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SB 197 TESTIMONY

SENATE COMMITTEE ON ENVIRONMENT
AND NATURAL RESOURCES
SENATOR MICHAEL DEMBROW, CHAIR

March 9, 2017

Presented by
CHAD ALLEN, PRESIDENT
Oregon Dairy Farmers Association

My name is Chad Allen. I currently serve as the President for the Oregon Dairy Farmers Association headquartered here in Salem, representing 228 Oregon Dairies statewide. These multi generational farm families deliver the highest quality milk to the market everyday **under strict state and federal regulations**. I am a dairy farmer from Tillamook County where I reside and farm with my family.

In 2015, the milk produced on Oregon's dairy farms resulted in an economic contribution of more than \$474 million dollars. The number of Oregon Dairies is directly related to the ability of each farm to withstand milk market price fluctuation against the cost of feed, labor, taxes, equipment and the ever changing regulatory burden from the state and federal levels.

It is imperative any new regulations, like the added burden of Air Quality monitoring directed in SB 197, be rejected by this Committee and this Legislature if we are to ensure the longevity and sustainability of Oregon's dairy sector.

Oregon was once home to somewhere around 1,000 dairy farms with local processors in every neighborhood. Today, the remaining 228 dairy farms have very limited options for the delivery of their milk with a very few processors. If a new producer wants to come into the dairy sector, they must first secure a contract with a processor who will pick up their milk. It is for this reason the dairy industry does NOT see a great deal of growth and expansion. For the record, the Oregon Dairy Farmers Association has spoken favorably about the permit application for the new facility in Boardman. It is also important for this Committee to know

that every dairy no matter the size is our member and we will fiercely work to protect and preserve every dairy in Oregon.

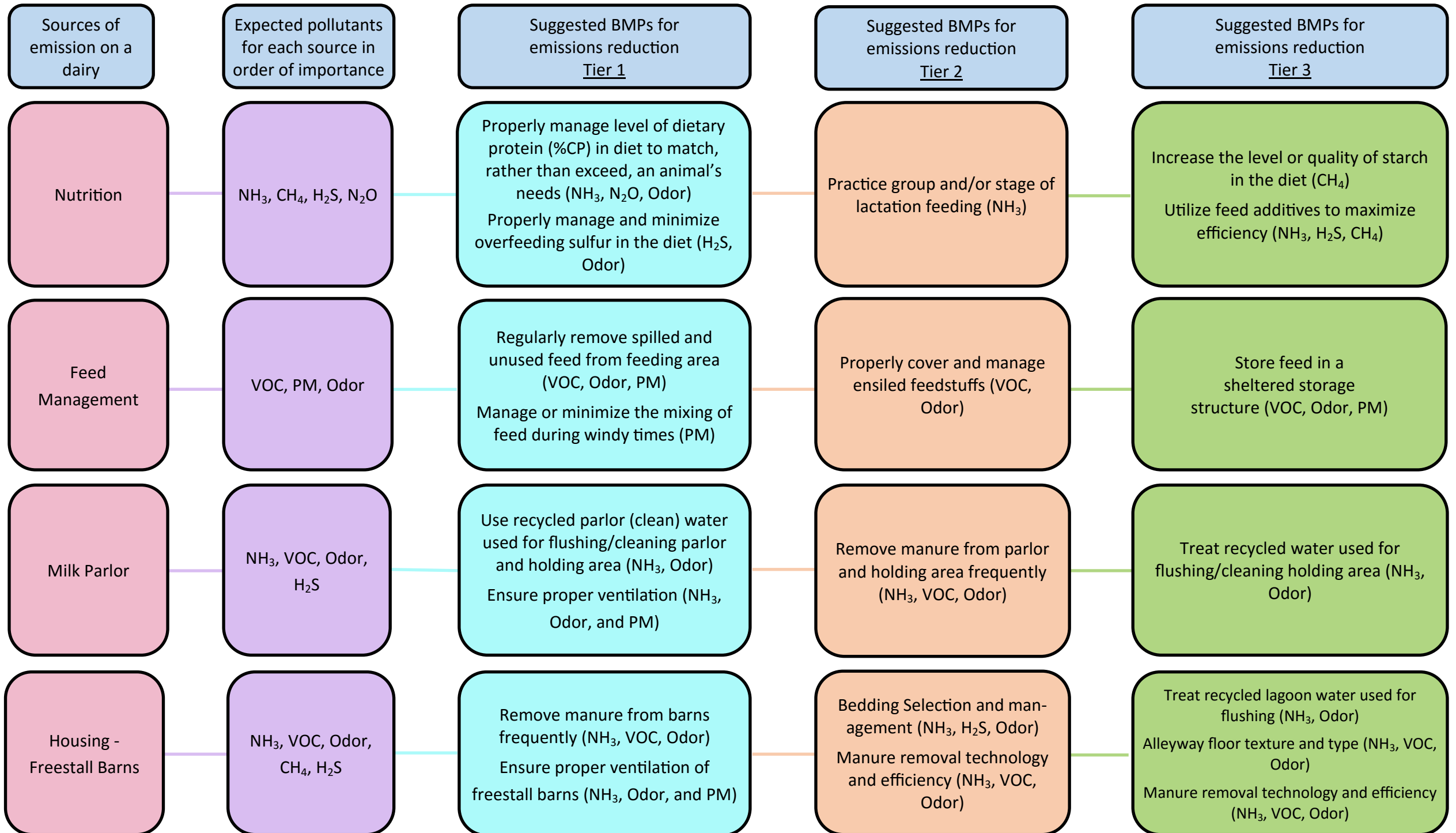
There may be a belief that the addition of an Air Quality Emissions regulation will have little or no effect on our industry. I can attest that every new regulation, whether it is State or Federal, comes with a price. That price is our time, first and foremost. Many of us are struggling desperately to locate, hire and retain a reliable and dependable workforce. When we lack workers on our farms, we have to be everything to the farm. That means early morning and late afternoon shifts in the milking parlor, chores to keep the herd healthy, paperwork, interface with our processors for milk pickup, planting and harvesting the crops, discussions with our veterinarian (who we share with other farmers), caring for our families and community engagement. Dairy demands that my work week is 24/7, 365 days a year. The limited time I am away from my farm directly correlates to if and whether I have reliable help on the farm. No other profession makes this type of demand on its practitioners. Thus, we are seeing family members declining accepting the obligations that come with saying "Yes" to joining the management team and acquiring the farm. The next generation is seeking a "work, life balance" just like other college graduates. If this session the Legislature wants to help Oregon's Dairy Farmers, we would support your investment in additional research funds for Oregon State University and also making low interest loans available for the acquisition of technology so we can equip our milking parlors and barns with robotic technology.

