

**United States Department of Agriculture  
Before The Secretary of Agriculture**

**In re: [Docket No. 23-J-0067; AMS-DA-23-003]  
Milk in the Northeast and Other Marketing Areas**

**Hearing beginning August 23, 2023**

**Testimony Presented By:**

**Sietse Tollenaar  
Representing  
Dairy Farmers of America  
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Kansas City, KS 66111**

My name is Sietse Tollenaar. For over 28 years, it's been my joy to be a part of the dairy industry. In 1992, my wife and I left my parents' dairy, to work for the Fred De Boer Dairy in Southern California. In 1995, we started Tollcrest Dairy in Wheatland, CA, just north of Sacramento. I serve on the Western Area Council of Dairy Farmers of America, Milk Producers Council, California Dairy Research Foundation, Council on Dairy Cattle Breeding Producer Advisory Committee and treasurer for our church board. In June of this year, our youngest son and his family moved back to Wheatland, and we are beginning the process of bringing them into ownership. We are thrilled to bring the second generation to our dairy farm! I am convinced this is an exciting time for our industry, filled with opportunity and possibility. By adopting NMPF's proposals, you ensure the continued support and growth of our nation's dairy economy.

I appear today in support of the National Milk Producers Federation proposals to:

- 1) Limit the make allowance increase to their proposed levels
- 2) Return the Class I mover to the higher of
- 3) Eliminate the barrel cheese price from the calculation of the Class III protein price
- 4) Increase and regularly update the skim component tests used to determine Federal Order skim milk price
- 5) Implement their national Class I differential and price surface proposal

This has been a challenging year for Tollcrest Dairy. Since June 2022, the Federal Order 51 Statistic Uniform Milk Price has declined by over \$9.00 per hundredweight, which is comparable with the decline in our milk check. Our costs of production have not gone down to the same degree. Feed costs, utility, labor, insurance, equipment maintenance, and other expenses have all greatly inflated since 2020.

My hope is the Secretary of Agriculture considers the impact on dairy farmer's milk checks and the need to be profitable. The more modest make allowance changes proposed by NMPF, which they have indicated will

lower farm milk prices by about \$.50 per hundredweight, is still challenging but, I believe, doable.

In 2019, the dairy industry agreed to “experiment” with a Class I mover that utilized the average of the advanced Class III and Class IV skim milk prices plus \$.74 per hundredweight instead of the higher of. We were told this change was important to the Class I processing industry to allow them to hedge their Class I milk. I’m not sure how that worked out for them other than our dairy’s blend price has been lower due to the change. This experiment has failed for dairy farmers, and it would benefit farmers to immediately fix the mover and return the revenue to my blend price on a monthly basis.

I close by repeating my support for the NMPF proposals to eliminate barrel prices from the Class III protein price formula and updating of the Class I differential and producer price surface. Others from DFA will be speaking more directly to these issues.

Thank you for allowing me to testify today on these issues that are very important to my family and the future success of our dairy business.