



If the NMPF proposal is not accepted as presented, dairy farmers will face substantial economic hardship when the make allowances for manufacturing product prices are updated, as anticipated effective February 1, 2007. KDDC urges the Secretary to adopt the proposed changes for Class I and II milk price formulas as presented by NMPF. Dairy farmers are currently experiencing an extended period of low milk prices, high production costs and low farm returns. Kentucky's milk production is just 63% of what it was during 1990 and continues to decrease annually due to economic conditions on the farm. Consequentially, KDDC urges the Secretary to adopt the changes on an emergency basis, as requested at the hearing.

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Respectfully Submitted,



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