

United States Department of Agriculture Agricultural Marketing Service 1400 Independence Ave., SW Washington, DC 20250

August 17, 2007

Invitation to Submit Proposals for a Public Hearing to Expand the Pacific Northwest Marketing Area

Northwest Dairy Association and Dairy Farmers of America have requested that the Department of Agriculture (USDA) hold a public hearing to consider a proposal to expand the boundaries of the Pacific Northwest marketing area and modify certain provisions of the order. The proposal would amend the pooling standards of the order and expand the marketing area to include all of the counties in the states of Washington, Oregon, Idaho, Utah and Lincoln and Uinta counties in Wyoming.

Copies of the proposal may be obtained from the Dairy Programs website at www.ams.usda.gov/dairy.

This proposal has not yet been approved for inclusion in a Notice of Hearing. Before deciding whether a hearing will be held, USDA is providing the opportunity for interested parties to submit additional proposals regarding the boundaries and pooling provisions of the expanded marketing order.

Proposals should be mailed to: Deputy Administrator, USDA/AMS/Dairy Programs, STOP-0231-Room 2971, 1400 Independence Ave., SW, Washington, DC 20250-0225, by: October 3, 2007. Each proposal should be accompanied by a comprehensive statement on the need for the proposal. The statement will be evaluated to determine whether the proposal will be accepted if a hearing to amend the order is held.

Actions under the Federal milk order program are subject to the Regulatory Flexibility Act which seeks to ensure that the regulatory and informational requirements are tailored to the size and nature of small businesses. For the purposes of the Federal order program, a dairy farm is considered a "small business" if it has an annual gross revenue of less than \$750,000, and a dairy products manufacturer is a "small business" if it has fewer than 500 employees. For purposes of determining a handler's size, if the plant is part of a larger company operating multiple plants that collectively exceed the 500-employee limit, the plant will be considered a large business even if the local plant has fewer than 500 employees. Interested persons are encouraged to submit proposals that carry out the intent of the Regulatory Flexibility Act.

If USDA determines that a hearing will be held, all known interested parties will be mailed a copy of the Hearing Notice. Anyone who desires to present evidence on proposals set forth in the hearing notice will have an opportunity to do so at the hearing.

Once a Hearing Notice is issued and until the issuance of a Final Decision, USDA employees involved in the decisional process may not discuss the merits of a proceeding on an "ex parte" basis. Accordingly, it is suggested that any discussions you may wish to have with USDA personnel, including Market Administrator employees, be initiated as soon as possible. Procedural matters may be discussed at any time throughout the proceeding.

Sincerely,

/s/ Dana H. Coale

Dana H. Coale Deputy Administrator Dairy Programs