

**--DRAFT PENDING APPROVAL--**

**WISCONSIN DAIRY TASK FORCE 2.0 MINUTES**

**March 15, 2019**

The Wisconsin Dairy Task Force 2.0 met on Friday, March 15, 2019 at 10:00 a.m. at UW-Green Bay|Sheboygan Campus, Main Building, Wombat Room, 1 University Drive, Sheboygan.

**AGENDA**

**Call the meeting to order**

Chair Dr. Mark Stephenson called the meeting to order at 10:02 a.m.

Ashley Andre called the roll. Members present include: Dennis Bangart, Dave Buholzer, Moriah Brey, Andy Buttles, Janet Clark, Tom Crosby, Dave Daniels, Michael DeLong, Patty Edelburg, Ted Galloway, Bradley Guse, Melissa Haag, Don Hamm, Rene Johnson, Ryan Klussendorf, Shelly Mayer, Amy Penterman, Paul Scharfman, John Schmidt, Jerry Schroeder, Jeff Schwager, Brody Stapel, Charles Untz, Chad Vincent, Darin Von Ruden, David Ward, and Elizabeth Wells.

Members not present: Jon Accola, Steve Bechel, Rob Byrne and Dan Pearson.

Ex officio members Secretary Brad Pfaff, President Ray Cross, Governor's Office Representative Noah Roberts, President Lori Weyers, Senator Janis Ringhand, Senator Luther Olsen, and Representative Don Vruwink were present.

**Approve minutes of the December 13, 2018 meeting**

Chair Stephenson asked for any additions or corrections to the minutes. There were none. Elizabeth Wells made a motion to approve as distributed. Dave Daniels seconded. The minutes were approved.

**Public appearances**

John Umhoefer of the Wisconsin Cheese Makers Association (WCMA) made public comments stating his opposition to:

- Recommendation #12: Need to have and understand a contract/member agreement – These arrangements have historically been made on a handshake, and many of their members do not have contracts.
- Recommendation #51: Mandatory pooling – The WCMA opposes mandatory pooling. There is a compromise in the Federal Order that allows for partial depooling, which was just applied in California.
- Recommendation #52: Federal Milk Marketing Order structure changes – Mr. Umhoefer believes this is beyond the scope and scale of what can be discussed today and is a massive change to how milk is priced in the United States. He would recommend it is not taken up.

## **Review discussion and voting procedures**

Chair Stephenson asked for a motion that debate on each recommendation be limited to six minutes per recommendation. Recommendations were circulated prior to the meeting.

Chad Vincent made the motion. Amy Penterman seconded. The group approved on a voice vote.

Chair Stephenson noted that we will vote on each recommendation with a paper ballot of yes, no, or abstain. The group will consider recommendations by sub-committee. He noted that the recommendations received a number as they were submitted, and they do not have any additional meaning.

For each recommendation, Chair Stephenson will ask for a motion and second to adopt the recommendation. The group will then hold discussion before voting by paper ballot.

## **Consider and vote on recommendations**

### *Research & Innovation*

Recognize the importance of exports to Wisconsin dairy

- Ted Galloway made a motion to adopt the recommendation. Dennis Bangart seconded.
- Dr. John Lucey, the sub-committee's resource person, explained the recommendation.
- Passed 25-1. (Yes-No)

Increased collaboration in the UW System and with private industry

- Paul Scharfman made a motion to adopt the recommendation. Charles Untz seconded.
- Dr. John Lucey explained the recommendation.
- Dave Daniels asked about the funding sources of the Wisconsin Center for Dairy Research. Dr. Lucey explained funding from check-off dollars, UW System and other sources.
- Passed 25-1.

Regulatory changes needed to FDA product standards of identity

- Brody Stapel made a motion to adopt the recommendation. Chad Vincent seconded.
- Dr. John Lucey explained the recommendation.
- Chair Stephenson asked if this applied only to products with standards of identity. It does.
- Passed 26-0.

