

110TH CONGRESS
1ST SESSION

S. 1721

To amend the Farm Security and Rural Investment Act of 2002 to promote growth and opportunity for the dairy industry in the United States, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 27, 2007

Mr. SPECTER (for himself and Mr. CASEY) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Farm Security and Rural Investment Act of 2002 to promote growth and opportunity for the dairy industry in the United States, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. REPEAL OF DAIRY PRICE SUPPORT PROGRAM.**

4 (a) IN GENERAL.—Section 1501 of the Farm Secu-
5 rity and Rural Investment Act of 2002 (7 U.S.C. 7981)
6 is repealed.

7 (b) CONFORMING AMENDMENT.—Section 1507 of the
8 Farm Security and Rural Investment Act of 2002 (7
9 U.S.C. 7983) is repealed.

1 **SEC. 2. MILK TARGET PRICE PROGRAM.**

2 Section 1502 of the Farm Security and Rural Invest-
3 ment Act of 2002 (7 U.S.C. 7982) is amended—

4 (1) by striking the section heading and insert-
5 ing “**MILK TARGET PRICE PROGRAM**”;

6 (2) in subsection (a), by striking paragraph (1)
7 and inserting the following:

8 “(1) CLASS III MILK.—The term ‘Class III
9 milk’ means milk (including milk components) classi-
10 fied as milk for manufacturing purposes under a
11 Federal milk marketing order.”;

12 (3) by striking subsection (c) and inserting the
13 following:

14 “(c) AMOUNT.—

15 “(1) IN GENERAL.—Subject to paragraph (3),
16 payments to a producer under this section shall be
17 calculated by multiplying (as determined by the Sec-
18 retary)—

19 “(A) the payment quantity for the pro-
20 ducer during the applicable month established
21 under subsection (d); by

22 “(B) the amount equal to—

23 “(i) \$12.00 per hundredweight (as ad-
24 justed under paragraph (2)); less

1 “(ii) the Class III milk price per hun-
2 dredweight under the applicable Federal
3 milk marketing order.

4 “(2) FEED PRICE INDEX AND ADJUSTMENT
5 FACTOR.—

6 “(A) FEED PRICE INDEX.—The Secretary
7 shall develop a feed price index, using a base-
8 line period of calendar years 2001 through
9 2005, to reflect the feed cost of producing 100
10 pounds of milk.

11 “(B) FEED ADJUSTMENT FACTOR.—The
12 Secretary shall establish a feed adjustment fac-
13 tor that reflects changes in the feed price index,
14 as determined by the Secretary.

15 “(C) ADJUSTMENT.—Each month that
16 there is an increase in the feed price index, the
17 Secretary shall adjust the amount described in
18 paragraph (1)(B)(i) to reflect any increases in
19 the feed adjustment factor.

20 “(3) MAXIMUM AMOUNT.—The maximum an-
21 nual payment for all producers on a single dairy op-
22 eration during the months of the applicable fiscal
23 year for which the producers receive payments under
24 this section shall not exceed \$50,000.”; and

1 (4) in subsections (f) and (g)(1), by striking
2 “September 30, 2007” both places it appears and
3 inserting “September 30, 2012”.

4 **SEC. 3. DAIRY OPTIONS PROGRAM.**

5 Subtitle E of title I of the Farm Security and Rural
6 Investment Act of 2002 (7 U.S.C. 7981 et seq.) is amend-
7 ed by adding at the end the following:

8 **“SEC. 1509. DAIRY OPTIONS PROGRAM.**

9 “(a) ESTABLISHMENT.—The Secretary shall carry
10 out a nationwide program under similar terms and condi-
11 tions as the Secretary used to carry out the dairy options
12 pilot program established in accordance with section 191
13 of the Federal Agricultural Improvement Reform Act of
14 1996 (7 U.S.C. 7331).

15 “(b) FUNDING.—

16 “(1) COMMODITY CREDIT CORPORATION.—The
17 Secretary shall use the funds, facilities, and authori-
18 ties of the Commodity Credit Corporation to carry
19 out this section.

