



State of Wisconsin
1999 - 2000 LEGISLATURE

LRB-3634/1
RCT;jlg:mrc

1999 ASSEMBLY JOINT RESOLUTION 77

September 21, 1999 – Introduced by Representatives OTT and REYNOLDS. Referred to Committee on Rules.

1 **Relating to:** reform of the federal milk marketing system.

2 Whereas, the Federal Milk Marketing Order (FMMO) was originally
3 authorized in the Agricultural Marketing Agreement Act of 1937 in the midst of the
4 Depression to encourage the availability of milk throughout the nation; and

5 Whereas, advancements in refrigeration and transportation have eliminated
6 the need for regional milk production; and

7 Whereas, as we enter the 21st century, a price system for fluid milk that uses
8 for its basis a farm's distance from Eau Claire, Wisconsin, both is irrelevant to the
9 market value of the product and creates nationwide market inequities; and

10 Whereas, in 1996, the United States Congress required the U.S. Department
11 of Agriculture, as part of the federal farm bill, to reform the Federal Milk Marketing
12 Order program by consolidating the number of federal orders, as well as authorizing
13 the secretary to make other reforms to the FMMO; and

1 Whereas, the reformed FMMO reduces the number of federal orders from the
2 current 31 orders into 11, and makes several other important reforms, including the
3 minimum pricing of Class I (drinking) milk; and

4 Whereas, the milk marketing order is voluntarily initiated and must be
5 approved by two-thirds of the producers affected by the order; and

6 Whereas, an overwhelming majority of dairy producers nationwide have
7 approved this FMMO in a nationwide referendum, with each district approving the
8 changes by votes of over 90% and the Upper Midwest, which includes Wisconsin,
9 approving the changes by 96.1%; and

10 Whereas, as mandated by Congress, the FMMO is being restructured to move
11 the dairy industry closer to a market-oriented economy, yet continues to include
12 economic safeguards to provide for orderly market conditions; and

13 Whereas, in order for Wisconsin dairy farmers to continue to operate
14 successfully, they need to be able to compete with dairy farmers nationwide on a level
15 playing field, toward which this reform is a healthy first step; and

16 Whereas, due, in part, to these market inequities, Wisconsin has gone from
17 having 34,000 dairy farms in 1990 to only 23,000 dairy farms in 1998; now, therefore,
18 be it

19 ***Resolved by the assembly, the senate concurring, That*** the members of the
20 Wisconsin legislature urge Congress to resist attempts to destroy this vitally
21 necessary nationwide reform of the federal milk marketing system; and, be it further

22 ***Resolved, That*** the members of the Wisconsin legislature ask all of the
23 members of the Wisconsin congressional delegation to continue their hard work to
24 see that legislation, such as H.R. 1402, is not adopted and the long needed reform of
25 the FMMO is allowed to be instituted on October 1, 1999; and, be it further