Increase in dairy processor grant funding

- Paul Scharfman made a motion to adopt the recommendation. Chad Vincent seconded.
- Chad Vincent explained the recommendation.
- Darin Von Ruden asked why the sub-committee chose \$400,000 as the funding amount. Chad Vincent clarified that \$400,000 is the amount in the Governor's proposed budget.
- Dave Daniels asked what the cap is per grant amount. It is \$50,000.
- Passed 26-0.

Need to engage with state and federal government leaders

- Patty Edelburg made a motion to adopt the recommendation. Dennis Bangart seconded.
- Jeff Buhrandt of UW System explained the recommendation.
- Ted Galloway moved to amend the main motion by adding 'dairy-related trade groups.' Elizabeth Wells seconded. The amendment was adopted on a voice vote.
- Amended recommendation passed 26-0.

#### Staffing analysis at CDR and additional state funds for full-time positions

- Darin Von Ruden made a motion to adopt the recommendation. Dave Buholzer seconded.
- Chad Vincent explained the recommendation.
- David Ward asked if this was part of the previously approved recommendation, the Dairy Innovation Hub. This would be separate as UW System's funding of CDR is a small percentage.
- Brody Stapel asked for the current CDR funding and staffing. Dr. John Lucey noted the budget is just under \$5 million annually and that there are currently 40 staff.
- Dave Daniels asked about the current project at CDR. The funding was purely for capital expenses; not staffing.
- Elizabeth Wells moved to amend the motion to add 'and product' to 'dairy ingredient and product development.' Dave Daniels seconded. Mr. Galloway noted his support for the amendment. The amendment was adopted on a voice vote.
- Amended recommendation passed 27-0.

#### Emphasis on value-added and specialty cheese in Wisconsin

- Chad Vincent made a motion to adopt the recommendation. Ted Galloway seconded.
- Chad Vincent explained the recommendation.
- Ryan Klussendorf asked how we can assure that value of value-added products is getting back to the dairy farmers. Paul Scharfman shared an example of small processors being able to add value through organic, grass-fed or A2.
- President Ray Cross asked about the vision for a shared facility. Ted Galloway and Paul Scharfman explained the concept of sharing facilities to allow entrepreneurs to get in.
- Passed 27-0.

#### *Generational Succession and Transition*

##### Investments in scholarships, planning support, and apprenticeship

- Ted Galloway made a motion to adopt the recommendation. Bradley Guse seconded.
- Melissa Haag explained the recommendation.
- Moriah Brey asked if this applied to registered apprenticeships. It does. There are different types.
- David Ward asked if transition resources would assist with transitioning from one type of management to another. It would.
- Dave Daniels pointed out that the Governor's budget proposal removes funding for the dairy scholarships.
- Bradley Guse asked if there were considerations in making something like this available to processors as well. Mr. Schmidt noted that it is difficult to be inclusive to all areas of the industry, such as feed or equipment, beyond production. Ted Galloway also noted the importance of companies being responsible for their own succession.
- Passed 27-0.

##### Reimplementation of the Beginning Farmer and Farm Asset Owner tax credit

- Melissa Haag made a motion to adopt the recommendation. Andy Buttles seconded.
- Ryan Klussendorf explained the recommendation.
- Passed 26-1.

##### Need for additional farm business succession facilitators

- Dave Daniels made a motion to adopt the recommendation. Ryan Klussendorf seconded.

- Dave Daniels explained the recommendation.
- David Ward asked if the extra funding in the Governor's proposed budget for UW-Extension agents could be used for something like this. President Cross thought that was a good idea.
- Moriah Brey asked about how facilitators would be utilized; individual appointments or farm meetings. Dave Daniels explained how facilitators can prepare farm families for future meetings with professionals such as lawyers or accountants.
- Ted Galloway asked about the assistance that farm credit or ag lenders can provide. Bradley Guse shared that he encourages farmers to utilize services from the Center for Dairy Profitability.
- Secretary Brad Pfaff noted the services available from DATCP's Wisconsin Farm Center.
- Shelly Mayer asked about the benefit of having an attorney network or financial literacy training. Secretary Brad Pfaff shared about the volunteer network that works with the Wisconsin Farm Center.
- Passed 26-1.

