



Invitation to Submit Proposals for Consideration at a Public Hearing that May Be Held to Discuss Adopting Multiple Component Pricing in the Southeast and Appalachian Milk Marketing Orders May 2, 2018

On behalf of fourteen Cooperative associations and four national and state trade organizations, National All-Jersey, Inc. has requested the Department of Agriculture (USDA) hold a public hearing to consider a proposal to amend the Southeast and Appalachian Milk Marketing Orders by adopting multiple component pricing plans.

The proposal may be obtained from the Dairy Programs website at: https://www.ams.usda.gov/rules-regulations/moa/dairy/southeast-appalachian-orders.

The 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 adoption of multiple component pricing plans in the Southeast and Appalachian Milk Marketing Orders.

The preferred method of submission is via email. Electronic submissions should be emailed to amsdairycomments@ams.usda.gov. Proposals can also be mailed to: Deputy Administrator, USDA/AMS/Dairy Program, STOP-0231-Room 2971, 1400 Independence Ave., SW, Washington, DC 20250-0225. **Proposals must be received by June 1, 2018.** 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 is held. In accordance with 7 CFR 900.22, proposal submissions must include detailed explanations of the following:

- 1. Explain the proposal. What is the disorderly marketing condition that the proposal is intended to address?
- 2. What is the purpose of the proposal?
- 3. Describe the current Federal order requirements or industry practices relative to the proposal.
- 4. Describe the expected impact on the industry, including on producers and handlers, and on consumers. Explain/Quantify.
- 5. What are the expected effects on small businesses as defined by the Regulatory Flexibility Act (5 U.S.C. 601-612)? Explain/Quantify.
- 6. How would the proposal increase or decrease costs to producers, handlers, others in the marketing chain, consumers, the Market Administrator offices and/or the Secretary? Explain/Quantify?
- 7. Would a pre-hearing information session be helpful to explain the proposal?

Actions under the Federal milk marketing 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 milk marketing order program, a dairy farm is considered a small business if it has an annual gross revenue of less than \$750,000. Dairy product manufacturers are considered small businesses based on the number of people they employ. Small fluid milk and ice cream manufacturers are defined as having 1,000 or fewer employees. Small butter and dry or condensed dairy product manufacturers are defined as having 750 or fewer employees. Small cheese manufacturers are defined as having 1,250 or fewer employees. Manufacturing plants that are part of larger companies operating multiple plants with total numbers of employees that exceed the threshold for small businesses will be considered large businesses, even if the local plant has fewer employees than the threshold number. 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 Notice of Hearing. Anyone who desires to present evidence on proposals set forth in the Notice of Hearing will have an opportunity to do so at the hearing.

If a Notice of Hearing 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 Program