

Agency of Agriculture, Food & Markets 116 State Street Montpelier, VT 05620-2901 (Phone) 802.828.5667 Office of the Secretary

December 20, 2021

To: Secretary Tom Vilsack

Cc: Undersecretary Jenny Moffitt

Re: Vermont Agency of Agriculture, Food and Markets response to Task Force recommendations

Secretary Vilsack -

Vermont is a state whose agricultural communities and rural economies depend upon dairy. Nearly 65% of the state's agricultural receipts are directly attributable to dairy while close to 80% of the open land is managed by dairy farmers. Vermont produces two-thirds of all milk in New England, bringing close to \$2 billion in economic activity to the state every year. While dairy production is a critical component of Vermont's agriculture, the state is heavily dependent on processors and consumers in other states. Because of this regional interdependence, the Vermont Agency of Agriculture, Food and Markets (VAAFM) supports the efforts and recommendations put forward by the Northeast Dairy Task Force. While the Task Force was put in motion by the cancellation of organic farm contracts, the recommendations make it clear that regional dairy systems as a whole need further investment, attention, and opportunity.

VAAFM hosts the Northeast Dairy Business Innovation Center, whose staff co-led the development of the recommendations. The NE-DBIC is focused on many of the same critical aspects to developing a resilient northeast dairy community, including processing expansion, overcoming distribution challenges, increasing consumer awareness, and supporting farms and creameries in being more competitive in the marketplace. The recommendations highlight the need for additional investment in small dairy communities across the region, creating stability and opportunity for a sector that has been under acute financial strain for the past six years.

In order for small dairy to survive in meaningful ways across the region, significant and forward-looking investment needs to occur. The recommendations provide options for a path forward and highlight how they should work together to create a more powerful outcome. In many cases, the benefits extend well beyond the farm gate to consumers, institutional markets, distribution companies, and the cooperatives.

Thank you for your dedication to helping Vermont and the region address the ongoing organic and conventional dairy. VAAFM and the NE-DBIC stand ready to assist in whatever way supports the USDA in their response.

Sincerely

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Secretary

Vermont Agency of Agriculture, Food and Markets

