



2020 Priority Issues

Effective legislative and regulatory advocacy is a cornerstone of FarmFirst Dairy Cooperative's mission and vision. It's a key membership benefit that appeals to dairy farmers to become and remain a member of FarmFirst. Receiving guidance from members through our public policy process and our board of directors, FarmFirst staff work directly and with the Midwest Dairy Coalition and National Milk Producers Federation to get our policies passed by Congress and signed into law or included in regulations.

FarmFirst continued to achieve success in 2019, but there is still more work to do. Take a few minutes to review your cooperative's top priorities as we serve our members across the Upper Midwest.





DAIRY POLICY

Coverage During a Crisis



Working in stride with the Midwest Dairy Coalition and the National Milk Producers Federation, FarmFirst has been advocating for and vocalizing the needs of dairy farmers during the coronavirus pandemic. An unprecedented, dramatic shift has been felt throughout the supply chain, and dairy farmers have been steadfast in their commitment to producing wholesome quality milk. In response, FarmFirst and other industry leaders have sought ways to get dairy products to families that need it most during these challenging times, while seeking strong support for dairy farmers as they work to keep their own businesses operating during the pandemic.

From a policy standpoint, FarmFirst has been advocating for financial assistance in the form of SBA loans and economic injury disaster loans in addition to financial support provided through the Coronavirus Food Assistance Program (CFAP). CFAP funds have been made available to distribute funds to farmers to offset depressed market prices and to move dairy products to food banks across the country.

FarmFirst knows that during a crisis, time is of the essence to ensure dairy farmers and the entire supply chain is protected and able to still function. FarmFirst also believes that support should be a priority for those dedicated to providing a safe, wholesome and nutritious food product for consumers across the country. Until the pandemic is over, FarmFirst remains vigilant in fighting for the best policies for dairy farmers across the Upper Midwest.

Early Preparation for the 2022 Farm Bill



Passage of any Farm Bill is not an easy task, but FarmFirst was up to the challenges to successfully get passage of the bill in 2018 and its implementation last year. Leading up to the 2022 Farm Bill, FarmFirst will be seeking feedback from FarmFirst members and engaging with Congressional leaders to ensure the dairy title continues to evolve and meet the needs of dairy farmers.

The Dairy Margin Coverage Program contained several critical changes that FarmFirst advocated for, including a raised catastrophic level (\$4 to \$5), reduced premium rates, increased Tier 1 production coverage, modified margin calculation (bimonthly to monthly), and waived the

\$100 administration fee. FarmFirst also helped champion additional changes to allow for flexibility for farmers to apply for an intergenerational transfer if they added family members since 2014.

Improving Milk Prices

In addition to these successful efforts, FarmFirst will continue to work for improvements to the Dairy Margin Coverage program as well as evaluate other policy ideas that are being discussed by the dairy industry including federal milk marketing order reform, that will provide greater returns to dairy farmers.

Dairy Labeling



Getting the Food and Drug Administration (FDA) to enforce its existing definition for dairy is a top priority for FarmFirst, and after an extended public comment period, in which FarmFirst submitted comments, the agency appears to be moving forward with action on dairy imitators. FarmFirst continues to keep the pressure on FDA, and now with new FDA Commissioner Stephen Hahn, we are optimistic that headway will be made on this issue. FarmFirst is well-engaged and is participating in campaigns to expose products flagrantly using dairy terms

without a drop of milk in their product.

The Dairy Pride Act, legislation that would force the FDA to make dairy labeling issue a top priority, is strongly supported by FarmFirst. The legislation would require FDA to report to Congress on their progress. Having congressional support on this issue sends the message to the FDA that this is a serious matter that needs to be addressed. FarmFirst will be working to get this bill enacted into law.

ASSURING QUALITY PRODUCTS WITH QUALITY ANIMAL CARE



Dairy farmers are committed to producing quality, wholesome milk that becomes quality dairy products enjoyed by consumers throughout the world. That quality milk wouldn't be possible without quality care to the cows that produce it.

As processors and dairy manufacturers are faced with questions on animal welfare, the industry has turned to a united national program known as Farmers Assuring Responsible Management (FARM). Since the FARM program was first introduced, it has continued to evolve to meet the demands of food companies and suppliers while bridging the gap between consumers and farmers.

As the program continues, FarmFirst looks forward to serving as a voice for farmers as changes and new requirements are considered for the program. Additionally, FarmFirst continues to advocate for additional farmers to serve on the evaluation committee.

