

Testimony of Heidi Fischer

My name is Heidi Fischer, and I farm with my husband, Jon, and his parents, Mike and Sue, at Fischer-Clark Dairy Farm in Hatley, Wisconsin. The farm was founded in 1972 with eight cows. Today, we milk over 1,000 cows and raise nearly 700 calves and heifers, as well as farm about 2,750 acres for corn, alfalfa, soybeans and grass. We employ 18 full-time and six part-time employees. In addition to practicing strip-till precision farming for the last eight years, we use some no-till and cover crops and have inter-seeded our second-year alfalfa with a grass blend to boost tonnage and milk component levels.

The milk from our farm is shipped to a privately owned cheese plant in nearby Antigo, Wisconsin. The haul is about 30 miles from our farm, and our farm pays for all of the freight charges. Our farm would not meet the definition of a small business established in this hearing for dairy farms.

Our farm has been continuously recognized by our processor for high quality, including low somatic cell count and high cheese yield, since 2016. Fischer-Clark Dairy Farm was also recognized as the 2019 Platinum Farm and the 2022 Silver Farm for the National Dairy Quality Assurance. We hope to continue advancing our farm and build more efficiencies through technology and other evolutions.

In addition to my role on the farm, I sit on several boards, including my role as secretary on the Edge Dairy Farmer Cooperative board of directors. I also sit on the boards of directors for The Greater Wausau Area Chamber of Commerce and the Partnership for Progressive Agriculture, a county ag promotion group.

Edge, based in Green Bay, Wis., is the third-largest dairy cooperative in the country based on milk volume. In addition to milk verification services, Edge provides dairy farmers throughout the Midwest with a voice in Congress, with customers and within our communities. Our over 800 member farms are located in Illinois, Indiana, Iowa, Kansas, Minnesota, Nebraska, Ohio, South Dakota and Wisconsin.

I am testifying here today in support of Proposals 16 and 17, put forth by Edge Dairy Farmer Cooperative. While I cannot speak to the specifics of these proposals, both would eliminate the advanced pricing of Class I milk.

While I have not watched the entirety of this hearing, one issue I do not believe has received enough attention is advanced pricing. Due to the various hedging options available and discussed within this hearing, advanced pricing is no longer necessary for fluid milk bottlers and other manufacturers. Much like dairy farmers, processors can now hedge to protect their financial exposure from market volatility.

Today's current advanced pricing system allows for rising announced or final prices to exceed advanced prices, resulting in lower or even negative producer price differentials and depooling. These conditions can adversely impact a farmer's ability to effectively manage their price risk on the farm.

We use Livestock Gross Margin-Dairy, as well as DMC or Dairy Margin Coverage. LGM has been beneficial for us as it has offset the low milk prices and the high feed costs.

Thank you very much to USDA and AMS for allowing me to speak today at this hearing today and for the enhanced flexibility given to accommodate farmers like myself to speak at this critical juncture in dairy pricing policy reform.