20 “(2) FUNDING AMOUNT.—Of the funds of the
21 Commodity Credit Corporation, the Secretary shall
22 use to carry out this section \$25,000,000 for each
23 of fiscal years 2008 through 2012, to remain avail-
24 able until expended.

1 “(3) BUDGET NEUTRALITY.—To the maximum
2 extent practicable, the Secretary shall operate the
3 program in a budget neutral manner.”.

4 **SEC. 4. RECOURSE LOAN PROGRAM FOR COMMERCIAL**
5 **PRODUCERS OF DAIRY PRODUCTS.**

6 Subtitle E of title I of the Farm Security and Rural
7 Investment Act of 2002 (7 U.S.C. 7981 et seq.) (as
8 amended by section 3) is amended by adding at the end
9 the following:

10 **“SEC. 1510. RECOURSE LOAN PROGRAM FOR COMMERCIAL**
11 **PRODUCERS OF DAIRY PRODUCTS.**

12 “(a) DEFINITION OF ELIGIBLE DAIRY PRODUCTS.—
13 In this section, the term ‘eligible dairy products’ means
14 cheddar cheese, butter, and nonfat dry milk.

15 “(b) PROGRAM.—Effective beginning on September
16 30, 2007, the Secretary shall make recourse loans avail-
17 able to commercial processors of eligible dairy products—

18 “(1) to assist the processors to manage inven-
19 tories of eligible dairy products; and

20 “(2) to ensure a greater degree of price stability
21 for the dairy industry.

22 “(c) AMOUNT OF LOAN.—

23 “(1) IN GENERAL.—The Secretary shall estab-
24 lish a loan rate for eligible dairy products, that re-
25 flects a milk equivalent value of \$9.90 per hundred-

1 weight of milk containing 3.67 percent butterfat, as
2 determined by the Secretary.

3 “(2) INTEREST.—The Secretary shall charge a
4 processor that receives a recourse loan under this
5 section a rate of interest that is not less than the
6 rate of interest that the Secretary of the Treasury
7 charges the Commodity Credit Corporation, as de-
8 termined by the Secretary.

9 “(d) PERIOD OF LOAN.—

10 “(1) IN GENERAL.—The original term of a re-
11 course loan made under this section may not extend
12 beyond the end of the fiscal year in which the loan
13 is made.

14 “(2) EXTENSION.—At the end of a fiscal year,
15 the Secretary may extend a recourse loan for an ad-
16 ditional period not to exceed the end of the next fis-
17 cal year.”.

18 **SEC. 5. MILK REVENUE INSURANCE PILOT PROGRAM.**

19 Section 523 of the Federal Crop Insurance Act (7
20 U.S.C. 1523) is amended by adding at the end the fol-
21 lowing:

22 “(f) MILK REVENUE INSURANCE PILOT PROGRAM.—

23 “(1) IN GENERAL.—During each of crop years
24 2008 through 2012, the Corporation shall carry out
25 a pilot program under which producers on a dairy

1 farm may elect to receive insurance against loss of
2 revenue due to natural disasters and price fluctua-
3 tions, as determined by the Corporation, based on
4 the average revenue received by producers for each
5 cow during the 5-year period ending the preceding
6 crop year .

7 “(2) REQUIREMENTS.—The Corporation shall
8 carry out the pilot program under this section using
9 similar terms and conditions as were contained in
10 the crop insurance policy proposal entitled ‘Milk
11 Revenue Policy (from bovine animals)’ submitted to
12 the Board on April 26, 2007, in accordance with
13 section 508(h).”.

