

117TH CONGRESS
1ST SESSION

H. R. 4269

To direct the Secretary of Agriculture to establish the Dairy Pricing and Policy Commission, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 30, 2021

Mr. KIND (for himself and Mr. GALLAGHER) introduced the following bill;
which was referred to the Committee on Agriculture

A BILL

To direct the Secretary of Agriculture to establish the Dairy Pricing and Policy Commission, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Dairy Pricing and Pol-
5 icy Commission Act of 2021”.

6 **SEC. 2. DAIRY PRICING AND POLICY COMMISSION.**

7 (a) FINDINGS.—Congress finds the following:

8 (1) The pace of consolidation in the dairy in-
9 dustry as it relates to herd size is far surpassing
10 that seen in the majority of U.S. agriculture.

1 (2) The number of small commercial dairy op-
2 erations has declined from 146,685 in 1987 to
3 30,373 in 2017.

4 (3) The number of licensed dairy herds fell by
5 more than half between 2002 and 2019, despite milk
6 production continuing to grow.

7 (4) The loss of dairy operations poses signifi-
8 cant economic challenges to many rural communities
9 with historic ties to dairy farming.

10 (5) A diverse and cross-regional dairy industry
11 is critical for food security and resiliency in the
12 United States.

13 (6) Continued declines of approximately 4 per-
14 cent of dairy farms annually will negatively impact
15 rural communities throughout the country.

16 (7) In 2016, dairy farmers of all herd sizes
17 below 1,000 cows experienced higher total costs than
18 gross returns.

19 (8) In 2019, monthly exit rates among Wis-
20 consin licensed dairy farms more than doubled from
21 2016 levels.

22 (b) ESTABLISHMENT.—Not later than 6 months after
23 the date on which funds are first made available to carry
24 out this section, the Secretary shall establish a commission

1 to be known as the “Dairy Pricing and Policy Commis-
2 sion” (in this section referred to as the “Commission”).

3 (c) RECOMMENDATIONS.—

4 (1) IN GENERAL.—The Commission shall de-
5 velop legislative, regulatory, and market-based rec-
6 ommendations for the following:

7 (A) Responding to periods of heightened
8 dairy production during low prices by consid-
9 ering better supply chain coordination and mar-
10 ket price signals.

11 (B) Enhancing the competitiveness of U.S.
12 dairy producers and dairy products in world
13 markets by identifying challenges and opportu-
14 nities for new markets for dairy exports.

15 (C) Ensuring that Federal milk marketing
16 orders and rulemakings that relate to such or-
17 ders are transparent and provide a fair return
18 to producers regardless of the end product for
19 which the milk is used.

20 (2) AVAILABLE RESEARCH.—In developing rec-
21 ommendations under paragraph (1), the Commission
22 shall draw upon available research, including the re-
23 port published in 2020 by the Economic Research
24 Service of the United States Department of Agri-

1 culture and titled “Consolidation in U.S. Dairy
2 Farming”.

3 (d) MEMBERSHIP.—

4 (1) NUMBER AND APPOINTMENT.—The Com-
5 mission shall be composed of 13 members appointed
6 by the Secretary as follows:

7 (A) At least 1 member representing a na-
8 tional consumer organization.

9 (B) At least 1 member representing land-
10 grant colleges and universities or covered
11 NLGCA Institutions.

12 (C) At least 1 member representing the
13 food and beverage retail sector.

14 (D) 5 dairy producers (representing a vari-
15 ety of farming practices and sizes) and 2 dairy
16 processors, appointed so as to balance geo-
17 graphical distribution of milk production and
18 dairy processing, reflect major product seg-
19 ments of dairy processing, and represent all re-
20 gions of the United States equitably, including
21 States that operate outside of a Federal milk
22 marketing order.

23 (E) At least 2 members representing dairy
24 farmer, cooperative, or dairy processor, associa-
25 tions.

1 (F) At least 1 member representing dairy
2 industry experts in the field of milk pricing, fi-
3 nance, marketing, risk management, consulting,
4 or advisory services (or some combination there-
5 of).

6 (2) TERMS.—Each member shall be appointed
7 for the duration of the Commission.

8 (3) VACANCY.—Any vacancy occurring before
9 the termination of the Commission shall be filled in
10 the same manner as the original appointment.