#### Review eligibility for DWD services for self-employed individuals

- Charles Untz made a motion to adopt the recommendation. Darin Von Ruden seconded.
- Charles Untz explained the recommendation.
- Dave Daniels asked about next steps. Chair Stephenson noted that we will discuss next steps later in the day.
- Passed 26-1.

#### *Consumer Confidence and Perception*

##### Encourage young people to pursue ag careers

- Patty Edelburg made a motion to adopt the recommendation. Bradley Guse seconded.
- Dennis Bangart explained the recommendation.
- Ryan Klussendorf noted the importance of talking to young people about the career opportunities available in agriculture.
- Elizabeth Wells added that we have to give our young people something to come back to.
- Passed 27-0.

##### Need for a consistent industry message

- Ted Galloway made a motion to adopt the recommendation. Amy Penterman seconded.
- Jen Walsh, the sub-committee's resource person, presented the recommendation.
- Brody Stapel asked if this has already been done. Jen Walsh noted that some of the research is done and this would bring messages together that have been tried and tested.
- Patty Edelburg noted the need for a consistent message.
- Paul Scharfman noted that Wisconsin's dairy industry has much to be proud of.
- Passed 25-1-1. (Yes-No-Abstain)

##### Support the National Dairy FARM Program or equivalent

- Amy Penterman made a motion to adopt the recommendation. Chad Vincent seconded.
- Ted Galloway presented the recommendation.
- Brody Stapel asked if most farmers are already involved in the program. Ted Galloway noted that many cooperatives are.
- Chad Vincent noted that this program does come up at farmer meetings. He shared the importance of having one program, rather than multiple variations put in place.

- Shelly Mayer noted that this program began with a group of dairy producers. She asked that any equivalent program be cow-centric and supported with science.
- Melissa Haag shared her support of the program and need for everyone to be upheld to the same standards.
- Shelly Mayer moved to amend the motion to add, ‘Any equivalent program must be science-based and cow-centric.’ Andy Buttles seconded. The amendment was adopted on a voice vote.
- Amended recommendation passed 25-1-1.

#### Truth in food labeling

- David Ward made a motion to adopt the recommendation. Brody Stapel seconded.
- Patty Edelburg explained the recommendations.
- David Ward added that U.S. Senator Tammy Baldwin explained the Dairy Pride Act this week.
- Brody Stapel shared the confusion amongst consumers about products as seen in recent studies.
- Dave Daniels noted that the horse is out of the barn already. We should have stopped this when it first came out.
- Charles Untz added the confusion over label claims such as ‘fat free.’
- Chad Vincent moved to amend the motion to add ‘and products’ behind ‘plant based beverages.’ Bradley Guse seconded. The amendment was adopted on a voice vote.
- Amended recommendation passed 27-0.

#### *Education and Workforce*

##### Reduce barriers for farmers to utilize services from DWD DVR

- Ted Galloway made a motion to adopt the recommendation. Dennis Bangart seconded.
- Krista Knigge, a Dairy Task Force 2.0 resource person, explained the recommendation.
- Moriah Brey asked for a clarification on the former policy.
- Passed 26-1.

##### Assist rural businesses pursue healthy workplace practices

- Amy Penterman made a motion to adopt the recommendation. Elizabeth Wells seconded.
- Paul Scharfman explained the recommendation.
- Ted Galloway asked what role the government needed to play. Paul Scharfman explained funding the UW-Population Health Institute study.
- Darin Von Ruden explained a transportation service available in Vernon County for workers.
- Passed 25-2.

##### Develop a dairy internship program

- Chad Vincent made a motion to adopt the recommendation. Charles Untz seconded.
- Rene Johnson explained the recommendation.
- David Ward asked about a scholarship for the intern to pay for tuition. Andy Buttles agreed this is a valid point. John Schmidt noted that was not included in this proposal. Funding is for the technical college to administer the internship.
- Shelly Mayer asked if this could apply to current facilitators who are doing this type of work. It could.