14 **SEC. 6. FEDERAL MILK MARKETING ORDERS.**

15 (a) 2-CLASS SYSTEM FOR CLASSIFYING MILK.—

16 (1) IN GENERAL.—Not later than September
17 30, 2008, the Secretary of Agriculture shall conduct
18 a study of the economic benefits to milk producers
19 of establishing a 2-class system for classifying milk
20 under Federal milk marketing orders issued under
21 section 8c(5) of the Agricultural Adjustment Act (7
22 U.S.C. 608c(5)), reenacted with amendments by the
23 Agricultural Marketing Agreement Act of 1937, con-
24 sisting of a fluid milk class and a manufacturing
25 grade milk class (with the price for both classes de-

1 terminated using the component prices of butterfat,
2 protein, and other solids).

3 (2) AMENDMENT TO ORDERS.—If the Secretary
4 determines (on the basis of the study conducted
5 under paragraph (1)) that a 2-class system for
6 classifying milk under Federal milk marketing or-
7 ders would have a positive impact on milk producers,
8 the Secretary shall amend Federal milk marketing
9 orders to implement the 2-class system for
10 classifying milk.

11 (b) DEADLINE FOR ISSUANCE OF ORDERS.—Section
12 8c(4) of the Agricultural Adjustment Act (7 U.S.C.
13 608c(4)), reenacted with amendments by the Agricultural
14 Marketing Agreement Act of 1937, is amended by striking
15 “After” and inserting “Not later than 30 days after”.

16 (c) ADVANCED PRICING.—Section 8c(5) of the Agri-
17 cultural Adjustment Act (7 U.S.C. 608c(5)), reenacted
18 with amendments by the Agricultural Marketing Agree-
19 ment Act of 1937, is amended by adding at the end the
20 following:

21 “(P) ADVANCED PRICING.—Not later than
22 September 30, 2007, in calculating the ad-
23 vanced price of Class I butterfat milk and Class
24 I and II skim milk under Federal milk mar-
25 keting orders, the Secretary shall use the 4-

1 week component prices that are used to cal-
2 culate prices for Class III and Class IV milk,
3 as determined by the Secretary.”.

4 (d) ECONOMIC IMPACT ASSESSMENT.—The Sec-
5 retary of Agriculture shall—

6 (1) carry out a review of the milk-feed ratio
7 during the 1-year period ending on the date of en-
8 actment of this Act; and

9 (2) not later than September 30, 2008, and
10 each time a proposed change in the Federal milk
11 marketing order formulas is considered by the Sec-
12 retary—

13 (A) assess the economic impact, over a 1-
14 and 2-year period, of proposed changes in Fed-
15 eral milk marketing order formulas on—

- 16 (i) milk supply;
17 (ii) farm profitability;
18 (iii) consumer demand; and
19 (iv) market prices;

20 (B) submit to the Committee on Agri-
21 culture of the House of Representatives and the
22 Committee on Agriculture, Nutrition, and For-
23 estry a report that describes the results of the
24 assessment; and

1 (C) consider, and include in the record, the
2 results of the assessment before making a deci-
3 sion on any proposed change to the Federal
4 milk marketing order formulas.

5 **SEC. 7. DAIRY FORWARD PRICING PROGRAM.**

6 Section 23 of the Agricultural Adjustment Act (7
7 U.S.C. 627), reenacted with amendments by the Agricul-
8 tural Marketing Agreement Act of 1937, is amended—

9 (1) in the section heading by striking “**PILOT**”;

10 (2) in subsection (a)—

11 (A) by striking “PILOT PROGRAM RE-
12 QUIRED.—” and all that follows through “pilot”
13 and inserting “IN GENERAL.—The Secretary of
14 Agriculture shall carry out a”;

15 (B) by striking “under which milk pro-
16 ducers” and inserting “under which—
17 “(1) milk producers”; and

18 (C) by striking “handlers.” and inserting
19 “handlers; and

20 “(2) proprietary processors and cooperatives
21 regulated under Federal milk marketing orders are
22 authorized to voluntarily enter into forward price
23 contracts with the members of the processors and
24 cooperatives.”;

25 (3) by striking subsections (d) and (e); and

1 (4) by adding at the end the following:

2 “(d) FUNDING.—

3 “(1) COMMODITY CREDIT CORPORATION.—The
4 Secretary shall use the funds, facilities, and authori-
5 ties of the Commodity Credit Corporation to carry
6 out this section.

