October 2, 2026

The Honorable Brooke L. Rollins
U.S. Department of Agriculture
1400 Independence Avenue, SW
Washington, DC 20250

Dear Secretary Rollins:

We are writing as representatives of the four Dairy Business Innovation (DBI) Initiatives currently designated by the U.S. Department of Agriculture to express our concern regarding an impactful change in the newly issued Fiscal Year 2026 Request for Applications.

For the first time since the program's creation, USDA is now requiring applicants to provide a 25 percent cost-share. **We respectfully urge you to reconsider this requirement and reissue the Notice of Funding Opportunity (NOFO) without a matching requirement.**

Our centers, namely, the Dairy Business Innovation Alliance, the Northeast Dairy Business Innovation Center, the Pacific Coast Coalition - Dairy Business Innovation Initiative, and the Southeast Dairy Business Innovation Initiative serve dairy farmers and processors in 41 states and territories, including 87 percent of the nation’s milkshed. All told, our centers have awarded more than $106 million in subawards to 911 dairy businesses via this program, an amount that meets only 35 percent of the industry demand via our competitive award processes.

It should be noted that all Congressionally directed and agency-managed DBI funds are used for financial subawards for dairy farmers and processors and/or for technical assistance that supports new, value-added dairy production, business development that diversifies farmer income through processing and marketing innovation and increased regional use of milk.

This means our organizations – housed within public universities, a state department of agriculture, and, via partnership, a non-profit trade association – do not directly benefit from DBI funding. Furthermore, given the nature of our organizations, **we do not have the capital available to provide for the new federal matching requirement, making future operations of DBI untenable.**

Based on your remarks earlier this week at World Dairy Expo, we believe you agree we must avoid this unfortunate outcome. USDA itself has repeatedly highlighted DBI’s results, measured in dairy businesses assisted, projects completed, investments made, products developed, markets entered, jobs created and maintained, and milk markets strengthened.

The need for continued support is acute. Dairy farmers and processors across the country are contending with volatile markets, elevated production and transportation costs, labor challenges, infrastructure needs, and increasing competition. Small- and mid-sized producers and processors in particular face significant costs associated with equipment purchasing and operations, compliance, product development, and market development while working to maintain viable markets for farmers' milk.

The DBI model, established during the first Trump Administration with bipartisan support, addresses these pressures, placing precious federal resources in the hands of our organizations with deep technical expertise and established relationships with dairy farmers and processors. We leverage university and state resources, industry partnerships, and regional networks to help businesses solve problems and pursue opportunities.

Again, we urge you to please direct your team to **withdraw the 25 percent cost-share requirement and reissue the Fiscal Year 2026 DBI NOFO without a matching requirement.** This would preserve the proven structure of an existing, Congressionally supported program and ensure that federal resources continue to expeditiously reach the dairy farmers and processors for whom they are intended.

We would welcome the opportunity to discuss this issue with you and your team and provide additional information demonstrating the substantial impact these initiatives have had on dairy businesses and rural communities across the country.

Thank you for your consideration and for your commitment to America's dairy farmers, processors, and rural communities.

Sincerely,

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University of Wisconsin

Laura Ginsburg
Director, Northeast Dairy Business Innovation Center
Vermont Agency of Agriculture, Food & Markets

Rebekah Sweeney
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Dr. Elizabeth Eckelkamp
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