- President Lori Weyers noted that internships for production dairy would open a door and meet an unmet need.
- Ted Galloway noted the importance of the quality of the internship experience.
- Dennis Bangart asked if this could have an alternative secondary impact, bringing back what was learned to other workplaces. This would increase the return on the investment.
- Passed 23-3-1.

The group took a recess for lunch at 12:00 p.m. and reconvened at 12:33 p.m.

### *Dairy and Rural Community Vitality*

Need to study the impact of dairy and agriculture on local communities

- Janet Clark made a motion to adopt the recommendation. Darin Von Ruden seconded.
- Dennis Bangart explained the recommendation.
- John Schmidt added the importance of showing the economic benefit of farms and agribusinesses on local communities.
- Passed 27-0.

Establishment of ag-based programs at the local level

- Melissa Haag made a motion to adopt the recommendation. Chad Vincent seconded.
- Elizabeth Wells explained the recommendation.
- Dennis Bangart noted that this recommendation does not include funding. It is an idea communities could put in place locally.
- Chad Vincent noted that the economic impact study will be completed again in the coming months.
- Passed 26-0.

Solutions for road local road infrastructure and maintenance funds

- Patty Edelberg made a motion to adopt the recommendation. Darin Von Ruden seconded.
- Don Hamm explained the recommendation.
- Jerry Schroeder noted the importance of funding at the local level.
- Brody Stapel asked if this recommendation supports a dyed fuel tax. It does.
- Brody Stapel asked how a large farm is defined. It is not defined in this recommendation.
- Brody Stapel noted that farmers who own land are already paying taxes.
- Passed 14-11-1.

Educational programming for non-farm audiences

- Darin Von Ruden made a motion to adopt the recommendation. Mr. Schmidt seconded.
- Janet Clark explained the recommendation.
- Passed 26-0.

Assist farms develop and market agritourism

- Paul Scharfman made a motion to adopt the recommendation. Dennis Bangart seconded.
- Melissa Haag explained the recommendation.
- David Ward asked if the group addressed the wedding barn debate. They did not.
- Patty Edelburg asked if the third recommended solution should stand on its own. Ted Galloway noted the need to use caution in telling people what they can have in their coolers.
- Moriah Brey noted that the group discussed using funding from the previous 30x20 funding to support agritourism, including helping pay bus fees.

- Representative Don Vruwink noted the possible partnerships with the Wisconsin Department of Tourism.
- Secretary Brad Pfaff shared the opportunity for promotion with the Something Special *from Wisconsin*<sup>™</sup> program.
- Paul Scharfman made a motion to split the third recommended solution from the remainder of the recommendation. Ted Galloway seconded. The group agreed on a voice vote.
- David Ward moved to amend the third recommended solution to say, ‘Assist in getting our small specialty cheese, ice cream, yogurt, and fluid milk creameries store exposure.’ Dave Daniels seconded. The group agreed on a voice vote.
- Bradley Guse made a motion to rejoin the recommendation together. Elizabeth Wells seconded. The group agreed on a voice vote.
- Amended recommendation passed 25-1.

#### Support for broadband internet services in rural communities

- Ted Galloway made a motion to adopt the recommendation. Dennis Bangart seconded.
- Melissa Haag explained the recommendation.
- Janet Clark shared an example from her own farm’s inability to utilize technology due to lack of service.
- Tom Crosby shared his experience building a house and trying to utilize the line going by his home.
- Ted Galloway shared his challenges with broadband even in an urban area.
- John Schmidt noted the importance of this issue to our rural communities.
- Dave Buholzer shared example near his businesses with two cell towers.
- Passed 26-0.

