

Since it seems very unlikely that a major change in dairy farm policy will happen in the 2019 farm bill, I would propose a fairly simple short term idea to allow many dairy farms to stay in business long enough to benefit from a long term pricing solution. It will take a \$10 to \$11 margin to keep small farms in business (at least the way the margin is currently calculated, especially here in Michigan as our pay price has averaged about \$1.50 lower than the US price). A couple ideas on how to limit the cost to government for this kind of margin . First, to be eligible for LGM or MPP (and maybe even the new Dairy Gross Margin insurance since it is subsidized by the government), a dairy farm must cut back production from their pre 2014 production levels. (this would allow farms of all sizes to participate, a cutback of 1%, 5%, 10%, whatever seems appropriate). Or, second give some control of margin (and hence price) to the individual dairy farm by increasing the protected margin for every 1% of milk production they cut back. Cut back milk production 1% get \$4.50 margin protection, 2% \$5 margin, 10% \$9.50 margin, 15% \$11 margin, or something to this affect. If very many farms opted for this cut back in production, the price would rebound enough so there would be very little or no government payments. (plus, it is all voluntary and not mandatory). Thank you for giving me the opportunity to be included in this dialogue.