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Federal Order No. 30

Agricultural Marketing Service Dairy Programs

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TO: Interested Persons - Upper Midwest Marketing Area

SUBJECT: Tentative Partial Decision on Pooling and Transportation Credit Provisions

A tentative partial decision for the Upper Midwest Marketing Area was recently issued by the Secretary of Agriculture. The decision proposes to adopt, on an interim final and emergency basis, proposals that would amend certain features of the pooling standards and transportation credit provisions. The proposed amendments are based on the record of a public hearing held at Bloomington, Minnesota on August 16-19, 2004. A separate decision will be issued at a later time that will address proposals concerning the depooling and repooling of milk, temporary loss of Grade A status, and increasing the maximum administrative assessment.

Specifically, this decision proposes to adopt amendments which would ensure that producer milk originating outside the states that comprise the Upper Midwest Order (Illinois, Iowa, Minnesota, North Dakota, South Dakota, Wisconsin, and the Upper Peninsula of Michigan) is providing consistent service to the order's Class I market, and would eliminate the ability to pool as producer milk diversions to nonpool plants outside of the states that comprise the Upper Midwest Marketing Area. Additionally, this decision proposes to adopt a limit to the transportation credit received by handlers so that it would only apply to the first 400 miles of applicable milk movements.

A paper copy of the decision can be obtained by calling Harold Ferguson of my staff toll free at (888) 301-8224, Ext. 231. An electronic version of the document will also be available on our web site at www.fmma30.com.

Cooperative associations will be polled to determine whether producers favor the issuance of the order. The order may not be made effective unless cooperative associations representing at least two-thirds of the eligible producers favor its issuance.

Interested persons have until June 13, 2005 to submit comments on this decision. Comments (6 copies) should be filed with the Hearing Clerk, STOP 9200-Room 1083, U.S. Department of Agriculture, 1400 Independence Avenue, SW, Washington, D.C. 20250-9200. You may send your comments by the electronic process available at the Federal eRulemaking portal: <u>http://www.regulations.gov/</u> or by submitting comments to <u>amsdairycomments@usda.gov</u>. Reference should be made to the title of action and docket number.

/s/ H. Paul Kyburz Market Administrator

Enclosures