Since the outcomes of the Dairy Air Task Force were made public, the Dairy Farmers have worked closely with the OSU Dairy Specialist, Troy Downing, to engage in an understanding and adoption of Best Management Practices. I believe you have a copy of the Matrix which has been shared widely with our producers. I can assure you, that these practices are in affect at some level on every farm. The matrix ascends from one to three, with three being the highest bar. The farms working on the smallest of margins are voluntarily working to achieve the best outcomes every day. Adding Regulations to their operation does place a burden that will likely result in dairy farmers opting out of this profession.

As a side note, I believe there was a bill heard earlier this week by a House Committee to eliminate the tax credit for Methane Digesters. The addition of Methane Digesters was one of the recommendations of the Task Force. The ODFA provided testimony opposing this effort and worked to reduce and extend that same credit until 2021 when it will phase to zero just last February during the Short Session. It is imperative that our policymakers send a message to the Dairy Farmers that you support our industry through sensible and consistent policy.

The Oregon Dairy Farmers Association respectfully urges the Committee to oppose SB 197.

Thank you for your time and attention.

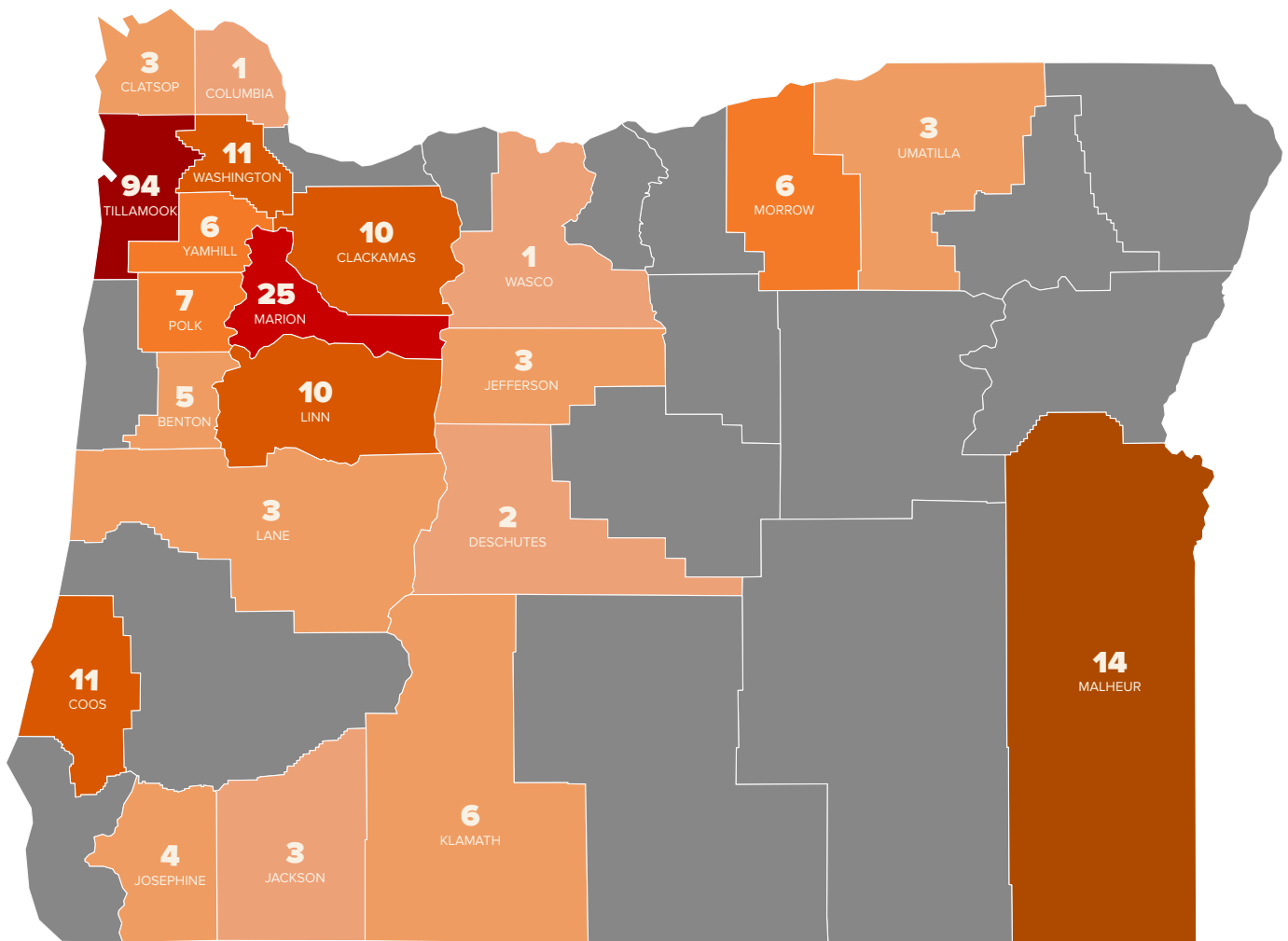


Sources of emission on a dairy	Expected pollutants for each source in order of importance	Suggested BMPs for emissions reduction Tier 1	Suggested BMPs for emissions reduction Tier 2	Suggested BMPs for emissions reduction Tier 3
Housing - Drylot Pens	NH ₃ , PM, Odor, H ₂ S, CH ₄ , VOC, N ₂ O	Spread (harrow) manure frequently (NH ₃ , PM) Surface moisture content management (NH ₃ , N ₂ O, VOC, Odor, CH ₄ , H ₂ S, PM)	Remove manure frequently (NH ₃ , PM) Incorporate wood chips in surface layer (NH ₃ , PM, Odor) Use straw bedding in drylot pens (NH ₃ , PM, Odor) Knockdown and remove fence line manure (VOC, Odor)	Urease inhibitors (NH ₃ , N ₂ O) Provide shade for cattle (NH ₃ , PM) Sitting of water trough within pen (NH ₃ , PM)
