



Office of the Secretary
Washington, DC 20250

March 14, 2024

MR. ZIPPY DUVALL
President
American Farm Bureau Federation
600 Maryland Avenue, SW, Suite 1000W
Washington, DC 20024

Dear President Duvall,

I write in response to your letter dated February 22, 2024, cosigned by Rob Larew, President, National Farmers Union, requesting the Class I Mover utilized in the Federal Milk Marketing Orders be adjusted as soon as possible to stabilize prices for dairy farmers.

I recognized the ongoing importance to the industry of the Class I mover, when the Department of Agriculture (USDA) announced the FMMO national price formula hearing last year and USDA specifically included this issue in the rulemaking scope. Continuing to work through the current national hearing process and our established regulations is the most appropriate means available to resolve this issue. As I've noted on several occasions, Federal Milk Marketing Orders issues are complex and small changes can create unintended consequences if not carefully and thoroughly considered. Since the Class I mover is not the only issue impacting dairy farmers today, the national price formula rulemaking proceeding is allowing all parties to publicly share their viewpoints and evidence to USDA on a variety of key price formula issues. Utilizing this transparent process, we've received nearly 12,000 pages of testimony which is being analyzed to prepare a recommended decision that will be available for public comment later this year.

Due to regulations at 7 CFR 900.16, USDA cannot make any further comment prior to issuance of the recommended decision on this proposal as it would be considered an *ex parte* communication. Your letter and this response will be placed on the public record of the proceeding and posted on the *National Federal Milk Marketing Order Pricing Formula Hearing* website.

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In the meantime, we remain fully committed to supporting dairy farmers. In February, sign up opened for this year's Dairy Margin Coverage program. We are providing producers with new revenue streams through our Climate Smart Commodities work and we continue to support innovation through the Dairy Business Innovation Initiatives. Finally, we are continuing to work with States to support opportunities to upgrade infrastructure, including for the dairy supply chain, through our Resilient Food Systems Infrastructure program.

Thank you for your continued advocacy on behalf of U.S. dairy farmers.

Sincerely,

THOMAS J. VILSACK
Secretary