7 “(2) FUNDING AMOUNT.—The Secretary shall
8 use such funds of the Commodity Credit Corporation
9 as are necessary to carry out this section for each
10 of fiscal years 2008 through 2012, to remain avail-
11 able until expended.”.

12 **SEC. 8. DAIRY PROCESSING EQUIPMENT LOAN GUARANTEE**

13 **FUND.**

14 (a) LOANS.—

15 (1) IN GENERAL.—Section 310B(a) of the Con-
16 solidated Farm and Rural Development Act (7
17 U.S.C. 1932(a)) is amended—

18 (A) by designating the first through fifth
19 sentences as paragraphs (1) through (5), re-
20 spectively;

21 (B) by striking “SEC. 310B. (a) The Sec-
22 retary” and inserting the following:

23 **“SEC. 310B. RURAL INDUSTRIALIZATION ASSISTANCE.**

24 “(a) LOANS.—

25 “(1) IN GENERAL.—The Secretary”;

1 (C) by striking “for the purposes of (1)
2 improving” and inserting “for the purposes
3 of—
4 “(A) improving”;
5 (D) by striking “abatement and control,
6 (2) the conservation” and inserting “abatement
7 and control;
8 “(B) the conservation”;
9 (E) by striking “rural areas, (3) reducing”
10 and inserting “rural areas;
11 “(C) reducing”;
12 (F) by striking “rural areas, and (4) to fa-
13 cilitate economic” and inserting “rural areas;
14 “(D) facilitating economic”; and
15 (G) by striking “foreign trade.” and insert-
16 ing “foreign trade; and
17 “(E) providing processors of dairy prod-
18 ucts with incentives for investing in new equip-
19 ment and technologies by using not more than
20 \$15,000,000 each fiscal year to—
21 “(i) make loans to dairy processors
22 and cooperatives to cover not more than 50
23 percent of the cost of acquisition and adop-
24 tion of new equipment, equipment up-
25 grades, and new technologies—

1 “(I) at a fixed rate of interest
2 not to exceed the prime lending rate
3 plus 1 percent; and

4 “(II) with a term of not to ex-
5 ceed 15 years; and

6 “(ii) guarantee loans made to dairy
7 processors and cooperatives for the acquisi-
8 tion and adoption of new dairy equipment,
9 equipment upgrades, and new technologies,
10 at a guarantee rate of 90 percent.”.

11 (2) CONFORMING AMENDMENTS.—

12 (A) Section 307(a)(6)(B)(ii) of the Con-
13 solidated Farm and Rural Development Act (7
14 U.S.C. 1927(a)(6)(B)(ii)) is amended by strik-
15 ing “clause (1) of section 310B(a)” and insert-
16 ing “section 310B(a)(1)(A)”.

17 (B) Section 333A(g)(1)(B) of the Consoli-
18 dated Farm and Rural Development Act (7
19 U.S.C. 1983a(g)(1)(B)) is amended by striking
20 “310B(a)(1)” and inserting “310(a)(1)(A)”.

21 (C) Section 381E(d)(3)(B) of the Consoli-
22 dated Farm and Rural Development Act (7
23 U.S.C. 2009d(d)(3)(B)) is amended by striking
24 “310B(a)(1)” and inserting “310B(a)(1)(A)”.

1 (b) LENDING POWER FOR DAIRY PROCESSING CO-
2 OPERATIVES.—Section 3.7 of the Farm Credit Act of
3 1971 (12 U.S.C. 2128) is amended by adding at the end
4 the following:

5 “(g) DAIRY PROCESSING COOPERATIVES.—

6 “(1) IN GENERAL.—The banks for cooperatives
7 may use not more than \$15,000,000 each fiscal year
8 to provide dairy processing cooperatives with work-
9 ing capital lines of credit and accounts receivable fi-
10 nancing for the purpose of accessing export mar-
11 keting opportunities for milk and milk products.

