

USDA News

USDA ISSUES A RECOMMENDED DECISION

On July 15, 2024, the *Federal Register* published the U.S. Department of Agriculture (USDA) [recommended decision](#) proposing to amend the uniform pricing formulas applicable in all 11 Federal milk marketing orders (FMMOs). Written exceptions and comments to this proposed rule must be submitted on or before September 13, 2024.

Written exceptions should be filed with the Office of the Hearing Clerk, U.S. Department of Agriculture, 1400 Independence Ave. SW, Stop 9203, Room 1031, Washington, DC 20250-9203; Fax: (844) 325-6940 or via the internet at <https://www.regulations.gov>. All comments should reference the docket number and the date and page number of this issue of the Federal Register. Comments will be made available for public inspection in the Office of the Hearing Clerk during regular business hours or can be viewed at <https://www.regulations.gov>. A plain-language summary of this proposed rule is available at <https://www.regulations.gov> in the docket for this rulemaking.

This recommended decision proposes amendments to five categories of milk pricing:

- 1) Milk Composition Factors: Update the factors to 3.3 percent true protein, 6.0 percent other solids, and 9.3 percent nonfat solids.
- 2) Surveyed Commodity Products: Remove 500-pound barrel cheddar cheese prices from the Dairy Product Mandatory Reporting Program survey and rely solely on the 40-pound block cheddar cheese price to determine the monthly average cheese price used in the formulas.
- 3) Class III and Class IV Formula Factors: Update the manufacturing allowances to: Cheese: \$0.2504; Butter: \$0.2257; NFD: \$0.2268; and Dry Whey: \$0.2653. The Recommended Decision also proposes updating the butterfat recovery factor to 91 percent.
- 4) Base Class I Skim Milk Price: Update the formula as follows: the base Class I skim milk price would be the higher-of the advanced Class III or Class IV skim milk prices for the month. In addition, adopt a rolling monthly Class I extended shelf life (ESL) adjustment that would provide for better price equity for ESL products whose marketing characteristics are distinct from other Class I products.
- 5) Class I differentials: Update the Class I differential values to reflect the increased cost of servicing the Class I market. The county-specific Class I differentials are specified in the decision.

In conjunction with this Recommended Decision, the Agricultural Marketing Service (AMS) conducted a Regulatory Economic Impact Analysis to determine the potential impact of amending FMMO pricing formulas on producer revenue and marketwide pool values. AMS used a static analysis incorporating actual data reported from January 2019 to December 2023 to determine the estimated price impacts of the package of amendments included in this Recommended Decision. The full text of the Regulatory Economic Impact Analysis may be accessed at <https://www.regulations.gov> or at this [link](#).

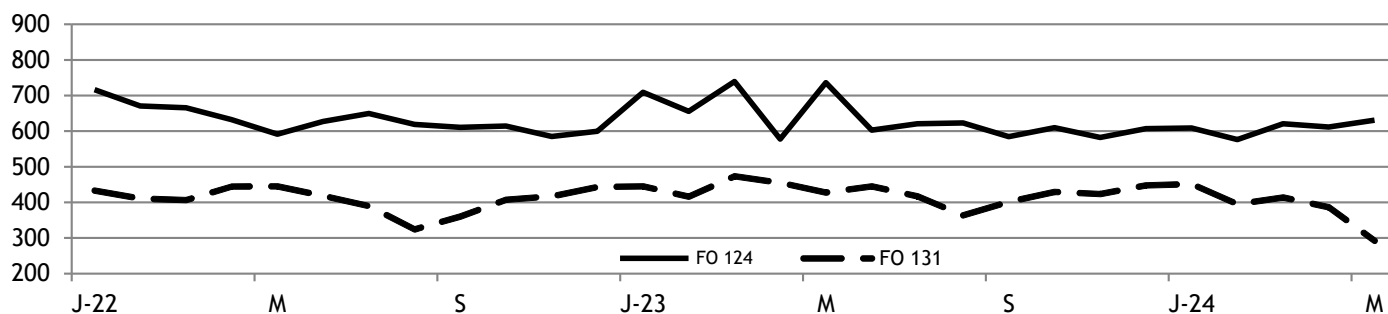
The Docket Number for the proposed rule is: AMS-DA-23-0031 and can be found on the Federal Register [website](#). 🐮

Number of Producers and Pounds of Milk: May 2024

State	County 1/	Producers	Milk	State	County 1/	Producers	Milk
ARIZONA ORDER				PACIFIC NORTHWEST ORDER (CONTINUED)			
<i>Arizona</i>				<i>Washington</i>			
	Maricopa	24	110,885,556		Adams	4	12,558,716
	Pinal	14	90,512,452		Benton	3	13,306,977
	Restricted 2/	9	78,262,820		Franklin	10	62,407,690
	Total Arizona	47	279,660,828		Grant	18	70,616,963
<i>California</i>					Grays Harbor	4	1,791,721
	Restricted 3/	6	12,582,640		King	10	9,505,964
Total Arizona Order		53	292,243,468		Lewis	14	4,927,048
PACIFIC NORTHWEST ORDER					Pacific	5	1,164,993
<i>Idaho</i>					Skagit	4	2,372,816
	Restricted	4/	4/		Snohomish	6	6,889,101
<i>Oregon</i>					Spokane	3	929,488
	Clatsop	3	1,850,489		Stevens	4	689,391
	Linn	4	4,477,681		Thurston	3	9,614,600
	Marion	13	17,260,534		Whatcom	3	828,570
	Morrow	6	91,413,269		Yakima	50	236,519,433
	Polk	3	4,057,507		Restricted 6/	5	4,569,304
	Tillamook	59	48,408,594		Total Washington	146	438,692,775
	Restricted 5/	16	24,665,396	Total Pacific Northwest Order		250	630,826,245
Total Oregon		104	192,133,470	Total for Both Orders		303	923,069,713

1/ Restricted Counties Identified in Footnotes 2-6.
 2/ Cochise, La Paz, & Yuma, AZ. Bailey and Parmer, TX.
 3/ Imperial, Riverside & San Bernardino, CA.
 4/ Idaho included with Washington's restricted counties.
 5/ Benton, Clackamas, Deschutes, Jackson, Jefferson, Josephine, Klamath, Lane, Umatilla, Washington & Yamhill, OR.
 6/ Clallam, Clark, Klickitat & Wahkiakim, WA and Latah, ID.

**Pacific Northwest (FO 124) and Arizona (FO 131) Producer Milk Pooled
 January 2022 - May 2024 (million pounds)**



Number of Producers and Pounds of Milk: May 2024

