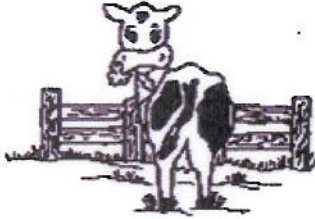


Mt. Joy Farmers Cooperative Assn.

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My name is Don Risser and together with my son, brother and nephew we own and operate a 750-cow dairy farm in Bainbridge, PA, Lancaster County. I have been a dairy farmer for nearly 50 years and have been a member of Mt Joy Farmers Cooperative Association since 1972. Being a dairy farmer is my livelihood and I wanted to become more involved with my cooperative, beyond when the milk truck left my farm. So, in addition to being a member of Mt. Joy Cooperative I have been elected by Mt. Joy members from my area as a Director of the Co-op board and later was elected by the board to serve as President. Additionally, I represent Mt. Joy on DFA's Northeast Council.

Mt. Joy is a local milk cooperative owned by its more than 335 dairy farmer members in Lancaster, Lebanon, York, Perry, Cumberland, Juniata, Chester, Dauphin, Franklin, Snyder and Berks counties. We also have a few farms in Maryland. The Co-op markets our milk through a longstanding relationship with Dairy Farmers of America (DFA) and provides our members milk hauling services. We pride ourselves on our fleet of 32 trucks and 36 tanks which are farmer owned that get our members milk from their dairy farms to market.

Mt. Joy has been operating for 86 years as a democratically controlled dairy farmer cooperative. We have 7 board members who are elected every 3 years by our members. Board meetings are held every month and we review the financials of our operations, including the payment of over order premiums to members.

From the over order premiums we collect, including the PMMB premium, we pay board approved premiums for quality, volume and for not using rbst. The board has developed and approved premium payment programs which were designed to better serve our customers and members. These programs have also helped Mt. Joy Cooperative to maintain and increase membership.

Mt. Joy is in regular communication with our members through the field staff, our newsletter (at least 6 times a year) and during our annual meetings. We have not heard any complaints from our members about the PMMB premium. So why do we need HB 1265 when we've not had members saying this is an issue.

We oppose HB 1265 because it would dictate how we pay our members and dilute the premiums that have been very effective over the years. HB 1265 would also create the shuffling of money, add more administrative cost and, from our perspective, will not help dairy farmers.

Mt. Joy hauls about 32 loads a day from member farms to approximately 8 different milk plants during a month. One third of our milk goes to milk plants outside Pennsylvania while another third goes to non-fluid milk plants. None of these plants are required to pay a PMMB premium. The plants that do pay the PMMB premium are fewer and fewer.

Just within the last year Rosenberger's Dairy in Hatfield, Pennsylvania closed, leaving about 100 dairy farmers without a market. Fortunately, DFA was marketing the milk and all of those dairy farmers have a market today, even though their local plant closed. Also, Turkey Hill in Conestoga, Pennsylvania shifted production to non-fluid products in June. As a result, the amount of milk delivered by Mt. Joy Co-op to Turkey Hill has dropped from 4 loads of milk a day to only 2 loads. My point is that the number of plants and volume for which milk dealers must pay the PMMB premium for is shrinking. So, why after it has been in existence for 25 years, would we add another level of administrative cost for no benefit to our members?

In closing, Mt. Joy Farmers Cooperative Association opposes HB 1265 because it is burdensome, unnecessary, adds administrative cost and does not help our members in any way.