12 “(2) LIMITATIONS.—Financing provided by the
13 banks for cooperatives for a project under paragraph
14 (1) may not exceed the lesser of—

15 “(A) \$1,000,000; or

16 “(B) 75 percent of the costs of carrying
17 out the project.

18 “(3) TERM.—

19 “(A) IN GENERAL.—Except as provided in
20 subparagraph (B), the term of a line of credit
21 described in paragraph (1) shall not exceed 24
22 months.

23 “(B) REVOLVING LINES OF CREDIT.—A
24 revolving line of credit may be used for multiple
25 transactions.

1 “(4) DUE DATE.—An accounts receivable fi-
2 nancing loan under this subsection shall be due on
3 the earlier of—

4 “(A) the date on which the receivable is
5 paid; or

6 “(B) 180 days after the date of disburse-
7 ment.

8 “(5) USE OF FINANCING.—

9 “(A) WORKING CAPITAL LINE OF CREDIT
10 FINANCING.—Working capital line of credit fi-
11 nancing under this subsection may be used—

12 “(i) to acquire inventory for the pro-
13 duction of milk;

14 “(ii) to pay direct and indirect costs
15 (such as design, engineering, labor, and
16 overhead costs) used for—

17 “(I) the manufacture or purchase
18 of goods, including work-in-process,
19 for the production of milk; or

20 “(II) for the provision of services
21 for the production of milk; or

22 “(iii) to support standby letters of
23 credit used as bid bonds, performance
24 bonds, or payment guarantees.

1 “(B) ACCOUNTS RECEIVABLE FINANC-
 2 ING.—Accounts receivable financing under this
 3 subsection may be used to finance export ac-
 4 counts receivables for milk and milk products
 5 sold on payment terms of not more than 180
 6 days after the date of arrival at the port of im-
 7 portation, if the finance export accounts receiv-
 8 able have been insured by the Commodity Cred-
 9 it Corporation or other guarantor approved by
 10 the Secretary.”.

11 **SEC. 9. FEDERAL LOAN FORGIVENESS PROGRAM.**

12 The National Agricultural Research, Extension, and
 13 Teaching Policy Act of 1977 (7 U.S.C. 3101 et seq.) is
 14 amended by adding at the end the following:

15 **“Subtitle P—Federal Dairy**
 16 **Education Loan Forgiveness**

17 **“SEC. 1495. SHORT TITLE.**

18 “‘This subtitle may be cited as the ‘Federal Dairy
 19 Education Loan Forgiveness Act’.

20 **“SEC. 1496. DEFINITIONS.**

21 “‘In this subtitle:

22 “(1) FAMILY DAIRY FARM.—The term ‘family
 23 dairy farm’ means the real property of a dairy
 24 farm—

25 “(A) owned by—

1 “(i) 1 or more immediate family mem-
2 bers; or

3 “(ii) a family dairy farm corporation;
4 and

5 “(B) used for the production, for commer-
6 cial purposes, of milk or milk products.

7 “(2) FAMILY DAIRY FARM CORPORATION.—The
8 term ‘family dairy farm corporation’ means a cor-
9 poration—

10 “(A) at least 75 percent of the assets of
11 which are devoted to active involvement in
12 farming; and

13 “(B) at least 75 percent of each class of
14 stock of which is continuously owned by 1 or
15 more immediate family members.

16 “(3) IMMEDIATE FAMILY MEMBER.—The term
17 ‘immediate family member’ means a spouse, child,
18 stepchild, parent, stepparent, grandparent, brother,
19 stepbrother, sister, stepsister, or similar relative-in-
20 law of an owner of real property, as determined by
21 the Secretary.

22 “(4) INSTITUTION OF HIGHER EDUCATION.—
23 The term ‘institution of higher education’ has the
24 meaning given the term in section 101(a) of the
25 Higher Education Act of 1965 (20 U.S.C. 1001(a)).

