

Special Order of Business - 2026
FAMILY FARMING AND DAIRY POLICY REFORM

WHEREAS, in most recent years, milk prices paid to dairy farmers have not covered production costs to the farmers.

WHEREAS, through the 2024 Federal Milk Market Order hearings and resulting rule changes, USDA recommended an unprecedented 30 percent increase in the amount dairy farmers must pay to process their milk into dairy products through an increase in the processor make allowance. In just June, July, and August of 2025 it is estimated that farmers lost \$337 million in revenue that instead went to processors.

WHEREAS, the dairy economy is now in severe crisis, with a record loss of dairy farms. Due to low dairy farm margins, the number of US dairy farms has decreased by more than 84 percent, or more than 131,000 farms, since 1992. As a result of widespread market concentration and consolidation, dairy farmers have little, if any, choice about where to ship their milk, further depressing milk prices paid.

WHEREAS, current government farmer one-time assistance packages do not adequately support dairy farmers and are not designed for long-term solutions.

THEREFORE, BE IT RESOLVED to reduce dairy farm closures and improve the outlook for US dairy farmers, we call on Congress to establish a farmer-led price discovery formula at the producer level through a growth management program that incentivizes matching production with market demand and meaningful supply management provisions;

BE IT FURTHER RESOLVED, improve the Dairy Margin Coverage (DMC) formulas so that they actually cover farmers' costs of production and provide a real safety net for farmers with a reasonable return with reduced premiums for farmers producing under four (4) million pounds of milk annually and requires adjusted gross-income of no greater than \$100,000 similar to what should be for other federal farm programs.

BE IT FURTHER RESOLVED, re-evaluate the Federal Milk Marketing Order system in the United States and address the fear producers have to participate in the process, the impacts of block voting by cooperatives on behalf of their farmer-members, and the impact outside dollars and lawyers have in the current order system.

BE IT FURTHER RESOLVED, reform all Class formulas to reflect the value and volume of all dairy products sold in the market today, as current milk pricing formulas fail to reflect the actual market value of dairy products, particularly mozzarella and other higher moisture and higher value dairy products;

BE IT FURTHER RESOLVED, establish a national make allowance that is adjustable to reflect the difference between milk prices and the producer's cost of production. This allowance should be generated from the market, not deducted from the established price through end-product pricing;

BE IT FURTHER RESOLVED, require mandatory participation of processors in an audited National Agricultural Statistics Service (NASS) survey of and an audited cold storage report, and use this data to report current prices and cold storage capacity in real time to producers.

BE IT FURTHER RESOLVED, require mandatory, audited studies of dairy processor costs;

BE IT FURTHER RESOLVED, support passage of the Converting Our Waste Sustainably (COWS) Act to provide resources for dairy farmers to change their nutrient management practices to reduce methane emissions.