#### Require animal official identification

- Shelly Mayer made a motion to adopt the recommendation. Michael DeLong seconded.
- Melissa Haag explained the recommendation.
- Amy Penterman asked about concerns with other species. David Ward moved to amend the recommendation to include livestock. The motion did not receive a second and was not carried.
- Ryan Klussendorf asked about the cost. Melissa Haag shared a cost of about \$2-3 per head with RFID, and less than \$2 for not RFID.
- Patty Edelburg asked about tags from the breed associations.
- Passed 24-1-1.

#### Encourage dairy producers to run for local offices and commissions

- Brody Stapel made a motion to adopt the recommendation. Ted Galloway seconded.
- Don Hamm explained the recommendation.
- Passed 26-0.

#### *Markets*

##### Become one of the dairy product and business innovation centers

- Dave Daniels made a motion to adopt the recommendation. Tom Crosby seconded.
- Dave Daniels explained the recommendation.

- Secretary Brad Pfaff shared his interest and the potential of Wisconsin being one of the dairy product and business innovation centers if the Dairy Task Force 2.0 chooses to adopt this recommendation.
- Passed 26-0.

#### Need to have and understand a contract/member agreement

- Patty Edelburg made a motion to adopt the recommendation. Ted Galloway seconded.
- Elizabeth Wells explained the recommendation.
- Patty Edelburg noted the difference today in the industry versus previously when there was less milk on the market.
- David Ward noted that the agreement needs to be a two-way street, with producers and processors.
- Dave Daniels noted the importance of knowing who you are dealing with, whether it be by contract or a handshake.
- Chad Vincent shared his experience with the Grassland situation a couple years ago and the desire then for farmers to receive notice.
- Ted Galloway shared that a dairy producer and processor must understand what the agreement is between them and trust each other.
- Janet Clark shared her concern for contracts continually changing.
- Dennis Bangart shared his experience working with the cranberry industry, much of which is under contract.
- Passed 18-8.

#### Reduce the number of milk classes from the current four to two

- Darin Von Ruden made a motion to adopt the recommendation. Dave Daniels seconded.
- Ted Galloway explained the recommendation.
- The group discussed what should be included in Class I and Class II. Ted proposed an amendment, 'Combine the current classes I and II, except for sweet and condensed milk, evaporated milk, and other concentrated dairy ingredients that go for further food manufacturing. The second class would be the current III and IV as well as the exceptions noted above.' He then withdrew his amendment.
- Paul Scharfman moved to amend the recommended solution to only include the first sentence, 'Reduce the number of milk classes from the current four to only two classes.' Bradley Guse seconded. The amendment was adopted on a voice vote.
- Amended recommendation passed 22-0-4.

#### Support processors with load consolidation and logistics planning

- Chad Vincent made a motion to adopt the recommendation. Brody Stapel seconded.
- Dr. John Lucey explained the recommendation.
- Passed 26-0.

#### Feasibility study for Wisconsin Cheese Brand and Export Board

- Chad Vincent made a motion to adopt the recommendation. Dave Daniels seconded.
- Dr. John Lucey explained the recommendation.
- Darin Von Ruden asked about how we can ensure that only Wisconsin milk is used in a Wisconsin branded cheese. Dr. Lucey noted that is difficult. This is a feasibility study that can look into some of those questions. Chad Vincent added that it is challenging because plants do not have enough milk in the state for processing and that cooperatives

bring milk in from members in other states. This would be a study to look into the concept.

- Passed 21-3-1.

Create a Cheese Export program at CDR with technical staff support

- Ted Galloway made a motion to adopt the recommendation. Dave Daniels seconded.
- Dr. John Lucey explained the recommendation.
- David Ward asked if this would include whey protein. Dr. Lucey noted that many dairy ingredients are already being exported.
- Elizabeth Wells moved to amend the recommendation to include, ‘and other value-added dairy products.’ Ted Galloway seconded. The amendment was adopted on a voice vote.
- Brody Stapel asked if this would change the name from a Cheese Export program. Dr. Lucey stressed that CDR supports all value-added dairy products.
- Amended recommendation passed 26-0.

