



PROGRAM ANNOUNCEMENT

AGRICULTURAL MARKETING SERVICE

United States Department of Agriculture ♦ 1400 Independence Ave., SW ♦ Room 3510-S
Washington, DC 20250 ♦ (202) 720-8998 ♦ World Wide Web: <http://www.ams.usda.gov>

Release No. 292-05

Becky Unkenholz (202) 720-8998

Becky.unkenholz@usda.gov

Billy Cox (202) 720-8998

Billy.cox@usda.gov

USDA SETS HEARING ON PROPOSED AMENDMENTS TO ALL FEDERAL MILK ORDERS

Washington, D.C., Jan. 4, 2006 – The U. S. Department of Agriculture today announced that it will hold a national public hearing to consider a proposal seeking to amend the Class III and Class IV milk price formula manufacturing allowances for all Federal milk marketing orders. USDA will take evidence at the hearing to determine whether emergency marketing conditions exist that would warrant omission of a recommended decision. The hearing will begin at 8:30 a.m. on Jan. 24, 2006, at the Sheraton Suites Old Town Alexandria, 801 North Saint Asaph Street, Alexandria, Va. 22314.

The hearing was requested by Agri-Mark Dairy Cooperative to reconsider the manufacturing cost allowances provided for in the pricing formulas for cheese, whey powder, butter, and nonfat dry milk powder. The proponent stated that the current fixed allowances were calculated using 1998-2000 California and Department of Agriculture Cooperative Service surveys. While the product price formulas have been amended since 2000, the proponent claims that manufacturing costs have continued to increase, leaving them unable to recoup these additional costs from the marketplace.

The hearing notice will be published as a proposed rule in the Jan. 5 Federal Register. Copies of the hearing notice may be obtained from the USDA/AMS/Dairy Programs, STOP 0231 - Rm. 2971, 1400 Independence Avenue, SW, Washington, D.C. 20250-0231. The hearing notice is available on AMS' web site: www.ams.usda.gov/dairy.

The hearing notice and additional information is available from the following market administrator offices:

Northeast: Erik F. Rasmussen

USDA/AMS/Dairy Programs

P.O. Box 51478, Boston, MA 02205-1478

Tel. (617) 737-7199; email: eramussen@fedmilk1.com

Appalachian: Harold H. Friedly, Jr.
USDA/AMS/Dairy Programs
P.O. Box 18030, Louisville, KY 40261-0030
Tel. (502) 499-0040; email: friedly@malouisville.com

Florida and Southeast: Sue L. Mosley
USDA/AMS/Dairy Programs
P.O. Box 491778, Lawrenceville, GA 30049
Tel. (770) 682-2501; email: smosley@fmmlatlanta.com

Upper Midwest: H. Paul Kyburz
USDA/AMS/Dairy Programs
Suite 210, 4570 West 77th St., Minneapolis, MN 55435-5037
Tel. (952) 831-5292; email: pkyburz@fmma30.com

Central: Robert E. Vander Linden
USDA/AMS/Dairy Programs
P.O. Box 14650, Shawnee Mission, KS 66285-4650
Tel. (913) 495-9300; email: vanderlinden@fmmlcentral.com

Mideast: David Z. Walker
USDA/AMS/Dairy Programs
P.O. Box 5102, Brunswick, OH 44212
Tel. (330) 225-4758; email: dwalker@fmmlaclev.com

Pacific Northwest and Arizona-Las Vegas: James R. Daugherty
USDA/AMS/Dairy Programs
1930-220th St., SE., Suite 102 Bothell, WA 98021-8471
Tel. (425) 487-6009; email: jdaugherty@fmmlaseattle.com

Southwest: J. Richard Fleming
USDA/AMS/Dairy Programs
P.O. Box 110939, Carrollton, TX 75011-0939
Tel. (972) 245-6060; email: sw.order@dallasma.com

#