

Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

On January 14, 1999, in El Dorado, CA, Thomas Gary, 38, died after being run over by a truck and shot with a shot gun. The assailant claimed that Gary had made a pass at him.

I believe that Government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act is a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.

#### NATIONAL DAIRY EQUITY ACT

Ms. SNOWE. Madam President, I support the legislation introduced by my colleagues Senator SPECTER and Senator SCHUMER, the National Dairy Equity Act. I am pleased to be an original cosponsor of this bill. This introduction is well timed as this month we are celebrating National Dairy Month and the positive aspects that eating dairy products have on our health. From calcium to potassium, dairy products contain essential nutrients that help to manage weight, reduce the risk for high blood pressure, osteoporosis and certain cancers, among other health benefits.

In fact, each year 7 billion gallons of fluid milk are marketed in the United States, yielding about \$22 billion in annual sales. However, the growing price spread between what the farmer receives and what the retail price is don't equal out. This is a concern to me.

I applaud the sponsors of this legislation, Senators SPECTER and SCHUMER, for their hard work and commitment to the cause of bringing equity into the dairy industry. It should be noted that MILC replaced the very successful Northeast Dairy Compact during the reauthorization of the 2002 Farm bill. I fought very hard to reauthorize the Northeast Dairy Compact at that time because the Northeast Dairy Compact was not structured around payments from the government like the new MILC program. I ultimately voted for MILC because it was the best alternative to the Northeast Dairy Compact. I commend the resolve of Senators SPECTER and SCHUMER to craft a solution that is fair to farmers in all regions of the United States as their efforts have been nothing short of extraordinary.

The National Dairy Equity Act is a win-win proposal that lends dairy farmers a hand, without tapping into the federal treasury. Price volatility in the milk market, coupled with growing production costs, has made it difficult for family dairy farmers to stay in business. The National Dairy Equity Act will work for both the people and the dairy farmers of New England as well as other parts of the United States by providing dairy farmers with a safe-

ty net and by helping to maintain a stable price for fluid milk. This legislation will also help to preserve a New England way of life. The legislation gives states the ability to work closely together to price milk in their own areas, giving states the power to determine fair prices. Of the milk sold in New England, a vast majority—more than 85 percent—is produced from herds in the New England area.

The National Dairy Equity Act allows farmers in each of the five Regional Dairy Marketing Areas, RDMA's, to establish minimum prices for Class I, fluid, milk based on the federal pricing structure. Under the bill, the Governor of each state, in consultation with producers and dairy industry representatives, nominates three members to the regional board. Participation by farmers and—importantly—participation by consumers is required. This regional approach effectively balances the needs of consumers and producers, while ensuring a healthier dairy industry in the future.

The Regional Dairy Marketing Boards also have the authority to conduct effective supply management for their region, including the use of traditional and creative development and implementation of incentive-based supply management programs. To protect against overproduction, regions in which the growth in milk production is higher than the national average will be required to reimburse the Secretary of the Treasury for the cost of government dairy surplus purchases up to the amount that the region is receiving under the NDEA. This system of checks and balances protects against any overproduction.

While the Northeast, Southern, and Upper Midwest regions are automatically considered as participating states, the National Dairy Equity Act has a mechanism for any State to opt into or out of the program. I consider this to be a strong provision in the bill precisely because it allows states to choose the option that is best for them. States that choose not to participate are eligible to participate in the current federal MILC program through September 2005. Individual farmers in states that opt for the MILC program can choose to continue receiving payments through the MILC contract until that legislation expires in September 2005. This legislation has been constructed to give flexibility and certainty to family dairy farmers.

Further, the costs of operating the Regional Dairy Marketing Boards are borne entirely by those participating in the dairy industry in each of the respective regions, at no expense to the federal government. In addition, the Regional Dairy Marketing Boards provide environmental benefits through preservation of dwindling agricultural land and open spaces that help to combat the growing problem of urban sprawl, particularly near large cities, but which is starting to affect more rural areas as well.

The National Dairy Equity Act provides farmers with the safety net they need to continue providing the resources for the myriad of dairy products we rely on to meet our health needs. I urge my colleagues to take this opportunity, during National Dairy Month to celebrate this creative policy solution presented by Senators SPECTER and SCHUMER that brings equity to dairy industry and could save the Federal treasury billions of dollars. This legislation is supported by the Maine Dairy Industry Association.

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAINE DAIRY INDUSTRY ASSOCIATION,  
Augusta, ME, June 15, 2004.

Senator OLYMPIA J. SNOWE,  
U.S. Senate, Washington, DC.

DEAR SENATOR SNOWE: On behalf of the 392 dairy farmers operating small businesses in Maine, I thank you for your support of the effort to create regionally flexibility in dairy pricing through your sponsorship of the National Dairy Equity Act. You have consistently been a strong advocate for Maine dairy and all of Maine agriculture and we are proud of your steady leadership in Congress.