1 “(5) PROGRAM.—The term ‘program’ means
2 the Federal dairy education loan forgiveness pro-
3 gram established under section 1497(a).

4 “(6) QUALIFIED APPLICANT.—The term ‘quali-
5 fied applicant’ means a resident of the United States
6 who, as determined by the Secretary—

7 “(A) holds a 2- or 4-year degree in a field
8 related to the production of agricultural prod-
9 ucts from an institution of higher education;

10 “(B) on or after January 1, 2008, has
11 commenced the first year of full-time ownership
12 or operation of a family dairy farm; and

13 “(C) is the borrower of an outstanding
14 qualified loan as a result of pursuing a degree
15 described in subparagraph (A).

16 “(7) QUALIFIED LOAN.—The term ‘qualified
17 loan’ means—

18 “(A)(i) a loan made, insured, or guaran-
19 teed under section 428 or 428H of the Higher
20 Education Act of 1965 (20 U.S.C. 1078, 1078–
21 8);

22 “(ii) a Federal Direct Stafford Loan or a
23 Federal Direct Unsubsidized Stafford Loan
24 made under section 455 of that Act (20 U.S.C.
25 1087e); or

1 “(iii) a consolidation loan under section
2 428C of that Act (20 U.S.C. 1078–3), or a
3 Federal Direct Consolidation Loan under sec-
4 tion 455 of that Act (20 U.S.C. 1087e), to the
5 extent that the amount of the loan was used to
6 repay a loan described in clause (i) or (ii); and

7 “(B) a loan under part B or D of title IV
8 of that Act (20 U.S.C. 1070 et seq.); or

9 “(C) a loan under a guaranteed student
10 loan program of the Department.

11 **“SEC. 1497. FEDERAL DAIRY EDUCATION LOAN FORGIVE-**
12 **NESS PROGRAM.**

13 “(a) IN GENERAL.—Subject to the availability of ap-
14 propriations, the Secretary shall carry out a Federal dairy
15 education loan forgiveness program under which the Sec-
16 retary shall assume the obligation to repay an amount cal-
17 culated in accordance with subsection (c) for 1 or more
18 qualified loans made to eligible qualified applicants in ac-
19 cordance with this section.

20 “(b) ELIGIBILITY.—A qualified applicant shall sub-
21 mit to the Secretary an application and such documenta-
22 tion of continued eligibility as the Secretary determines
23 to be appropriate.

24 “(c) MAXIMUM AMOUNT.—The maximum amount
25 that the Secretary may repay under the program for each

1 qualified applicant shall be equal to the average annual
2 cost of tuition at land-grant colleges and universities (as
3 determined by the Secretary annually), for each year that
4 the qualified applicant—

5 “(1) is an owner or operator of a family dairy
6 farm; and

7 “(2) has not otherwise received loan repayment
8 on behalf of the qualified applicant under this sec-
9 tion or any other Federal or State program.

10 “(d) PROHIBITION.—Nothing in this section author-
11 izes the refunding of any repayment of a qualified loan.

12 “(e) EXCLUSION FROM INCOME.—Any payment to,
13 or on behalf of, a qualified applicant under this subtitle
14 shall not be included in the gross income of the qualified
15 applicant for purposes of the Internal Revenue Code of
16 1986.

17 “(f) AUTHORIZATION OF APPROPRIATIONS.—

18 “(1) IN GENERAL.—There are authorized to be
19 appropriated such sums as are necessary to carry
20 out this subtitle.

21 “(2) INSUFFICIENT FUNDS.—If the total
22 amount of funds appropriated to carry out this sub-
23 title is insufficient to provide loan repayment under
24 the program for all eligible qualified applicants, the

1 Secretary shall provide loan repayment to eligible
2 qualified applicants on a pro rata basis.”.

3 **SEC. 10. MANDATORY REPORTING OF DAIRY COMMOD-**
4 **ITIES.**

5 (a) DEFINITIONS.—Section 272 of the Agricultural
6 Marketing Act of 1946 (7 U.S.C. 1637a) is amended to
7 read as follows:

8 **“SEC. 272. DEFINITIONS.**

9 “In this subtitle:

10 “(1) DAIRY COMMODITY.—

11 “(A) IN GENERAL.—The term ‘dairy com-
12 modity’ means a product manufactured from
13 milk or a milk-derived ingredient.

