new Dairy Revenue Protection (DRP) program. This is a federally backed crop insurance program that enables a producer to buy a floor price for a future time period based on what today's futures prices indicate that price might be. Policies purchased under

the DRP are subsidized by USDA and premiums are not due until after the covered timeframe is over, so there is no immediate out of pocket expense for participation. DRP became available for purchase in October of 2018, and at MPC's request, I obtained a license and developed a relationship with an insurance agency back in 2018 in order to make sure that DRP would be available to California producers when it started. Since 2018, many other agencies have entered the market to provide DRP to California producers, so there are lots of choices. Since the selling of crop insurance is strictly regulated by USDA, the premiums are the same no matter who you purchase from and rebating or giving anything of value as a kickback to purchasers is illegal.

I have been asked should you buy DRP right now. My answer is you should definitely sign up for DRP now so that you can buy if the opportunity presents itself. The application process is relatively easy. It can be accomplished in a few minutes if you have all the necessary information and are Conservation Compliant at USDA. With regards to actually purchasing coverage, like any insurance, it is best to buy coverage when you don't need it. The floor prices available and the premiums to buy that coverage were a lot better 60 days ago. Right now, as I write this, CME Class III and Class IV futures prices are crashing. DRP floor prices that will be available this weekend (DRP sales happen between 2 p.m. Pacific and 7 a.m. the next business day) will be set by these lower prices. Furthermore, the premium levels change every day based on actuarial formulas that calculate the risk that this policy will eventually result in an indemnity payment. When there is great volatility in the futures market, that volatility drives up the risk that the futures prices today are less reliable as a predictor of what actual prices will be when the future time period occurs. As a result, the DRP premiums are very high right now. But things can change on a dime. There will be opportunities to get coverage in the future that make sense. If you want to chat about DRP or anything else feel free to email or call me. Contact information is listed at the end of this newsletter.

### **COVID-19 pumps the brakes on industry events, regulations**

Here are some things that were delayed by COVID-19:

- The Dairy Sustainability Summit did not happen this week; hopefully it will happen late fall.
- The CDFA hearing on the STOP QIP petition to suspend Chapter 3.5 and therefore the quota program scheduled for April 7-8 has been postponed with no new date scheduled.
- The Court hearing on the STOP QIP process lawsuit against the QIP has been pushed back from May 15 to July 15.
- The Notice to Comply order from the Central Valley Water Quality Control Board that would have started the clock on requiring producers to form and join drinking water management zones has been delayed by at least 60 days.

### **Things still happening...**

This week there was a very productive large virtual meeting with all the dairy folks around the country working on the Net Zero Carbon Footprint issue. This meeting was going to be in person at the Sustainability Summit but ended up happening online. The Friant Water Authority had their regular board meeting online this week and reported that all of the preparations to begin work on a fix of the subsidence pinch point that has reduced the carrying capacity of the canal by 50% south of Porterville remains on track and full speed ahead. In addition, much needed rain and snow have begun to fall on the Central Valley and Sierras for which we give thanks. Which brings me to Psalm 33, which you can read [here](#). This a rich passage in the Bible, and through the ages, God's people have been comforted and encouraged by these words written thousands of years ago. The Psalm ends with these words:

*"We wait in hope for the Lord; he is our help and our shield. In him our hearts rejoice, for we trust in his holy name. May your unfailing love be with us Lord even as we put our hope in you."*

# EMPLOYEE RIGHTS

## PAID SICK LEAVE AND EXPANDED FAMILY AND MEDICAL LEAVE UNDER THE FAMILIES FIRST CORONAVIRUS RESPONSE ACT

The **Families First Coronavirus Response Act (FFCRA or Act)** requires certain employers to provide their employees with paid sick leave and expanded family and medical leave for specified reasons related to COVID-19. These provisions will apply from April 1, 2020 through December 31, 2020.

### ► PAID LEAVE ENTITLEMENTS

**Generally, employers covered under the Act must provide employees:**

Up to two weeks (80 hours, or a part-time employee's two-week equivalent) of paid sick leave based on the higher of their regular rate of pay, or the applicable state or Federal minimum wage, paid at:

- 100% for qualifying reasons #1-3 below, up to \$511 daily and \$5,110 total;
- ⅔ for qualifying reasons #4 and 6 below, up to \$200 daily and \$2,000 total; and
- Up to 12 weeks of paid sick leave and expanded family and medical leave paid at ⅓ for qualifying reason #5 below for up to \$200 daily and \$12,000 total.

A part-time employee is eligible for leave for the number of hours that the employee is normally scheduled to work over that period.

