



Dairy Growth Management Core Guidelines

During the winter of 2020-21, a group of Wisconsin Farmers Union and Wisconsin Farm Bureau members composed of active and former dairy farmers began to collaborate on possible growth management scenarios. To create a workable program that was simultaneously farmer-led and rooted in science, such a pricing structure would have to adhere to the following core guidelines:

1. The program shall be mandatory and national in scope including all producers of bovine dairy milk in the U.S.
2. The plan will provide an entrance into the industry for beginning dairy farmers and a strategy for producers to exit the business.
3. The plan will be managed by dairy farmers.
4. A board of elected farmers will serve as directors to guide the implementation of the growth management plan. In order for the plan to be national and mandatory, it will require government authorization but will not involve government control. The plan will be administered through the USDA and governed by a dairy farmer board. Dairy economists and processors will also serve the board in an advisory capacity.
5. The plan will be flexible and responsive to market growth and economic factors.
6. The plan shall reduce risk to price volatility.
7. The plan will allow for dairy imports and exports without conflicting with existing trade agreements.
8. Dairy producers shall be assigned a base volume determined by their historic production. Base is not sold and does not carry value. Base remains with facilities.
9. This plan shall provide growth opportunities for dairy producers. a. A producer wishing to increase production beyond their allowable milk marketing will pay a market access fee for the new milk (measured in pounds) they wish to produce. The market access fee shall be tiered. The greater the increase desired, the greater the market access fee. This fee shall be determined by the board. Once a producer's market access fee has been satisfied, a new base will be established.
10. The plan shall cause no significant increase in cost of dairy products to consumers.
11. The plan shall reduce or eliminate government subsidies to the dairy industry.
12. This plan shall function within any milk pricing system.

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