# United States Department of Agriculture Agricultural Marketing Service, Dairy Programs

## **Market Administrator**

Federal Order No. 6 – Florida Marketing Area Federal Order No. 7 – Southeast Marketing Area

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## Guidelines for Qualifying Diverted Milk as Producer Milk Federal Order No. 7, Southeast Marketing Area

## Daily Delivery Requirements (see 7 CFR §1007.13(d)(1)(2)

A producer's milk must be physically received at pool plant(s) for the equivalent of not less than one (1) days<sup>1/</sup> production for the months of January through June and not less than one (1) days<sup>1/</sup> production for the months of July through December in order for diverted milk from that farm to nonpool plants to be qualified as producer milk. This can be accomplished by either taking all of the production for any one day of the month and delivering said production to qualified pool plant(s), or by ensuring that the equivalent of one days production (based on a daily simple average) for that month has been received by the qualified pool plant(s).

#### **Example**

For any month of the year, in order to qualify any diversions of a producer with production for the pooling month of 4,800,000 pounds (or a daily average of 160,000 pounds for a thirty day month), the producer's milk must be delivered to Federal Order 7 pool plants for at least 1 actual day of production or equivalent deliveries of 160,000 pounds. Please note that when diversion decisions are being made, it may not be known what the actual production for a particular producer will be for the month. This is particularly true if a farmer's production has increased from previous months due to an increase in herd size. It is prudent to error on the side of caution when determining the amount to be delivered to pool plants in order to qualify diversions.

## Percent Limitations (see 7 CFR §1007.13(d)(3)&(4))

The total quantity of milk diverted to nonpool plants during the month by a **cooperative association** shall not exceed 25% during the months of July through November, January and February, and 35% during the months of December and March through June, of the producer milk that the cooperative association caused to be delivered to, and physically received at, pool plants during the month.

The **operator of a pool plant that is not a cooperative association** may divert to nonpool plants any milk that is not under the control of a cooperative association that diverts milk during the month pursuant to 7 CFR §1007.13(d). The total quantity of milk so diverted during the month shall not exceed 25%<sup>1/</sup> during the months of July through November, January and February, and 35%<sup>1/</sup> during the months of December and March through June, of the producer milk physically received at such plant (or such unit of plants in the case of plants that pool as a unit pursuant to 7 CFR §1007.7(e) during the month, excluding the quantity of producer milk received from a handler described in 7 CFR §1000.9(c).

### **Producers With Multiple Tanks**

For the purpose of meeting the delivery day requirements, a farm location with multiple tanks is considered one production unit.

## **Producers Who Own Multiple Farms**

For the purpose of meeting the delivery day requirements, each farm location will be considered as a separate unit.

1/ The delivery day requirements and percent limitations may be increased or decreased by the market administrator if the market administrator finds that such revision is necessary to assure orderly marketing and efficient handling of milk in the marketing area. If you are not sure what he current delivery day requirements are in Federal Order Nos. 6 or 7, please contact the Market Administrator office at (770)682-2501.