



UPPER MIDWEST MARKETING AREA
Federal Order No. 30

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October 3, 2024

TO: Handlers, Cooperatives and Interested Parties

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 2018 (2018 Farm Bill) through September 30, 2023. Beginning October 1, 2023, the authority or funding provided under the 2018 Farm Bill for USDA to operate a number of these programs, including the Dairy Forward Pricing Program, expired. The Dairy Forward Pricing Program was extended by congressional counsel and signed into law by the President. This extension was reinstated on November 17, 2023, to run through September 30, 2024.

As of October 1, 2024, Congress has not passed a 2024 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, 2024, will not be exempt from paying minimum Federal order prices. Previously established contracts that expire on or before September 30, 2027, are not impacted.

With the expiration of the Forward Pricing Program, all producers may still choose to (but are not required to) have forward pricing contracts. For producers being paid by proprietary plants, however, such contracts do not exempt the proprietary plant from its obligation to pay the producer Federal order minimum prices on milk pooled on the order.

Any questions pertaining to the above should be directed to our office. You may contact either Corey Freije at (952) 277-2355, Mike Gustello at (630) 437-5028, or me at (952) 277-2335.

/s/ Victor J. Halverson
Market Administrator