

# United States Senate

WASHINGTON, DC 20510

COMMITTEES:  
APPROPRIATIONS  
COMMERCE  
HEALTH, EDUCATION,  
LABOR, AND PENSIONS

February 26, 2025

The Honorable Brooke Rollins  
Secretary  
U.S. Department of Agriculture  
1400 Independence Ave., SW  
Washington, D.C. 20250

Dear Secretary Rollins,

I am writing to express my deep concern that the United States Department of Agriculture (USDA) has halted payments promised to farmers and processors through the Dairy Business Innovation (DBI) Initiatives. This federal funding commitment to dairy businesses has been approved by Congress and signed into law. The program has bipartisan support because of the critical role it plays in supporting small- to medium-sized dairy processors and family farm operations in the development, production, marketing, and distribution of dairy products. I urge you to restart these payments without delay, as farmers in my state wait to be repaid for investments they have already made in line with the active grant awards.

The Dairy Business Innovation Act has become, and remains, a success story for the dairy industry since its enactment into law in the 2018 Farm bill. I have been proud to lead a bipartisan coalition to secure annual appropriations dedicated to the four DBI Initiatives that provide services across the country, including in Wisconsin. To date, the program has supported over 100 dairy farmers and processors in Wisconsin and over 250 across the Midwest.

I understand that funding appropriated in Fiscal Year (FY) 2023 for Dairy Business Innovation Initiatives has not been reimbursed to the Wisconsin Initiative at the direction of the Trump Administration. This means that 88 dairy businesses are waiting on a collective \$6.5 million for reimbursement. The Wisconsin Initiative has now been told they may not be reimbursed for FY2024 at all after expending nearly \$500,000, even after USDA's earlier directive for the Centers to move forward with selecting awards with those appropriated funds. This federal funding has been promised to dairy farmers who anticipated using the funds to help grow their businesses, and many have already made financial commitments based on this expected support. It is imperative that these commitments are honored to avoid undue financial hardship for these farmers and their family-owned small businesses.

At a time when it is needed most, the DBI Initiatives have been a vital lifeline to farmers and processors because they are designed to strengthen the dairy industry by:

- Diversifying dairy product markets to reduce risk and create higher-value uses for dairy products.
- Promoting business development strategies that increase farmer income through processing and marketing innovations.
- Encouraging the use of regional milk production to strengthen local economies.

These initiatives support dairy farmers and processors through direct farm technical assistance, business consulting, strategic planning, marketing, product development, and distribution. Additionally, a significant portion of DBI funds are dedicated as small dollar grants to small- and medium-sized, family-owned businesses.

The uncertainty surrounding DBI funding is incredibly alarming because it threatens the future of many dairy businesses that were promised this support to grow and remain competitive. Many of the farmers and processors operate with limited resources and cannot afford disruptions in funding. Therefore, this unnecessary and ill-advised disruption could have widespread economic consequences, particularly, for small dairy operations in Wisconsin that drive our rural economies.

Given the importance of this program to dairy businesses across the country, I urge you to provide immediate clarification on the status of DBI Initiatives funding to the program's stakeholders, as well as ensure that funds are reimbursed expeditiously. I appreciate your urgent attention on this matter.

Sincerely,

A handwritten signature in blue ink that reads "Tammy Baldwin". The signature is written in a cursive, flowing style.

Tammy Baldwin  
United States Senator