### ► ELIGIBLE EMPLOYEES

In general, employees of private sector employers with fewer than 500 employees, and certain public sector employers, are eligible for up to two weeks of fully or partially paid sick leave for COVID-19 related reasons (see below). *Employees who have been employed for at least 30 days prior to their leave request may be eligible for up to an additional 10 weeks of partially paid expanded family and medical leave for reason #5 below.*

### ► QUALIFYING REASONS FOR LEAVE RELATED TO COVID-19

An employee is entitled to take leave related to COVID-19 if the employee is unable to work, including unable to **telework**, because the employee:

- |   |   |
|---|---|
| <ol style="list-style-type: none"><li>1. is subject to a Federal, State, or local quarantine or isolation order related to COVID-19;</li><li>2. has been advised by a health care provider to self-quarantine related to COVID-19;</li><li>3. is experiencing COVID-19 symptoms and is seeking a medical diagnosis;</li><li>4. is caring for an individual subject to an order described in (1) or self-quarantine as described in (2);</li></ol> | <ol style="list-style-type: none"><li>5. is caring for his or her child whose school or place of care is closed (or child care provider is unavailable) due to COVID-19 related reasons; or</li><li>6. is experiencing any other substantially-similar condition specified by the U.S. Department of Health and Human Services.</li></ol> |
|---|---|

### ► ENFORCEMENT

The U.S. Department of Labor's Wage and Hour Division (WHD) has the authority to investigate and enforce compliance with the FFCRA. Employers may not discharge, discipline, or otherwise discriminate against any employee who lawfully takes paid sick leave or expanded family and medical leave under the FFCRA, files a complaint, or institutes a proceeding under or related to this Act. Employers in violation of the provisions of the FFCRA will be subject to penalties and enforcement by WHD.



**WAGE AND HOUR DIVISION**  
UNITED STATES DEPARTMENT OF LABOR

For additional information  
or to file a complaint:

**1-866-487-9243**

TTY: 1-877-889-5627

**[dol.gov/agencies/whd](https://dol.gov/agencies/whd)**



WH1422 REV 03/20

***For additional fact sheets about FFCRA, visit their [website](#).***



## A cautionary tale: Make sure dairy employees, service providers carry documentation citing employment in an “essential business”

By Kevin Abernathy, General Manager

[Kevin@MilkProducers.org](mailto:Kevin@MilkProducers.org)

An MPC member in Tulare County informed me this week that a milk tester on his way to a dairy was stopped by the California Highway Patrol. The milk tester wasn't carrying a copy of the letter documenting his employment in an “essential business” and was therefore issued a \$700 fix-it ticket. The milk tester was able to get the issue resolved without paying a fine by presenting a copy of his “essential business” letter to the Tulare Police Department.

This a good reminder for all dairy farmers to make certain your employees have a letter signed by you. Last week, we emailed our members a document (in English and Spanish) that explains to their employees the need for such a letter. We also emailed a letter template (in English and Spanish) employers can customize with their company logo, business name and employee's name.

Need these documents again? Download them [here](#).

## National Milk Producers Federation update

*Courtesy of Jim Mulhern, President and CEO of National Milk Producers Federation*



This afternoon, the House of Representatives passed, and the President has now signed, the historic \$2 trillion stimulus package dubbed the Coronavirus Aid, Relief, and Economic Security Act (CARES), capping another wild week in Washington to help revive the U.S. economy and provide resources to many affected sectors, including dairy farmers. The CARES Act, which the Senate approved on Wednesday, will deliver the largest-ever infusion of government money into the economy, both on a dollar and a percentage basis.

**National Milk has been in ongoing communication this week with USDA, Congress and the White House** to build support for the measure, and to ensure that its funding will provide needed assistance for the dairy community. Here is a quick summary of some of the bill's agriculture-related components, including farm and feeding programs. A more detailed summary of the entire bill [can be found here](#).

- **Agriculture Producer Disaster Assistance** – The bill includes \$9.5 billion to assist agriculture producers impacted by the coronavirus, including specialty crop producers; producers who support local food systems such as farmers markets, schools, and restaurants; and livestock and dairy producers.
- **Commodity Credit Corporation** – The bill increases borrowing authority for USDA's Commodity Credit Corporation by \$14 billion.
- **Supplemental Nutrition Assistance Program** – The bill includes \$15.5 billion in additional funding for SNAP to ensure all Americans, including seniors and children receive the food they need.



- **Child Nutrition Programs** – The bill includes \$8.8 billion in additional funding for Child Nutrition Programs in order to ensure children receive meals while school is not in session.
- **The Emergency Food Assistance Program (TEFAP)** – The bill provides \$450 million for the TEFAP program. With many communities suffering from job losses, food banks have seen increased needs. These funds are critical so food banks can continue to assist those Americans most in need.
- **Rural Development** – The bill provides \$25 million to support the Distance Learning and Telemedicine program. This increase will help improve distance learning and telemedicine in rural areas of America. Additionally, \$100 million is provided to the ReConnect program to help ensure rural Americans have access to broadband, the need for which is increasingly apparent as millions of Americans work from home across the country. The bill also includes \$20.5 million to support \$1 billion in Business and Industry loans.

