

WESTERN ORGANIC DAIRY PRODUCERS ALLIANCE

An Update on Organic Dairy in the West

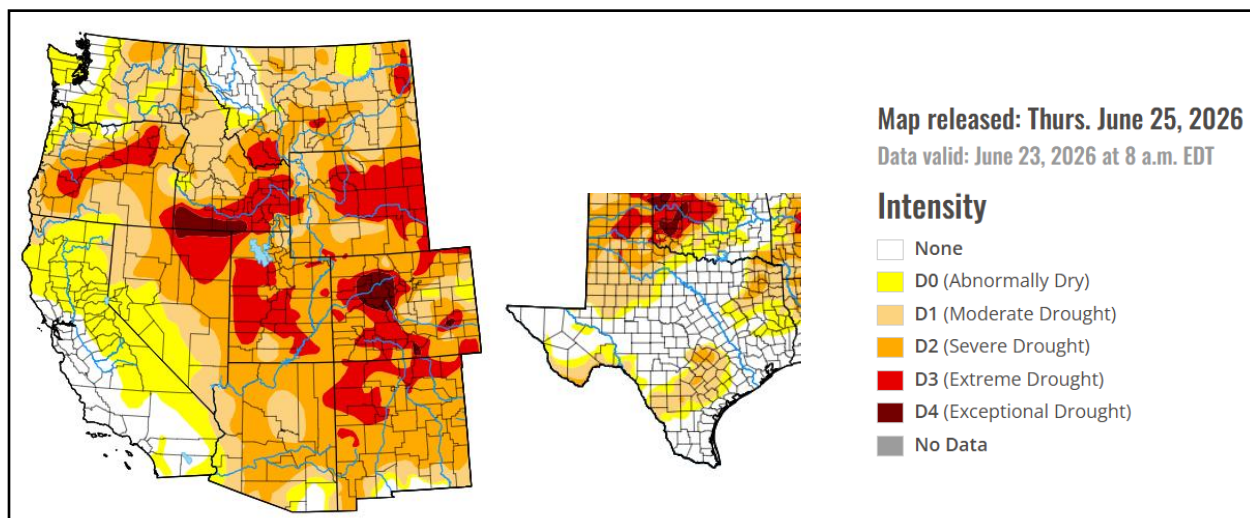
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The Western organic dairy sector enters the second half of 2026 from a position of market strength, supported by favorable milk prices and continued consumer demand. However, producers continue to navigate significant operational challenges, including persistent drought conditions, tightening water supplies, escalating feed costs, and input shortages. The emergence of New World Screwworm in the Southwest has added another layer of uncertainty, underscoring the importance of proactive monitoring and coordinated industry response efforts. As these issues continue to evolve, WODPA remains actively engaged with industry partners, regulators, and policymakers to ensure the interests of organic dairy producers are represented. Continued advocacy, collaboration, and access to timely information will be critical to maintaining the resilience and long-term viability of organic dairy operations throughout the Western United States.

Organic dairy producers in the Western United States are currently benefiting from strong milk prices and robust demand. Increased demand nationwide has created a highly competitive market, leading many producers to switch processors or brokers. While some milk has recently become available on the spot market, many industry observers attribute this to the disruption and uncertainty caused by producer movement between processors and brokers rather than a true surplus of milk.

At the farm level, drought conditions continue to be a significant challenge across much of the West. Several states are experiencing extreme to exceptional drought, resulting in increased irrigation needs where water is available and requests for National Organic Program (NOP) variances where irrigation is not an option. One of the greatest concerns is the lack of snowpack following an unusually mild, almost spring-like winter, which has reduced water supplies heading into the growing season. The USDA Drought Monitor (pictured below) illustrates current drought conditions compared to historical norms.



Water restrictions are already being imposed on farmers in many areas, driving up production costs and limiting access to critical inputs. Feed shortages have become increasingly common, with many dairy producers reporting difficulty securing corn and soybeans—even under existing supply contracts. High-quality tested hay has been largely unavailable for some time, and the remaining supply is often of lower quality and sold at significantly higher prices.

Perhaps the most pressing issue facing Western dairy producers today is the spread of New World Screwworm, particularly in Texas and New Mexico. According to the most recent update from USDA APHIS on June 23, there have been 20 confirmed cases in the United States. WODPA has been working closely with industry stakeholders to monitor developments and advocate for organic dairy farmers during this challenging situation. In early June, WODPA published a comprehensive update outlining the status of New World Screwworm and ongoing response efforts. We encourage members to review the report, *New World Screwworm Update – June 2026*, for additional information.

WODPA will continue working with industry partners to advocate for and support organic dairy producers as they navigate these evolving conditions. For more information on WODPA, including details about our upcoming 20th Anniversary Conference & Trade Show, please visit our website at <https://wodpa.com/>.