Dairy farming is a difficult profession. The cows work 365 days a year regardless holidays, weekends or illness. The weather cannot be made to order. And farmers have very little to say about what they will get paid for their milk, regardless of the quality, quantity or freshness. In spite of these challenges, Maine has a strong dairy farming tradition and our farmers are proud to produce over 50 million gallons of milk (605 million pounds) every year to Maine consumers. Milk is a bulky, perishable product. When it is processed it can be made into products that have a longer shelf life. But fresh fluid milk has many more limitations.

The USDA Federal Order system was put in place in the 1930s to stabilize the price of milk and help the farmers get a fair price for their product. Over the years, this program has been tweaked and twisted in directions that no longer achieve its original aim. Over the years the national demographic profile of dairy farms has changed from small family farms with local creameries serving small geographic areas to larger farming operations concentrated by region and shipping milk to a few large corporate processors with multiple plant locations. Milk is priced on the commodity market, responding to shifting trends of supply and demand that are measured on a nationwide scale. The farmers are again the Davids in an industry of Goliaths.

Milk pricing is an incredible complex series of market calculations. Simply, when the ration between supply and demand shifts 1-2 percent one way or the other, the price the Federal order sets for the farmer to get paid can shift 20-30 percent. If you mapped out the prices for a year on a chart, it would look more like a blueprint for a roller coaster ride than government-controlled pricing structure. And dairy farmers are only told what price they will be paid for their milk AFTER they have sent it to market. Can you imagine any other business working under these conditions?

In Maine, we are fortunate that our style of dairy farming has vestiges of the old days. Most of our farms are family owned, many supporting multiple generations. The farmers live on the farm in the "homestead." Most farmers can track their milk to the

dairy case in their local store. Visitors from states to our south frequently come to Maine to see our green pastures with grazing cows against the backdrop of a white farmhouse and a red barn not only as tourists, but as prospective homeowners and future Maine residents looking to find a simpler, more traditional way of life. In fact, some of the most valuable land for housing developments is adjacent to working farms.

But the size of our farms and the beauty of the landscape are coupled with innovative production techniques and creative marketing efforts. Many farmers have discovered the value of organic production operations and marketing to the organic food niche market. Most dairy farmers have diversified farm operations to include other agricultural products to supplement the dairy operation, such as selling hay or other silage crops, raising replacement dairy animals or a variety of animals for meat and byproducts. And studies have found that 89 percent of Maine dairy farms are operating at 85 percent of higher rates of efficiency, utilizing new techniques and technology.

However, no amount of diversification can make up for low milk prices. Farmers are just coming back from over 25 straight months of record low prices that resulted in a loss of 68 Maine dairy farms (15 percent of the total). The irony is that Maine has fared better than many other states, including most of those in New England, thanks in part to innovative state and regional solutions to help bolster the price to farmers when the Federal Order Price drops.

Maine has long been a leader in finding new and creative solutions to the challenges in agriculture. In dairy, our legacy is in finding ways to allow regional flexibility in a pricing system that clumps farmers from all 50 States into one big commodity category. In the early 1990s, Maine dairy farmers worked with state leaders to create a Vendor Fee system that supported the milk price paid to farmers when the price fell below the cost of production. This became the model for the Northeast Dairy Compact, which successfully operated in the 6 New England states from 1997 until September 2001.

The Vendor Fee, its successor the Maine Dairy Stabilization Act, and the Northeast Dairy Compact all recognized that not all parts of the country can produce milk for the same amount of money. Farmers in the western U.S. can take advantage of federal water subsidies to turn desert into prime grazing land. Some areas have longer growing seasons than others and some are not suited to growing the types of grain and feeds needed for dairy cattle. These three programs utilized their regional marketplace to support the dairy operations that supplied the consumers in that area. Consumers were willing to pay more to ensure a fresh, quality supply of local milk and dairy products. It was a symbiotic relationship.

The National Dairy Equity Act is an attempt to recognize and build on the simple concept begun in the state of Maine—that regional flexibility is necessary when it comes to milk pricing in order to sustain a consistent supply of fresh milk to all our citizens. Our dairy farms are too valuable to our economy and our way of life to risk losing due to rigid, one-size-fits-all policies that have been mutated to protect the consumer and the processor, but do little for the farmer.

Without the dairy farmer, we would not have fresh milk. A robotic cow operating in a mass production plant is not a solution. We need a vibrant, diversified dairy industry peppered throughout this country. Today, we have one in Maine. Passage of the National Dairy Equity Act could mean that we will continue to enjoy quality Maine milk for generations to come.

Thank you again for your support.

Sincerely,

DALE COLE,  
Maine Dairy Industry Association.

#### ADDITIONAL STATEMENTS

(At the request of Mr. REID, the following statement was ordered to be printed in the RECORD.)