Work to conduct detailed consumer preferences and insight studies (Lucey)

- Ted Galloway made a motion to adopt the recommendation. Brody Stapel seconded.
- Dr. John Lucey explained the recommendation.
- Passed 25-1.

The group took a recess for a break at 2:15 p.m. and reconvened at 2:35 p.m.

### *Access to Capital*

Beginning farmer program modernization

- Charles Untz made a motion to adopt the recommendation. Chad Vincent seconded.
- Bradley Guse explained the recommendation.
- John Schmidt asked when a start-up business becomes a business. It depends on the program.
- Dennis Bangart pointed out a formatting error in lettering order of the recommended solution. Ashley Andre will make the change.
- Passed 26-0.

Capital for new and emerging technology

- Ted Galloway made a motion to adopt the recommendation. Amy Penterman seconded.
- Bradley Guse explained the recommendation.
- John Schmidt and Dennis Bangart asked who would be eligible. It is broad in the recommendation.
- Shelly Mayer moved to amend the motion to include ‘agriculture-based’ company under ‘Who is Eligible.’ She withdrew her amendment after further discussion.
- Charles Untz pointed out the agreements that exist between farms, companies and municipalities to do this kind of work.
- Bradley Guse moved to amend the motion to include, ‘for dairy farming or dairy processing’ in the ‘Who is Eligible.’ John Schmidt seconded. The amendment was adopted on a voice vote.
- Amended recommendation passed 25-1.

Establishment of a Farm Savings Account for farmers

- Bradley Guse made a motion to adopt the recommendation. Ted Galloway seconded.
- Chair Mark Stephenson explained the recommendation.

- Bradley Guse shared that other countries have similar programs.
- The group discussed how the program could be utilized by farmers and how it could be implemented.
- Passed 20-5.

#### Support the Access to Better Credit (ABC) Act

- David Ward made a motion to adopt the recommendation. Rene Johnson seconded.
- Bradley Guse explained the recommendation.
- Dennis Bangart asked for clarification on the tax credit.
- Passed 23-3.

#### *Regulatory Certainty*

##### Create an app for dairy producers and associates on major topics

- Ted Galloway made a motion to adopt the recommendation. Bradley Guse seconded.
- Moriah Brey explained the recommendation.
- Brody Stapel pointed out the similarities to the earlier recommendation, need for a consistent industry message.
- John Schmidt provided an example of an email blast service available from Dairy Management Inc.
- Janet Clark noted the importance of having correct information easily available.
- Brody Stapel asked if this app is intended for non-ag audiences. That was not the original intent but that could be developed.
- Brody Stapel shared an example of how people can connect with farmers through a U.S. Farmers & Ranchers Alliance app.
- Passed 25-1.

##### Address regulations impacting milk haulers

- Bradley Guse made a motion to adopt the recommendation. John Schmidt seconded.
- Jerry Schroeder explained the recommendation.
- Dennis Bangart asked for clarification about the definition of ag products and what is covered.
- Passed 26-0.

##### Bulk Milk Weighers and Samplers license reciprocity

- Ted Galloway made a motion to adopt the recommendation. David Ward seconded.
- Jerry Schroeder explained the recommendation.
- Passed 25-0.

##### Support for public and private partnerships

- Paul Scharfman made a motion to adopt the recommendation. Dave Daniels seconded.
- Ted Galloway explained the recommendation.
- Passed 26-0.

##### Need for regulatory certainty and consistency

- John Schmidt made a motion to adopt the recommendation. Patty Edelburg seconded.
- Bradley Guse explained the recommendation.
- Paul Scharfman asked about the use of the term practice in the recommended solution.
- The group discussed how this recommendation could be implemented.

- Paul Scharfman moved to amend the motion to add ‘required by a new regulation’ after practice in the recommended solution, part two. Ted Galloway seconded. The amendment was adopted on a voice vote.
- Amended recommendation passed 25-1.

Remove the annual requirements for the rBST affidavit

- Ted Galloway made a motion to adopt the recommendation. Charles Untz seconded.
- David Ward explained the recommendation.
- Paul Scharfman asked if this puts milk buyers at risk. Ted Galloway said it shouldn’t.
- Passed 26-0.

