

June 17, 2015

Testimony by:
Daniel Brandt
Owner: Brandt-View Farms
Annville, PA

Good morning Chairman Causer and members of the House Agriculture and Rural Affairs Committee. I would like to thank you for this opportunity to discuss HOUSE BILL 1265 and what its benefits can be to PA Dairy farmers.

My name is Daniel Brandt and I am the owner of Brandt-View Farms in Annville, Lebanon County, Pennsylvania. I dairy farm with my 2 sons who are the 4th generation on this farm. We milk about 100 cows and grow our own forages. We have all registered Holsteins and export a large number of frozen embryos per year from some of the elite pedigreed cows & heifers.

I commend Representative Lawrence and his co-workers for their efforts to update and amend dairy language that is nearly 100 years old.

1st of all, the correction in the wording of what a "Dairy Farmer" means only makes common sense to all of us. The new language clearly defines that a dairy farmer is one owns and milks cows and draws a living from the milk sales of those cows. This is what myself and my colleagues who already spoke each do. I don't think any further explanation is needed on that subject and this is the reason we are seeing some of the problems with the PA consumer paid over order premium.

Currently in PA, the state-mandated over-order-premium stands at around 18 cents per gallon of milk sold in PA. As most of you know, this amount is determined by the PA Milk Marketing board at regular meetings and is designed to assist the Pennsylvania Dairy Farmer, whom we already explained the proper definition of.

As a dairy farmer, I clearly know the current amounts being paid by the consumer to keep agriculture thriving in their own state. The larger problem is, I do not know the amount I am receiving on my milk check or if I am even receiving any of this. My current milk processor utilizes approximately 20% fluid milk sales. My paycheck however does not clearly define anywhere the amount I receive. I was told by an official from my processor that I should feel confident I am receiving the premium through other forms like quantity or quality premiums. This is very concerning to me. My processor is a multi-state company with similar quantity and quality premiums in all of their states. As a Pennsylvania dairyman, I do not want the mandated fluid milk premium paid by Pennsylvania consumers to be used to support dairy farms in Michigan and Wisconsin! I believe the language listed in Section 806 B will take care of this disparity. If the processor is able to market from having a more quality milk, that is great. We have a milk check line item for a milk

quality premium and that is strictly what it should be! The processor may discourage this new language by saying this will cost them major dollars to implement a line item on the milk check. I disagree since my check has many other line items like the producer price differential @ Boston, dairy promotion, etc. Once implemented into the milk check formula, it can just be easily adjusted monthly for the PA dairy farmers.

I strongly feel the Pennsylvania consumer would be very upset if they knew that some of mandated premium they pay with each gallon of milk to support the PA dairyman, may be actually be supporting dairies in Michigan, etc.

Thank you again Chairman Causer and members of the committee for your willingness to address these issues and your appreciation of the challenges we dairy farmers face. I would encourage to do the right thing and to move forward with HOUSE BILL 1265. Thank you for your time and commitment to find solutions to make the PA dairy industry stronger. Thank you.

Sincerely,
Daniel Brandt