



North Dakota House of Representatives

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Good Morning Chairman Thomas, and members of the Agriculture committee,

For the record my name is Dawson Holle, and I am honored to serve the great people of District 31.

Today I come here to introduce HB 1515 which legalizes the sale of raw milk directly to a consumer on a farm.

Why legalize the sale of raw milk direct from farm to consumers? We've heard the numbers; 37 dairy farms is all that's left in North Dakota and I recently heard that one of the larger farms in the northern part of the state will be no longer milking this upcoming fall, that means we will be down to 36, maybe lower. The year that I was born, according to the USDA there was approximately 400 licensed dairy herds across the state. Over the years I have seen a trend that actually hurts my heart and that the high financial cost, very hard manual labor with lots of hours, severe weather that all farmers have endured over the years, market trends, and many, many other factors that have led to the dairy farmer numbers continuing to decline. The saying in the dairy farm industry that I have heard over the years is you either have to get big or get out, but dairy farmers physically can't pay their bills with 40 cows anymore like they could 20 years ago. What does that mean? Back in 1977, the price of Class 3 milk per hundred weights (which is how dairy farmers are paid) was \$9.70. The year I was born it was \$12.10 a hundred weight, today it is \$19.43 according to the USDA. If we take into account the increasing rise of inflation of 3.51% per year since 1977, today's dairy farms should be making at least \$62.54 a hundred weight just to keep up with inflation. But the sad reality is that the highest price that dairy farmers have seen in the last 50 years is \$25.21 per hundred weight. Some years, it is sad, but a farmer actually doesn't get paid for milking their cows, they go backwards and into debt. Our personal farm has gone through many growing phases over the years, and sometimes still at the end of the year, it doesn't pencil out, so farmers have had to get creative and subsidized their incomes. We started a custom chopping operation so that not only our corn silage gets harvested at the correct time for the cows nutrition, but it is a to off-set negative balance sheets, hopefully, at the end of the year.

So this conversation is not a new one. We have all seen the trends, we have all seen the decline, and I think we can all safely say that most of us want to see a regeneration of dairy in the state of ND.

Post Covid, there has been a revival of direct farm to consumer businesses. Pride of Dakota is an awesome avenue for the people of ND to make homegrown, homemade goods and sell them directly to consumers. During Covid, something called Farm to Table in not only the state of North Dakota took off, but around the country. Consumers were in lock down and didn't have their usual access to products. Currently there are 34,000 members of the ND Farm to Table and it keeps growing. If you go on their social media, you can find plenty of posts from not only farmers advertising their products directly from their farms, but also consumers looking for farm products in their area. Enter raw milk. There has been a severe shift in the market and demand for raw milk directly from the farm. Now, there is a cow share program already in the state of ND, so this bill is not competing with that, but only creating another avenue to strengthen dairy in our state.

Lets look at other states in the country that have already legalized the sale of raw milk. There are 11 states that have legal raw milk sales in retail stores and 17 states that allow direct farm to consumer sales. Take for instance California, which is the highest producing dairy state in the country both in herd numbers and also milk pounds, you can readily find raw milk in refrigerators of retails stores. But, this bill is focusing on direct sales from farm to consumer so lets talk about a state that is similar to this bill. Kansas allows on-farm sales of raw milk with a label identifying the product as unpasteurized. Kansas currently has 45 raw milk farms. 45 raw milk farms! Can you imagine? That is more raw milk farms then we have dairy farms in our state! What would another 45 milk farms do to our states economy? My main focus and drive is to support ND farmers and allow them to do what they do best, farm and make a living off of their products. Some farms don't want to milk 700 milk cows 3 times a day, such as our family farm and sometimes I am not even sure that I want to milk 700 cows 3 times a day LOL. There is huge amount of responsibility that comes with a farm that size. There is positive and negatives with having a large farm and for some farmers, that may not be what they want. They want to focus on a smaller herd, utilize the current market trends, and meet consumer demands for niche markets that for example are 1.Grass fed 2.Organic 3.GMO-free 4. A2 milk (which is a new trend that is variety of cow's milk that lacks a beta-casein protein in milk). How great would it be to pass this bill and farms that have been struggling to either make their farm profitable, or maybe they don't have a processor, or they don't want to expand their farm, and all they want to do is milk cows and sell their product. I am not saying that passing this bill is a magic wand and all of the sudden the number of dairies in ND is going to double, but why not create this avenue and allow farmers the freedom to sell their healthy, high-quality, nutritious product that is certified and licensed from the ND Department of Agriculture so that we do this the right way. Since the first thought of this bill, I started reaching out to other farmers, organizations, and we are all on the consensus that we all want to support ND Agriculture and raw milk, however my initial bill did not address some of their concerns so I listened to them and added amendments that you can see before you. Most of the amendments that I added address safety standards and concerns such as labeling, testing, providing documentation for transparency, and creating a risk analysis and management plan that addresses 10 key issues.

If you want to do your own research, there is a website called realmilk.com where all the raw milk farms are listed. You can go on and click on the individual farms, read their mission statements, see their products and pricing, tour their farms, and even meet their families.

I think one of the best thing about being an American is the amount of freedom we have. We should have freedom for what food we eat and drink. Raw milk is a product, that if it has the proper safety measures in place I can really see it making a difference not only on small farms but to revive the North Dakota Dairy Industry.

Thank you and now I will stand for questions.