

## STATE OF MINNESOTA

## Office of Governor Mark Dayton

130 State Capitol • 75 Rev. Dr. Martin Luther King Jr. Boulevard • Saint Paul, MN 55155

April 13, 2017

The Honorable Donald J. Trump President The White House Washington DC 20250

Dear Mr. President:

I am writing to request your urgent attention to a major trade concern with Canada that is harming Minnesota's dairy farmers and processors.

Last week, Minnesota and Wisconsin dairy farmers were notified by Wisconsin-based Grassland Dairy that, effective May 1<sup>st</sup>, Grassland will no longer accept their milk, due to a new trade policy in Canada that restricts U.S. dairy imports. This termination could cause many of these farmers to permanently end their operations, unless decisive actions are taken immediately by the United States Government.

Recently, the Canadian Government began to implement a new "National Ingredients Strategy," which incentivizes Canadian processors to shift away from using dairy imports from the United States. This new Canadian policy has placed duty taxes on U.S. products to discourage Canadian processors from using imports, such as ultra-filtered milk. This disruption in US dairy export sales is further depressing already low milk prices and oversaturating our domestic markets.

I respectfully urge your Administration to take every possible step to preserve fair trade among our North American trading partners. Minnesota is proud that we rank 8<sup>th</sup> among the states in milk production. We must support our dairy farmers and processors. Without a swift resolution, multi-generation Minnesota dairy farmers will soon be forced out of business.

First, I ask that your Secretary of Agriculture and your U.S. Trade Representative immediately engage with Canadian officials to resolve this trade dispute.

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Second, I request that the U.S. Department of Agriculture immediately use discretionary funding under the Section 32 Program to purchase surplus milk, butter, and cheese in our region to alleviate our supply issues and provide nutritious dairy products for the school lunch program and other aid programs.

I look forward to working with your Administration to resolve this important issue for Minnesota's dairy farmers. Thank you for your consideration of my request.

V ANC

Governor

cc: The Honorable Mike Young, Acting Deputy Secretary of Agriculture

The Honorable Stephen Vaughn, Acting U.S. Trade Representative

U.S. Senator Amy Klobuchar

U.S. Senator Al Franken

U.S. Representative Tim Walz

U.S. Representative Jason Lewis

U.S. Representative Erik Paulsen

U.S. Representative Betty McCollum

U.S. Representative Keith Ellison

U.S. Representative Tom Emmer

U.S. Representative Collin Peterson

U.S. Representative Rick Nolan