Grazing Management	NH ₃ , N ₂ O	Stock appropriate number of animals (NH ₃ , N ₂ O) Use rotational grazing (NH ₃ , N ₂ O)	Move water and feeding areas frequently (NH ₃ , N ₂ O)	Irrigate immediately after grazing (NH ₃)
Manure Storage	Liquid: NH ₃ , H ₂ S, CH ₄ , Odor, VOC Solid: NH ₃ , H ₂ S, PM, CH ₄ ,	Manure solids separation (NH ₃ , VOC, Odor, H ₂ S, CH ₄) Properly manage the composting of solid manure (H ₂ S, Odor, PM, CH ₄) Properly manage stockpiled manure (H ₂ S, Odor, PM)	Lagoon or storage covers (NH ₃ , H ₂ S, VOC, Odor, CH ₄) Scrub Exhaust of enclosed waste containers (CH ₄ , Odor, H ₂ S)	Installation of an anaerobic digester (CH ₄) Surface aeration of lagoons (NH ₃ , H ₂ S, VOC) Reduce the pH of manure (NH ₃ , CH ₄) Encourage purple sulfur bacterial formation in lagoons (H ₂ S, Odor)
Land Application	NH ₃ , PM, Odor, N ₂ O	Apply nutrients according to agronomic recommendations based on soil and manure test results (NH ₃ , N ₂ O) Inject or incorporate fertilizer into soil within 24 hours of application (NH ₃ , Odor) Do not over-irrigate (NH ₃ , N ₂ O) Apply during cool weather and on still rather than windy days ((NH ₃ , Odor, PM)	Utilize cover crops (NH ₃ , N ₂ O, PM) Apply N fertilizer below no-till residue (NH ₃ , PM)	Installation of windbreaks or shelterbelts (Odor, PM)



OREGON DAIRIES BY COUNTY

Updated 8.24.16



Oregon is home to 228 dairy farm families who care for 125,000 dairy cows across the state in 21 of its 36 Counties. In 2015, these Oregon Dairies contributed an excess of \$475 million in economic value to Oregon's economy, down from the 2014 contribution of \$650 million. The economic decline was attributed to the 40% decline in milk price. Year in and year out, the economic contribution of the Dairy Farmer is before the fluid milk from the farm is processed into the delicious dairy products found in the grocery store. Many of Oregon's Dairy farms are owned and operated by multiple generations of family members. Large and Small dairies comprise the fabric of Oregon's Dairy Industry.