

Proposed Order Language - Attachment to Federal Order 6 Hearing Request

PART 1006 – MILK IN THE FLORIDA MILK MARKETING AREA

Section 1006.60 is proposed to be amended by:

- a. Revising paragraph (a);
- a. Revising introductory text to paragraph (g);
- b. Revising (g)(1) through (g)(6);
- c. Deleting paragraphs (g)(7) and (g)(8).
- d. Adding new paragraph (h);
- e. Adding new paragraph (i);

§ 1006.60 Handler's value of milk.

....

- (a) Multiply the pounds of skim milk and butterfat in producer milk that were classified in each class pursuant to §1000.44(c) by the applicable skim milk and butterfat prices, and add the resulting amounts; except that for the months of _____ 2018 through _____ 2018, the Class I skim milk price for this purpose shall be the Class I skim milk price as determined in §1000.50(b) plus \$0.09 per hundredweight, and the Class I butterfat price for this purpose shall be the Class I butterfat price as determined in §1000.50(c) plus \$0. _____ per pound. The adjustments to the Class I skim milk and butterfat prices provided herein may be reduced by the market administrator for any month if the market administrator determines that the payments yet unpaid computed pursuant to paragraphs (g)(1) through paragraph (g)(7) of this section will be less than the amount computed pursuant to paragraph (g)(6) of this section. The adjustments to the Class I skim milk and butterfat prices provided herein during the months of _____ shall be announced along with the prices announced in §1000.53(b).

....

- (g) For transactions occurring during the period of September 6, 2017 through September 15, 2017, for handlers who have submitted proof satisfactory to the market administrator to determine eligibility for reimbursement of hurricane-imposed costs, subtract an amount equal to:

- (1) The cost of transportation on loads of producer milk rerouted from pool distributing plants to plants outside the state of Florida which were rerouted as a result of Hurricane Irma. The reimbursement of transportation costs pursuant to this section shall be the actual demonstrated cost of such transportation of bulk milk or the miles of transportation on such loads of bulk milk multiplied by \$3.75 per loaded mile per hundredweight, whichever is less.
 - (2) The lost location value on loads of producer milk rerouted to plants outside the state of Florida as a result of Hurricane Irma. The lost location value shall be the difference per hundredweight between the value stated in part 1000.52 at the plant to which the milk would have gone and the value in part 1000.52 at the plant to which the milk was rerouted;
 - (3) The value per hundredweight at the lowest classified price for the month of September 2017 for milk dumped at the farm and classified as other use milk pursuant to section 1000.40(e) as a result of Hurricane Irma;
 - (4) The value per hundredweight at the lowest classified price for the month of September 2017 for milk dumped from milk tankers after being moved off-farm and classified as other use milk pursuant to section 1000.40(e) as a result of Hurricane Irma;
 - (5) The value per hundredweight at the lowest classified price for the month of September 2017 for skim milk dumped and classified as other use milk pursuant to Section 1000.40(e) as a result of Hurricane Irma;
 - (6) The difference between the lowest class price for the month of September 2017 and the actual price received for distress milk moved to nonpool plants as a result of Hurricane Irma;
- (h) The total amount of payment to all handlers under this section shall be limited for each month to an amount determined by multiplying the total Class I producer milk for all handlers pursuant to §1000.44(c) times \$0.09 per hundredweight;
- (i) If the cost of payments computed pursuant to paragraphs (g)(1) through (7) of this section exceeds the amount computed pursuant to paragraph (h) of this section, the market administrator shall prorate such payments to each handler based on each handler's proportion of transportation and other use milk costs submitted pursuant to paragraphs (g)(1) through (7). Costs submitted pursuant to paragraphs (g)(1) through (7) which are not paid as a result of such a proration shall be paid in subsequent months until all costs incurred and documented through (g)(1) through (7) have been paid.