SAFE MILK SUPPLY



Ensuring a safe milk supply begins with milk residue testing. FarmFirst has been proactive in stating our concerns and providing constructive solutions during national meetings where additional regulations and required testing has been proposed. We are continually engaged on this issue to prevent unnecessary regulations on dairy farmers.

KEEPING MARKET OPPORTUNITIES FOR FARMERS



FarmFirst members support expanding market access to A2A2 labeling on dairy products containing the A2A2 milk from their dairy herd. Allowing market access to this type of labeling enables greater profit opportunity for dairy farmers continually facing financial challenges.

NUTRITIONAL GUIDELINES



Existing dietary guidelines should be used when determining when the term 'healthy' can be used on food labels. This is the message FarmFirst has delivered to the FDA on several occasions. Science has proven in several peer-reviewed studies that the consumption of milk and dairy products is essential and beneficial to human health, and in general, under consumed by American consumers. Our message also includes making sure that dairy-alternatives are not included as an option in school milk programs due to their inferior nutritional quality compared to milk. Current USDA rules allow for 1% flavored milk to be served in schools, an issue that FarmFirst has been an advocate for several years. Legislation supported by FarmFirst has been introduced to go one step further to allow whole milk to be served in schools. We will be working for passage of this legislation throughout 2020.

KEEP COSTS LOW



FarmFirst supports medications for common animal illnesses to be available to producers without prescriptions that come with costly veterinarian visits and encourages the Food and Drug Administration to keep basic animal care decisions to farmers.

GRASSROOTS LEADERSHIP

REPRESENTING FARMERS





ENVIRONMENTAL



After several years of contentious rulemaking, the Environmental Protection Agency (EPA) and the Department of the Army Corp of Engineers released a new final Waters of the United States (WOTUS) rule on January 22, 2020. This new rule replaces the 2015 WOTUS rule, which included many ambiguities and uncertainties. An analysis conducted by the National Milk Producers Federation also found that the 2015 WOTUS proposal did not meet the requirements of various Supreme Court rulings. This new rule alleviates any uncertainty among both farmers and regulators.

FarmFirst has been advocating for a clear-cut, common sense approach to WOTUS that does not infringe on the rights and responsibilities of state jurisdictions. FarmFirst will continue to advocate for well-defined rules that allow farmers flexibility in management and good environment stewardship.

INTERNATIONAL TRADE



Maintaining international market access is ever more important as U.S. domestic production continues to grow. Looking beyond our borders to find demand and establish trade agreements for our quality U.S. dairy products is part of the solution. FarmFirst is supportive of fair and free trade opportunities that benefit U.S. dairy farmers and is actively engaged on this issue with national leaders.

Tariffs and retaliatory tariffs plagued trade relationships in 2019, with Mexico, Canada and China, which were restored with the passage of the USMCA and the Phase 1 China Trade Agreement. Maintaining quality trade relations with these top U.S. dairy export countries is imperative for dairy farmers. While July 1, 2020 is when the USMCA was officially entered into force, FarmFirst is making sure U.S. trade ambassadors know the importance of ensuring that this trade agreement is fully implemented. U.S. trade ambassadors worked diligently to achieve specific language in this modern trade agreement, and it will require steadfast attention to ensure it all comes to fruition.

AG LABOR REFORM



When it comes to ag labor, the dairy industry is presented with some unique challenges, most specifically that the demand for labor is constant - seven days a week, 365 days a year. FarmFirst has advocated for meaningful and effective policy reform to ensure agriculture's needs are met with a stable and legal supply of workers. FarmFirst also supports the bipartisan Farm Workforce Modernization Act which includes critical provisions that address dairy's specific workforce needs.

FarmFirst supports federal legislation that provides comprehensive immigration reform that includes securing our borders.

BEGINNING FARMERS



FarmFirst believes it is important to support younger generations interested in dairy farming and to provide opportunities for them to become a dairy farmer.

FarmFirst supports incentive programs for beginning farmers, including loans, tax incentives and grants, to assist in beginning dairy farmers to startup or transfer a farm.

Keeping common cheese names common is critical when it comes to U.S. dairy trade. Quality dairy products come from around the world, including the U.S. which is why generic, well-recognized names like parmesan, feta, asiago and Havarti shouldn't be limited to one specific region of the world. FarmFirst opposes the concept of Geographic Indicators on products that cannot be supported by definitive market and development locations. We support trade agreements that represent fair and free trade and the ability to use common names in marketing dairy products.