As the legislative process unfolded this week, **we worked with the White House to develop a series of dairy farmer reactions** about their concerns over the COVID-19 crisis, and how the CARES stimulus should help our industry recover. It is possible that in the coming days one of those anecdotes will be part of the mosaic of first-person perspectives on how our country is grappling with recovery from the still-unfolding pandemic.

Even though the stimulus bill was just signed into law this afternoon, House Speaker Nancy Pelosi and other **lawmakers are already preparing for negotiations on a Phase 4 package** to provide additional economic assistance. This could include an increase in SNAP benefits, which Democrats didn't fully achieve in Phase 3. The timing of the next congressional stimulus is not likely to occur until after Easter, giving us time to work with the Hill in a more deliberative manner on this next measure.

**NMPF Asks USDA for Specific Dairy Actions** – [The letter we sent Tuesday](#) to Agriculture Secretary Perdue reflected our initial request for how the agency can best help dairy producers in the short term. As I shared in last week's update, our requests focus on dairy product purchases; creation of a surplus milk disposal program; and reopening the Dairy Margin Coverage program. Based on discussions yesterday with our Executive Committee, we are refining those requests and collaborating with IDFA so that the agency hears a unified, consistent message from the dairy community. In addition, several members of Congress are working on a letter they want to send to the agency reinforcing the importance of a strong dairy assistance program by USDA.

**New Dairy COVID-19 Information Resources** – As we have all month, we continue to update [our website resource page](#) offering a collection of helpful farmer-focused guidance documents, a COVID-19 FAQ, and latest news. New items this week include a [Spanish-language translation](#) of our Dairy Farmer Handbook; Spanish-language [instructions](#) for the use of the Essential Worker [Permit Form](#); and [Food Industry Protocols](#) for When a Plant Worker Tests Positive for the virus.

In addition to these educational tools, **we have several new audio podcasts** on the site this week: First, NMPF Chief Economist Peter Vitaliano discusses the financial challenges dairy farmers will face as supply chains adjust to coronavirus-related disruptions. Listen to his interview with RFD-TV [here](#). Also, Paul Bleiberg, NMPF's vice president for government relations, [discusses the CARES package](#) and how it will benefit the dairy sector. And Emily Yeiser Stepp, head of the National Dairy Farmers Assuring Responsible Management (FARM) Program, [explores in her podcast](#) how the coronavirus outbreak could affect dairy industry practices in animal care and sustainability.

**EPA Issues Enforcement Discretion Guidance** – In response to an NMPF request for regulatory relief during the coronavirus outbreak, the Environmental Protection Agency said yesterday that it will exercise “enforcement discretion” on a variety of regulatory matters. NMPF had signed onto a letter with other livestock groups, including the National Cattlemen’s Beef Association and the National Pork Producers Council, asking EPA for a “no action assurance” to relieve agricultural workers of unnecessary regulatory burdens. In response, the [EPA said its enforcement discretion](#) extends to compliance monitoring, integrity testing, sampling, laboratory analysis, training, and reporting or certification obligations in situations where COVID-19 was the cause of the noncompliance. EPA still expects all regulated entities to continue to manage and operate their facilities in a manner that is safe and protects the public and the environment. While this isn’t the full “no action” assurance that was requested in the letter, NMPF is pleased with the steps the EPA is taking during the COVID-19 pandemic.

### **March 2020 CDQAP quality assurance update**

*Courtesy of the California Dairy Quality Assurance Program*



The California Dairy Quality Assurance Program released its March 2020 e-newsletter today. Please follow this [link](#) to view the latest edition. Topics included an update regarding COVID-19 and a Farm Security Alert.

### **CDFA extends application period for methane reduction program incentive grants**

*Courtesy of California Department of Food & Agriculture*



Due to recent events with [COVID-19](#), the California Department of Food and Agriculture (CDFA) has extended the acceptance period for applications from dairy and livestock operators for its Dairy Digester Research and Development Program (DDRDP) and Alternative Manure Management Program (AMMP). The new grant application deadline is 5 p.m. PT, April 27, 2020, which is a 30-day extension.

CDFA’s dairy methane reduction programs provide financial assistance for the installation of dairy digesters and implementation of non-digester-based manure management practices that result in long-term methane emissions reductions and maximize environmental co-benefits on commercial dairy and livestock operations in California. These programs are funded through a \$34 million appropriation from California Climate Investments, authorized by the Budget Act of 2019.

Prospective grant applicants are encouraged to visit the [DDRDP](#) and [AMMP](#) webpages for additional information about the programs and grant requirements.

### **Remembering John Bartelink**

*By Kevin Abernathy, General Manager*

[Kevin@MilkProducers.org](mailto:Kevin@MilkProducers.org)



The dairy community lost one of its most passionate advocates last week with the passing of Johan "John" Bartelink. He was my neighbor in Escalon for years and a personal friend who I always got a kick-out of when we visited. Godspeed, John.

*Read John Bartelink's obituary in the Escalon Times [here](#).*



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