

*Listening Session Highlights*

*Butler, PA – September 26, 2018*

*Troy, PA – October 16, 2018*

PMMB has held two listening sessions to date and there were no surprises at either one. Dairy farmers and those that support the industry are frustrated, angry, concerned, and struggling. PMMB has always focused on its legislated responsibilities of regulating various aspects of the dairy industry and setting minimum prices; however, two new members – Robert Barley and Carol Hardbarger – along with Jim Van Blarcom, have taken on a role of advocacy and outreach.

Most attendees at the listening sessions had little prior knowledge of Board activities beyond pricing and this has led to some hard feelings in the past. In fact, one presenter in Troy provided a summary of why dairy farmers in the Northern Tier think the PMMB should be abolished. Their concerns made it clear to the Board that while all dairy farmers are struggling at this point, there are factors and conditions that impact their operations differently depending on location. According to those speaking at both sessions, some current regulations that are benefitting farmers in one part of the state are having a negative impact on those in other areas.

Milk in Schools. A lot of frustration exists with the current federal school nutrition guidelines which prevent the offering of whole or 2% milk in schools. People recognize that recent changes allowing 1% and flavored milks to be offered are helpful, they don't believe demand for milk in school will improve until children can buy whole or 2% milk. As many indicated, they have personally seen "barrels of skim milk in the trash" outside their local schools. The other big factor with putting milk back in schools is that whole milk costs more than skim and 2% milk and schools have gotten used to paying the lower prices.

Closing the Border. "Our PA milk cannot compete with milk sold across the border at much cheaper prices" is a sentiment expressed by many in attendance at both listening sessions. Along with this is cheaper milk being brought in from out of state which the farmers feel is just to increase the incomes of the processors. Many said they wanted legislation passed that would prevent milk coming into PA from our neighboring states, a comment we often hear. The Board stated this is not possible as it would violate Interstate Commerce Laws; there could also be retaliatory actions imposed by those other states preventing sales of PA products.

Minimum Pricing. Some feel that eliminating minimum pricing in PA would permit milk to be sold at lower prices, a situation that might help with the current oversupply of fluid milk. The Board told attendees that this change would require legislative action and a study should be done to determine exactly what the impact of that might be. However, Chairman Barley noted that it could possibly have an effect of farmers receiving even less money than they receive currently.

Milk in School Fundraisers. There was some discussion of whether whole milk could be sold as part of a school fundraiser by FFA Chapters of other organizations. A milk dealer in

attendance at the Troy Listening Session stated that fundraisers must follow the federal school nutrition guidelines. After returning from the Listening Session, the Board investigated this issue and found that this is correct, but there are circumstances in which whole milk could be sold. For instance, after-school or preseason athletic events as examples. Also, schools can exempt 5 fundraisers per year from the guidelines for elementary and middle schools and 10 fundraisers per year for high schools. (Please contact your local school district for more details.)

Over-Order Premiums. There is a lot of controversy with OOPs, and particularly when the “chain” requiring production, processing, and sales in PA is broken. The Board is undertaking some research to determine how much of a problem this is, where it may be occurring, and how much money is involved.

The dairy industry crisis affects both producers and processors. We recognize, however, that farmers are experiencing a great deal of personal financial issues and the hardship is forcing many to go out of business. We hope at least some farmers can take advantage of state and federal programs to assist them.

Some additional points made by the Board to attendees that we hope helped to clarify our role are

- The Board cannot tell any wholesaler or retailer where to purchase milk products.
- The Board has no authority over school nutrition guidelines.
- The Board has no authority to tell cooperatives what information they are required to provide to their members.

Our social media sites are

@PAmilkboard – Facebook

@PAmilkboard – Twitter

Email: [chardbarga@pa.gov](mailto:chardbarga@pa.gov) to sign up for newsletter

The Board assured attendees that we are working hard to advocate for the dairy industry and will continue to do so.