### *Price Volatility and Profitability*

Increasing milk quality standards

- Ted Galloway made a motion to adopt the recommendation. Charles Untz seconded.
- Don Hamm explained the recommendation.
- Melissa Haag shared her support for the recommendation.
- Ted Galloway noted that most customers demand this.
- Chair Mark Stephenson noted that this standard is mostly achieved.
- Passed 26-0.

Understanding marketing tools available

- David Ward made a motion to adopt the recommendation. Darin Von Ruden seconded.
- Rene Johnson explained the recommendation.
- Ted Galloway suggested inserting bankers or farm credit as partners.
- The group discussed how meetings are available in some areas.
- Elizabeth Wells noted that cooperatives could also play a part in education.
- Brody Stapel asked about requiring use of risk management. Bradley Guse noted that use of risk management can be a decision maker on a loan.
- Passed 26-0.

Increasing demand for fluid milk consumption in schools

- Ted Galloway made a motion to adopt the recommendation. Brody Stapel seconded.
- Mike DeLong explained the recommendation.
- Janet Clark asked how it would be possible for 25% of sales dollars to go directly back to the farmer. Mike DeLong noted that it may be difficult but believes it could be done.
- Brody Stapel shared his experience in county dairy promotion that they have free vending machines available, but they cannot get them placed.
- Secretary Brad Pfaff introduced Krista Knigge to share some work being done in DATCP’s Division of Ag Development with schools and milk vending machines.
- David Ward moved to amend the motion to add ‘Wisconsin Association of School Boards’ as a partner. Charles Untz seconded. The amendment was adopted on a voice vote.
- Elizabeth Wells moved to amend the motion to replace ‘milk vending machines’ with ‘dairy product vending machines’ to be more inclusive. Paul Scharfman seconded. The amendment was adopted on a voice vote.
- Moriah Brey moved to amend the motion to remove the last sentence, ‘Finally, we recommend that 25% of the sales dollars of the bottles of milk go directly back to the

Wisconsin Dairy Producers.’ Ted Galloway seconded. The amendment was adopted on a voice vote.

- Elizabeth Wells questioned the feasibility of the milk being produced from Wisconsin dairy farms.
- Janet Clark moved to amend the motion to remove the sentence, ‘We recommend that the milk bottled and sold in these machines must be produced from Wisconsin Dairy Farms.’ Beth Wells seconded. A roll call vote was taken to confirm the vote. The amendment was adopted, 15-8.
- Brody Stapel made a motion to extend debate for an additional five minutes. Mike DeLong seconded.
- The group discussed the challenge of accessing Wisconsin milk and how the recommendation could be amended.
- Mike DeLong noted the importance of showing support for our state’s producers.
- Darin Von Ruden moved to amend the motion to add the sentence, ‘We recommend that the milk bottled and sold in these machines be produced from Wisconsin Dairy Farms.’ Ted Galloway seconded. The amendment was adopted on a voice vote.

- Amended recommendation passed 26-0.

Need to understand milk pricing and provide training

- Ted Galloway made a motion to adopt the recommendation. Melissa Haag seconded.
- Tom Crosby explained the recommendation.
- Brody Stapel asked if there was a genuine interest to understand milk marketing. Chair Mark Stephenson shared his experience offering this type of programming in the past.
- Chad Vincent asked about providing video content.
- Dennis Bangart moved to amend the motion to remove the word, ‘regional’ before seminars. John Schmidt seconded. The amendment was adopted on a voice vote.
- Amended recommendation passed 26-0.

Implementation of California fluid milk standards

- Ryan Klussendorf made a motion to adopt the recommendation. Dave Daniels seconded.
- Ryan Klussendorf explained the recommendation.
- Ted Galloway noted he understands the perception and the value but believes it would be risky. Paul Scharfman agreed it would be risky.
- The group discussed the current fat content in milk shipped from the farm.
- Dave Daniels noted that he believes there is potential to increase consumption if it is better tasting milk.
- Chair Mark Stephenson noted some potential problems with interstate commerce. Brody Stapel asked how California implements the standards.
- Recommendation failed 10-13-3.

