

STATUTORY CHANGES TO MILK MARKET LAW

May 11, 2018

To: Board of Directors, PA Milk Marketing Board, c/o deberly@pa.gov;

Submit electronically to: ra-pmmb@pa.gov

Suggestions on statutory changes to the Milk Marketing Law: In the short amount of time I have today, I submit the following examples for consideration and offer my services to the board to amend this law and support efforts to modify or appeal this law so that buyers are required to compensate PA dairy farmers at point of sale above the cost of production.

Sincerely, Melissa Bravo, M.S. Agronomy, B.S. Animal Science, CCA, <http://agricultureadvocate.org/>

Candidate, PA 68th District House of Representative Vacancy - Platform Dairy Crisis

The Pennsylvania Milk Marketing Board (PAMMB) was established to create stability in the marketing of milk and to give dairy farmers in Pennsylvania a fair and equal opportunity to market their milk. In continuation of my suggestions from the Hearing on May 2, I propose the following statutory changes be made to the Milk Market Law.

Preamble:

Update the preamble to reflect that PA wants dairy to be its number one agriculture product, use to be the third greatest milk producing state in the Union but has since fallen to 6th place [and list the number of remaining operations by county as of the passing of this revised legislative act,] and in order to **market PA** dairy products the following legislative findings of fact with respect thereto are hereby made:

- a. WHEREAS, The production, sale and distribution of milk and certain milk products **produced on dairy farms in this Commonwealth** are of the utmost importance to the economy and sustainability of the rural communities of her 67 counties,
- b. WHEREAS, serious **economic conditions are increasing the cost of production to the dairy farm at the same time consumer consumption has continued to trend down, and monopolistic movement in the dealer and processing industry subjects the owner of the milk to fraud and loss of equity and capital,**
- c. WHEREAS, It is necessary to preserve and promote the strength and vigor of the inhabitants of this Commonwealth, to protect the public health and welfare, and to prevent fraud and imposition upon consumers and products by continuing to treat the **marketing,** production, transportation, manufacture, processing, storage, distribution, and sale of milk in the Commonwealth of Pennsylvania as a business affecting the public health and affected with the public interest,
 1. Modernize the health benefits of milk as suggested in my previous testimony.
 2. Modernize this paragraph to reflect the actual cost to the dairyman, processor, manufacturer and regulator so that consumers are aware of the true cost of producing unadulterated PA whole raw milk, whole pasteurized milk with Vitamin D added, etc....
 3. Modernize this paragraph to reflect the current monopoly of the market. Amend to include the need for quota when surplus exceeds demand; the need for increase in production when demand exceeds

availability; and how the cost or profit of doing so creates an unfair pricing practice under the current structure.

4. Modernize this paragraph to reflect production costs, marketing costs, transportation costs, regulatory costs, export cost. Amend to include a need to provide the producing dairy farm a guaranteed point of sale payment of the raw milk value (as is in the bulk tank) based on the use of modern testing procedures to determine its value. Weigh and component test at the beginning, middle and end of the bulk tank, transfer to the tanker at which the point of sale transaction for the raw product is complete transferring control of the raw product from the producer to the hauler. Amend to require the raw milk payment be received by the dairy farm within three business days and any premiums calculated or offered be received shortly thereafter. (In other words, make this more like the gas law – arm length transaction with a minimum raw milk value payment)

§101. Legislative purpose

In the exercise of the police power of the Commonwealth, **and it's capacity to regulate behavior and enforce order within their territory for the betterment of the health, safety, morals, and general welfare of their inhabitants**, it is hereby declared that the **marketing of the** production, transportation, manufacture, processing, storage, distribution, and sale of milk in the Commonwealth is a business affecting the public health and affected with a public interest, and it is hereby declared that this act shall be and is hereby enacted for the purpose of regulating, ~~and~~-controlling **and marketing** the milk industry in this Commonwealth, for the protection of the public health and welfare and for the prevention of fraud **especially the practice of accepting raw product from the dairy farm without just compensation for the cost of production.**

I don't have enough time to comment on the full law on such notice, but if you would like me to continue making suggestions on the remainder of the law or work with the dairy farmers in this Commonwealth to craft a law that suits their best interests, please give me a call.

MB. 5/10/2018 – 6:20 pm.