



Oregon Dairy Farmers Association
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HB 5002 TESTIMONY

JOINT WAYS & MEANS, NATURAL RESOURCES SUBCOMMITTEE

CO-CHAIRS SENATOR KATHLEEN TAYLOR AND REPRESENTATIVE JEFF REARDON

FEBRUARY 6, 2019

Entered into the Record by
Tami Kerr, Executive Director
Oregon Dairy Farmers Association

As the Executive Director for the Oregon Dairy Farmers Association, I offer the following testimony for the record on behalf of the 200+ dairy producers of Oregon. These multi-generational conventional and organic Grade A farms provide high quality milk everyday **under strict state and federal regulations**. The fluid milk they produce is processed into the many dairy foods consumers enjoy in the form of yogurt, cheese, ice cream, and pasteurized milk.

In 2017, the fluid milk produced on Oregon's dairy farms resulted in an economic contribution of more than \$500 million dollars in "farm gate value" prior to processing, and well over \$1 billion dollars after processing. Milk is the fourth most valuable agricultural commodity in Oregon.

The Oregon Dairy Farmers Association (ODFA) supports HB 5002, the Oregon Department of Agriculture's Budget. We are specifically interested in the Food Safety Funding, Policy Package 210 that shifts \$1.47 million from other funds to the general fund. This would restore the historical agreement for a 50/50 split in the program. Without this fund shift, the program risks not having adequate funds to address a food safety crisis. Our dairy producers will have an increase in their Grade A milk license fees this year and ODFA has supported the increase.

ODFA also supports the addition of an International Trade Position at the Oregon Department of Agriculture. Trade is critical for the dairy industry, on a national level and for our Oregon producers and processors. We currently export nearly one day's milk production out of the country. Milk prices received by our producers have been decreasing each year for the last four years and we are at a 20 year low. Nearly every producer in the state is being paid below the cost of production. This position would be a great investment for the Oregon dairy industry as well as for all of Oregon agriculture.

Thank you for your time and attention, we respectfully request your support of HB 5002, the Oregon Department of Agriculture's Budget.