

Mr. Robert Keeney, Deputy Administrator AMS

July 3, 2003

RE: Proposed Hop Marketing Order Modifications

Dear Mr Keeney,

Thank you for taking time to talk to us today. We feel it has lead to a greater understanding of the issues surrounding the proposed Hop Marketing Order.

In the spirit of cooperation and as a remedy for the situation described in the July 1 press release we propose the following changes as referenced by strikeouts and underlined additions:

Section 991.50 – Marketing Policy

- d. As soon as practical following the effective date of this part and the organization of the Committee, the Committee may adopt a marketing policy ~~for the 2003-04 marketing year.~~

Section 991.51 – Recommendations for volume regulations

- c. As soon as practical following the effective date of this part and the organization of the Committee, the Committee may recommend a salable quantity. ~~for the 2003-04 marketing year~~

Section 991.53 – Allotment Base

- a. The Representative Base Period shall be the marketing years 1997, 1998, 1999, 2000, ~~and~~ 2001 and 2002; Provided that, a producer must have produced hops in the 2001 and/or 2002 crop year to be eligible to apply for initial allotment base.

Section 991.53 – Allotment Base

- (e) Additional allotment base.

(1) ~~Beginning with the 2005-06 marketing year, the~~ The committee annually shall make additional allotment bases available in the amount of no more than 1 percent of the total allotment base. Fifty percent of these additional allotment bases shall be made available for new producers and 50 percent made available for existing producers; Provided that, in any year in which the current salable percentage is equal to or less than the previous year's salable percentage, the Committee shall not be required to make additional base available for the ensuing marketing year.

Sincerely the proponents Committee