



## **AB 31 takes another slice out of California's economy.**

Wisconsin cheesemakers are already “salivating” over AB 31, says the *Wisconsin State Journal*.

### **PLAYS POLITICS WITH MILK PRICES**

- Milk prices in California have been set since the 1930s by experts in the state's Department of Food and Agriculture, who work to balance the needs of dairy farmers, processors and consumers.
- AB 31 transfers this authority to the Legislature, increasing the risk that milk pricing could become a “political football,” creating market chaos and regulatory uncertainty.
- Rather than being guided by California's unique market environment, AB 31 mandates that milk prices in California mirror the higher optional price of milk set by the federal USDA — which has nothing to do with the actual cost of producing and processing milk in California.

### **DEVASTATES OUR CHEESE INDUSTRY**

- By arbitrarily inflating the cost of milk, AB 31 devastates California's multi-billion dollar cheese industry — a vital and growing part of our agricultural economy.
- Second only to Wisconsin, Californiachese-makers produce about 2.2 billion pounds of cheese annually, provide thousands of jobs, generate billions for the economy, and pay millions in state and local taxes.
- AB 31 will force many California cheesemakers out of business and prevent others from expanding, cutting off markets for dairy farmers and costing thousands of jobs and millions in lost revenue. Some cheesemakers will be driven to relocate or expand in other states like Wisconsin, which will be eager to welcome them.

### **HURTS JOBS AND OUR ECONOMY**

- AB 31 is shortsighted legislation that does long-term economic damage to California dairy farmers and cheesemakers — derailing one of our state's economic success stories, and further damaging California's already fragile economic recovery.

- Artificially raising the price of milk in California could flood the market, creating a surplus of milk that could force prices to plummet, with dairy farmers ultimately earning less for their milk, not more.
- AB 31 reinforces claims that California is a poor place to do business, where arbitrary and unpredictable regulatory changes make it difficult to grow a business or compete with companies in other states.

For more  
**DAIRY INSTITUTE OF CALIFORNIA**

**WISCONSIN WINS, WE LOSE**

According to the *Wisconsin State Journal*, Wisconsin cheesemakers are already "salivating" over AB 31, saying it could increase their sales by \$200 million at the expense of California's dairy farmers and cheesemakers. "We will gain market share," says David Fuhrmann, CEO of Wisconsin's largest cheese producer, Foremost Farms.