



AMERICANS *for* TAX REFORM



COST OF
GOVERNMENT
CENTER

May 6, 2013

United States House of Representatives
Washington, D.C.

Dear Representative,

As lawmakers turn once again to work on a comprehensive Farm Bill, we urge you to oppose efforts to include anti-free market dairy programs that have been part of previous bills. Currently, U.S. dairy policy leaves taxpayers to foot the bill for costly and destructive programs that drive up prices, harming businesses and consumers.

Any agriculture package should seek to reform and eliminate arbitrary price controls and subsidies that increase government intervention into dairy markets. Importantly, the next Farm Bill should reject the Dairy Market Stabilization Program (DMSP), a harmful quota program that was proposed during the last Congress.

The DMSP is the poster child for big government intervention. It places controls on both the supply and demand for milk, increasing costs for taxpayers who are both footing the bill for these harmful policies and getting hit with higher dairy prices at the store.

This stabilization program requires the USDA to buy up dairy products for which there is no demand while limiting milk production, artificially inflating prices. The DMSP is just one in a long list of damaging U.S. dairy programs, from generous subsidies paid out when market prices fluctuate to cash incentives for selling products abroad.

With work on a new Farm Bill coming amidst another debt limit debate, lawmakers should be mindful of the opportunity to enact real reform to agriculture programs. Removing government manipulation of a vital American industry would allow for the competition and growth necessary to bring the U.S. economy back to life.

We urge you to reject the inclusion of the Dairy Market Stabilization Program in any legislation moving forward, and we look forward to working with you as you continue your important work on the next Farm Bill.

Sincerely,

Grover Norquist
President
Americans for Tax Reform

Mattie Duppler
Executive Director
Cost of Government Center

722 12th Street N.W.

Fourth Floor

Washington, D.C.

20005

T:(202)785-0266

F:(202)785-0261

www.atr.org