11 (4) PAYMENT AND TRAVEL EXPENSES.—

12 (A) PAYMENT.—Members of the Commis-
13 sion shall serve without pay.

14 (B) TRAVEL EXPENSES.—For travel relat-
15 ing to meetings under paragraph (7), each
16 member of the Commission shall receive travel
17 expenses, including per diem in lieu of subsist-
18 ence, in accordance with applicable provisions
19 under subchapter I of chapter 57 of title 5,
20 United States Code.

21 (5) ADMINISTRATIVE SUPPORT SERVICES.—The
22 Secretary shall provide to the Commission the ad-
23 ministrative support services necessary for the Com-
24 mission to carry out the requirements under this
25 section.

1 (6) CHAIRPERSON.—The members shall elect a
2 member to serve as Chairperson of the Commission
3 for the duration of the Commission.

4 (7) MEETINGS.—The Commission shall meet at
5 least 4 times each year until the date on which the
6 Commission terminates pursuant to subsection (i).

7 (8) QUORUM.—A quorum shall consist of not
8 fewer than 7 members of the Commission.

9 (9) VOTING.—

10 (A) IN GENERAL.—If the Commission is
11 unable to reach a consensus on a proposed rec-
12 ommendation or determination, the Commission
13 may decide the matter by majority vote of its
14 members.

15 (B) TIE VOTES.—The Chairperson of the
16 Commission, in addition to voting, may also
17 break any tie vote.

18 (e) INFORMATION FROM FEDERAL AGENCIES.—The
19 Commission may secure directly from any Federal agency
20 of the United States information necessary to enable it
21 to carry out this Act. Upon request of the Chairperson
22 of the Commission, the head of such agency shall furnish
23 that information to the Commission.

24 (f) REPORT.—

1 (1) SUBMISSION OF REPORT.—Not later than 2
2 years after the date of the establishment of the
3 Commission, the Commission shall submit to the
4 Secretary and Congress a report containing the leg-
5 islative and regulatory recommendations developed
6 pursuant to subsection (c).

7 (2) OPINIONS.—

8 (A) IN GENERAL.—Subject to subpara-
9 graph (B), the report shall reflect, to the extent
10 practicable, a consensus opinion of the mem-
11 bers.

12 (B) EXCEPTION.—If the members did not
13 reach a consensus opinion with respect to a
14 matter, the report may include majority and
15 minority findings regarding such matter.

16 (g) NO EFFECT ON EXISTING PROGRAMS.—The Sec-
17 retary shall not allow the existence of the Commission to
18 impede, delay, or otherwise affect any decision-making
19 process of the Department of Agriculture, including any
20 rulemaking procedures planned, proposed, or near comple-
21 tion.

22 (h) AUTHORIZATION OF APPROPRIATIONS.—There is
23 authorized to be appropriated \$50,000 to carry out this
24 section.

1 (i) TERMINATION.—The Commission shall terminate
2 on the earlier of the following:

3 (1) The date of the submission of the report
4 pursuant to subsection (f).

5 (2) The date that is 2 years after the date of
6 the establishment of the Commission.

7 (j) DEFINITIONS.—In this section:

8 (1) COVERED NLGCA INSTITUTION.—The term
9 “covered NLGCA Institution” means an institution
10 that—

11 (A) is an NLGCA Institution; and

12 (B) offers an accredited dairy economic
13 program.

14 (2) FEDERAL MILK MARKETING ORDER.—The
15 term “Federal milk marketing order” means a Fed-
16 eral milk marketing order issued under section 8c of
17 the Agricultural Adjustment Act (7 U.S.C. 608c),
18 reenacted with amendments by the Agricultural
19 Marketing Agreement Act of 1937.

20 (3) LAND-GRANT COLLEGES AND UNIVER-
21 SITIES.—The term “land-grant colleges and univer-
22 sities” has the meaning given such term in section
23 1404 of the National Agricultural Research, Exten-
24 sion, and Teaching Policy Act of 1977 (7 U.S.C.
25 3103).

1 (4) NLGCA INSTITUTION.—The term “NLGCA
2 Institution” has the meaning given such term in sec-
3 tion 1404 of the National Agricultural Research,
4 Extension, and Teaching Policy Act of 1977 (7
5 U.S.C. 3103).

6 (5) SECRETARY.—The term “Secretary” means
7 the Secretary of Agriculture.

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