



**UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
DAIRY PROGRAMS**

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**Milk Market Administrator
SOUTHWEST MILK MARKETING AREA
Federal Order No. 126**

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October 2, 2023

TO: Interested Parties

FROM: Cary Hunter, Market Administrator
Southwest Marketing Area

SUBJECT: Expiration of Dairy Forward Pricing Program

Many programs and policies of the U.S. Department of Agriculture (USDA) were authorized under the Agricultural Improvement Act of 2018 ("2018 Farm Bill") through September 30, 2023. Beginning October 1, 2023, the authority or funding provided under the 2018 Farm Bill for USDA to operate a number of these programs, including the Dairy Forward Pricing Program expired. As of October 1, 2023, Congress has not passed legislation extending the authority for USDA to carry out this program, and USDA cannot make new commitments to the program.

Therefore, proprietary handlers establishing new forward contracts on or after October 1, 2023, will not be exempt from paying minimum Federal order prices. Contracts established on or before September 30, 2023, that extend through September 30, 2026, are not impacted.

Any questions pertaining to the above should be directed to our office at sw.order@dallasma.com or you may direct them to Michael Johnson, Assistant Market Administrator, at (972) 245-6060 or michael.johnson@dallasma.com.