

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
DAIRY PROGRAMS
MILK MARKET ADMINISTRATOR

APPALACHIAN MARKETING AREA
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October 2, 2018

TO: Interested Parties, Appalachian Marketing Area

FROM: Harold H. Friedly, Jr.
Market Administrator
Louisville, Kentucky

SUBJECT: Expiration of Dairy Forward Pricing Program

Many programs and policies of the U.S. Department of Agriculture (USDA) were authorized under the Agriculture Act of 2014 (2014 Farm Bill) through September 30, 2018. Beginning October 1, 2018, the authority or funding provided under the 2014 Farm Bill for USDA to operate a number of these programs, including the Dairy Forward Pricing Program expired. As of October 1, 2018, Congress has not passed a 2018 Farm Bill or other legislation extending the authority for USDA to carry out this program, and USDA cannot make new commitments to the program.

Therefore, proprietary handlers establishing **new** forward contracts on or after October 1, 2018, will not be exempt from paying minimum Federal order prices. Previously established contracts that extend through September 30, 2021, are not impacted.

Any questions pertaining to the above should be directed to Jason Nierman at 502-499-0040 ext. 222.