14 “(B) INCLUSIONS.—The term ‘dairy com-
15 modity’ includes—

16 “(i) fluid milk;

17 “(ii) cheese;

18 “(iii) butter;

19 “(iv) nonfat dry milk;

20 “(v) skim milk;

21 “(vi) whey products;

22 “(vii) dry proteins (such as a milk
23 protein concentrate, casein, and a casein-
24 ate);

25 “(viii) a lactose product; and

1 “(ix) a fresh dairy product (such as
2 yogurt and ice cream).

3 “(2) DAIRY PROCESSOR.—The term ‘dairy proc-
4 essor’ means a person or legal entity that commer-
5 cially processes milk into cheese, butter, nonfat dry
6 milk, or other dairy solids.

7 “(3) SECRETARY.—The term ‘Secretary’ means
8 the Secretary of Agriculture.”.

9 (b) MANDATORY REPORTING.—Section 273 of the
10 Agricultural Marketing Act of 1946 (7 U.S.C. 1637b) is
11 amended—

12 (1) by redesignating subsections (c) and (d) as
13 subsections (d) and (e), respectively; and

14 (2) by striking subsections (a) and (b) and in-
15 serting the following:

16 “(a) DAILY REPORTING.—

17 “(1) IN GENERAL.—The corporate officers or
18 officially-designated representatives of each dairy
19 processor shall report to the Secretary at least once
20 each reporting day, not later than 10:00 a.m. Cen-
21 tral Time, for each sales transaction involving a
22 dairy commodity, information concerning—

23 “(A) the sales price;

24 “(B) the quantity sold;

1 “(C) the location of the sales transaction;
2 and
3 “(D) product characteristics, including—
4 “(i) moisture level;
5 “(ii) packaging size;
6 “(iii) grade;
7 “(iv) if appropriate, fat or protein
8 level;
9 “(v) heat level for dried products; and
10 “(vi) other defining product character-
11 istics.

12 “(2) PUBLICATION.—The Secretary shall make
13 the information reported under paragraph (1) avail-
14 able to the public not less frequently than once each
15 reporting day, categorized by location and product
16 characteristics.

17 “(b) WEEKLY REPORTING.—

18 “(1) IN GENERAL.—The corporate officers or
19 officially-designated representatives of each dairy
20 processor shall report to the Secretary, on the first
21 reporting day of each week, not later than 9:00 a.m.
22 Central Time, for the prior week information con-
23 cerning—

1 “(A) the sales prices for sales transactions
2 involving dairy commodities, categorized by
3 product characteristics; and

4 “(B) the quantities of dairy commodities
5 sold.

6 “(2) PUBLICATION.—The Secretary shall make
7 the information reported under paragraph (1) avail-
8 able to the public on the first reporting day of the
9 each week, not later than 10:00 a.m. Central Time,
10 categorized by location and product characteristics.

11 “(3) FEDERAL ORDER PRICES.—The Secretary
12 shall use weekly prices published under paragraph
13 (2) to calculate Federal milk marketing order prices.

14 “(c) MONTHLY REPORTING.—

15 “(1) IN GENERAL.—The corporate officers or
16 officially-designated representatives of each dairy
17 processor shall report to the Secretary, on the first
18 reporting day of each month, not later than 9:00
19 a.m. Central Time, the quantity of all dairy com-
20 modities processed by the dairy processor during the
21 prior month.

22 “(2) PUBLICATION.—The Secretary shall make
23 the information reported under paragraph (1) avail-
24 able to the public on the first reporting day of the

- 1 each month, not later than 10:00 a.m. Central Time,
- 2 categorized by location and product characteristics.”.

○