



MARKET ADMINISTRATOR

Central Federal Order No. 32

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**United States
Department of
Agriculture**

Agricultural Marketing Service
Dairy Programs

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October 1, 2012

TO: Handlers, Cooperatives, and Interested Parties

FROM: David C. Stukenberg
Market Administrator
Kansas City, KS

SUBJECT: Expiration of Dairy Forward Pricing Program

Many programs and policies of the U.S. Department of Agriculture (USDA) were authorized under the Food, Conservation and Energy Act of 2008 ("2008 Farm Bill") through September 30, 2012. Beginning October 1, 2012, the authority or funding provided under the 2008 Farm Bill for USDA to operate a number of these programs, including the Dairy Forward Pricing Program expired. As of October 1, 2012, Congress has not passed a 2012 Food, Farm and Jobs Act 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, 2012, will not be exempt from paying minimum Federal order prices. Previously established contracts that extend through September 30, 2015, are not impacted.

Any questions pertaining to the above should be directed to our office at 1-913-495-9300. You may direct them to Virgil Swenson at ext. 334, Robert Schoening at ext. 319 or myself at ext. 326. In addition, my email address is david.stukenberg@fmmacentral.com.

David C. Stukenberg
Market Administrator