#### NATIONAL PEACE ESSAY CONTEST

• Mr. DASCHLE. Mr. President, I am honored today to present to my colleagues in the Senate an essay by Adam Hofer of Rapid City, SD. Adam is a student at St. Thomas More High School, and he has been awarded first place in the annual National Peace Essay Contest for South Dakota. "Rebuilding Societies After Conflict" examines how postconflict states transition to free elections, develop a national constitution, and incorporate demobilized soldiers into society. By using the case studies of Nicaragua and Mozambique, Adam deftly illustrates the importance of all three factors in a nation's transition to peace following civil war. I commend his essay to my colleagues' attention. I ask consent that Adam Hofer's essay be printed in the RECORD.

The material follows.

#### REBUILDING SOCIETIES AFTER CONFLICT

(By Adam Hofer)

The Greek philosopher Aristotle noted, "It is more difficult to organize peace than to win a war; but the fruits of victory will be lost if the peace is not organized." This idea of organization as central to lasting peace is as applicable today as it was over 2000 years ago. Yet, the question remains as to the means by which peace efforts should be organized. In the twentieth century, post-war countries like Nicaragua and Mozambique strove to organize peaceful, reconstructed nations. An analysis of the post-conflict reconstruction methods used in these countries shows that free elections, a national constitution, and the reintegration of demobilized soldiers are necessary conditions that must be incorporated for a post-conflict reconstruction program to achieve the stability and reconciliation necessary for lasting peace.

In Nicaragua, several developments led to the end of almost a decade of civil war between the Sandinista government of Nicaragua and members of the Nicaraguan Resistance known as the Contras. The initial spark to end the violence was a negotiated stalemate between the two factions that occurred because foreign military support to both sides discontinued. The military stalemate gave Nicaragua the opportunity to sign a regional plan for peace in Central America, known as the Arias Plan, in 1987. Apart from bringing a negotiated cease-fire and national reconciliation, the Arias plan also paved the way for the 1989 free national elections in Nicaragua. The national elections resulted in the Sandinista government's losing to Violeta Barrios de Chamorro, the candidate of the opposition party. Led by a leader committed to a democratic government and national reconciliation, Nicaragua had finally stepped out of the Cold War spotlight and was ready to begin its reconstruction process.

The reconstruction process in Nicaragua that began following the recent civil war is

still evident in the country today. Years of conflict in Nicaragua had given the country a need for many elements of reconstruction, one being the country's security. Nicaragua acknowledged that the social reintegration of demobilized soldiers was essential to establishing security and beginning reconstruction. With the help of international organizations such as Network for Peace, many former soldiers were successfully reintegrated and became active models of reconciliation and peace for the Nicaraguan society.

Efforts in rebuilding the governance and economy of Nicaragua continue to be key elements in sustaining peace as well. Organizing Nicaragua's government after peace involved the creation of a constitutional democracy. This type of democracy incorporated representation from both sides of the conflict, ensuring that the decisions of the government did not re-ignite the issues from the past conflict. The new government also created the freedom for Nicaragua's economy to begin development. An economic plan "for regional cooperation in trade, financing, investment, and production," as well as the benefit of ongoing foreign assistance generated economic development in Nicaragua. This reorganization of the government and economy has helped the country become more stable and has inclined its citizens towards reconciliation.

It is not by chance that the conflicts of Nicaragua's civil war have not re-ignited; their reconciliation is a direct result of the organized means of post-conflict reconstruction. Nicaragua obtained a national sense of security by organizing the demobilization and reintegration of many soldiers from both the Contra and Sandinista armies. The government, rooted in a national constitution, achieved stability and gave the country a solid foundation for recovery.

Mozambique's successful transition from a warring country to a peaceful nation is comparable to that of Nicaragua. Like Nicaragua, Mozambique experienced an internal conflict, a civil war that was between the Frelimo Government and the Renamo, or National Resistance Movement in Mozambique. Conflict ended in Mozambique in 1992, and the country's efforts of reconstruction continue today.

The opportunity for peace in Mozambique came in 1983 when the president of the ruling Frelimo government accepted the failure of socialism and recognized the need for reform. The government was unable to control a country that had already suffered about one million deaths from civil war. This acceptance eventually led to the enactment of a national constitution in 1992. The constitution "provided for a multi-party political system, market-based economy, and free elections." These elements provided by the national constitution led to peace negotiations between the two factions and the beginnings of governmental and economical reconstruction in Mozambique.

The "social fabric" and "economic infrastructure" of Mozambique had been greatly disrupted by the 17 years of civil strife. A sense of security in the country was an important and immediate need. The reconstruction began with a United Nations' program for transitioning destructive soldiers into productive citizens. These efforts of reintegration and demobilization were so successful that the demilitarized soldiers were soon helping remove the approximately one million landmines still present from the country's civil war. During the first 5 years following peace, "more than 6.5 billion in international aid flowed into Mozambique \* \* \* most of which went to demilitarization and demining, infrastructure and capacity strengthening, and poverty reduction."