

AMS News Release

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USDA ANNOUNCES FINAL RULE TO ESTABLISH A DAIRY FORWARD PRICING PROGRAM

Washington, D.C., Oct. 31, 2008 – The U.S. Department of Agriculture announced a final rule establishing the Dairy Forward Pricing Program as directed by the Food, Conservation and Energy Act of 2008. This program will allow milk producers and cooperative associations to voluntarily enter into forward price contracts with milk handlers for milk used for non-fluid purposes. The program exempts handlers regulated under the federal milk order program from paying producers and cooperative associations the minimum federal order price for milk under forward contract.

The final rule appears in today's Federal Register. For additional information contact: John R. Mengel, Chief Economist, USDA/AMS/Dairy Programs, Office of the Chief Economist, STOP 0229-Room 2753, 1400 Independence Ave, SW., Washington, DC 20250-0229, (202) 720-4664, e-mail address: john.mengel@usda.gov.