



1400 Independence Avenue, SW
Room 2530-S, STOP 0225
Washington, D.C. 20250-0225

July 24, 2023

Ms. Lynne McBride
Executive Director
California Dairy Campaign
325 Mitchell Avenue
Turlock, California 95380

Dear Ms. McBride:

This letter is in reply to California Dairy Campaign's (CDC) proposals submitted in response to a Request for Additional Proposals relating to the pricing provisions of the Federal milk marketing order (FMMO) program. USDA received CDC's two proposals on June 14, 2023, and subsequent modifications on June 20, 2023.

A Hearing Notice has been published in the Federal Register announcing a hearing will convene at 9:00 a.m. ET on Wednesday, August 23, 2023, at 502 East Event Centre in Carmel, Indiana. Testimony and evidence will be taken on the proposal submitted by CDC to modify the Class III price formula to include mozzarella cheese. However, USDA does not currently have the legal authority to conduct a mandatory cost survey. Congress must grant additional authority for USDA to conduct a mandatory cost survey. Therefore, this portion of the proposal is denied.

We encourage CDC to participate in the hearing to provide evidence regarding why your proposal should be adopted. Please refer to the Hearing website (www.ams.usda.gov/rules-regulations/moa/dairy/hearings/national-fmmo-pricing-hearing) for full information on how to participate.

Thank you for your interest in the FMMO program. We look forward to your participation in the hearing process.

Sincerely,

/s/

Dana H. Coale
Deputy Administrator
USDA-AMS-Dairy Program