Support H.R. 832, Whole Milk for 4 Healthy Kids Act of 2019

- Ted Galloway made a motion to adopt the recommendation. John Schmidt seconded.
- Ryan Klussendorf explained the recommendation.
- Melissa Haag shared a recent experience taking her children to the doctor and receiving guidance on limiting dairy in your diet.
- Amy Penterman noted the importance of guidelines being science-based.
- Chad Vincent shared how the National Dietary Guidelines are to be worked on in the coming year.

- Dave Daniels moved to amend the motion to include, ‘We also support this change in the National Dietary Guidelines.’ Elizabeth Wells seconded. The amendment was adopted on a voice vote.
- Passed 26-0.

#### Support mandatory pooling

- Ryan Klussendorf made a motion to adopt the recommendation. Tom Crosby seconded.
- Ryan Klussendorf explained the recommendation.
- Ted Galloway noted this would be problematic and have ramifications to the entire industry.
- Dave Buholzer shared his experience as a dairy processor, working to get the better pay price for his producers.
- Darin Von Ruden noted how milk buyers can bring in milk cheaper from a producer in another state. We need to have a national system that is more equitable for all parties involved. We need to have a system that maintains diversity and allows the next generation to stay in business.
- John Schmidt asked for clarification. Chair Mark Stephenson noted mandatory pooling would need to be nationwide, across all orders.
- Charles Untz noted the impact of those who are vertically integrating in the industry.
- Passed 9-8-9.

#### Federal Milk Marketing Order structure changes

- Ryan Klussendorf made a motion to adopt the recommendation. Darin Von Ruden seconded.
- Tom Crosby explained the recommendation.
- Ryan Klussendorf moved to amend the motion to include ‘per month’ after ‘million pounds of milk sold.’ Darin Von Ruden seconded. The amendment was adopted on a voice vote.
- Ted Galloway noted that it would send an artificial signal, not a real market signal.
- Moriah Brey asked for clarification of how the price farmers received would be calculated.
- Tom Crosby noted his support for innovation, promotion, and exports. He also noted the need for the family farm infrastructure that our rural communities thrive on.
- Charles Untz noted the emphasis on exports stressed by the U.S. Dairy Export Council.
- Amy Penterman shared how processors benefit from buying milk from multiple farms and all sizes of producers.
- Paul Scharfman recognized the current challenges in today’s dairy industry.
- Tom Crosby expressed his concern of losing a generation off of our dairy farms and how we need to do something different.
- John Schmidt asked if this structure would encourage farms to grow to maximize the up to one million pound benefit.
- Elizabeth Wells noted this is a short and long-term conversation. This conversation has focused on pounds of milk. There is also a value to the number of farms in the state and country. She noted the consolidation in the industry.
- Chad Vincent noted two themes. First is the need to innovate and drive new product development. The second is how to keep our rural communities viable.

- Shelly Mayer shared a reflection of the state of the dairy industry in 1992 versus now. She emphasized the need to stay together in the dairy industry.
- Bradley Guse made a motion the group take the vote. Moriah Brey seconded. The group agreed to go forward with the vote.
- Amended recommendation failed 7-14-5.

**Identify next steps**

Ted Galloway thanked the Secretary for coming. Secretary Pfaff thanked the members for their input and how their work will set the course for the dairy industry for the next 20 to 30 years.

Chair Mark Stephenson noted that we need to work as a group to prioritize the recommendations before completing the final report. We will be setting a future meeting date in the coming weeks.

**Adjourn**

Dennis Bangart made a motion to adjourn. Brody Stapel seconded. The members agreed by a voice vote. The Wisconsin Dairy Task Force 2.0 adjourned at 5:07 p.m.

Minutes drafted by Ashley Andre.

DRAFT