



MONTANA
ADMINISTRATIVE
REGISTER



**BOARD OF MILK CONTROL
DEPARTMENT OF LIVESTOCK**

NOTICE OF PROPOSED RULEMAKING

MAR NOTICE NO. 2025-96.1

Summary

Amendment of ARM 32.24.480 pertaining to milk producer pricing

No Hearing Scheduled

If the agency receives requests for a public hearing on the proposed rulemaking from either 10 percent or 25, whichever is less, of the persons directly affected by the proposed rulemaking; from the appropriate administrative rule review committee of the Legislature; from a governmental subdivision or agency; or from an association having not less than 25 members who will be directly affected, a hearing will be held at a later date. Notice of the hearing will be published in the Montana Administrative Register.

The estimated number of persons directly affected by the proposed rulemaking is 33.

Comments

Concerned persons may submit their data, views, or arguments concerning the proposed action in writing to the contact information listed below. If persons who are directly affected by the proposed action wish to express their data, views, or arguments orally or in writing at a public hearing, they must make written request for a hearing in writing to the contact information listed below. Comments must be received by Friday, April 25, 2025, at 5:00 p.m.

Accommodations

The agency will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. Requests must be made by Monday, April 7, 2025, at 5:00 p.m.

Contact

Lindsey Simon, Department of Livestock
(406) 444-7631
MDOLcomments@mt.gov
TTY: (800) 253-4091
Fax: (406) 444-4316

Rulemaking Actions

AMEND

The rule proposed to be amended is as follows, stricken matter interlined, new matter underlined:

32.24.480 PRODUCER PRICING RULES

- (1) remains the same.
- (2) The minimum Class I price per hundredweight at 3.5% butterfat which must be paid to producers by distributors in the state of Montana, is the monthly federal order price according to 7 CFR 1000.50(a) through (c) plus a Montana Class I location differential of ~~\$2.55~~ \$2.85.
 - (a) When milk does not test 3.5% butterfat, the price per cwt will be adjusted for each 0.1% the butterfat test moves up or down.
- (3) through (7) remain the same.

Authorizing statute(s): 81-23-104, 81-23-302, MCA

Implementing statute(s): 81-23-102, 81-23-302, MCA

Reasonable Necessity Statement

The minimum Class I price for milk in Montana is based on the United States Department of Agriculture's Federal Milk Market Order. The base price for Class I milk in Montana is set to decrease effective June 1, 2025, due to federal changes to 7 C.F.R. § 1000.50 set forth in 90 FR 6600–6652 (January 17, 2025). This proposed amendment is intended to partially offset the price decrease that Montana pool producers will experience once the federal rule amendment goes into effect.

Fiscal Impact

Based on January 2025 pooling producer quota price, without this rule change, effective June 1, 2025, the price paid to Montana pool producers will decrease by 2.41% or \$0.07/lb for butterfat and decrease by 1.84% or \$0.002/lb for skim resulting in a net decrease of 2.11% or \$0.45/cwt in the Milk Blend Price. With this rule change, effective June 1, 2025, the price paid to Montana pool producers will decrease by 2.36% or \$0.068/lb for butterfat and increase by \$0.71% or \$0.0008/lb for skim, resulting in a net decrease of 0.74% or \$0.16/cwt in the Milk Blend Price.

Small Business Impact

Pursuant to 2-4-111, MCA, the department has determined that the rule changes proposed in this notice will not have a significant and direct impact upon small businesses, as this proposed rulemaking is aimed at mitigating impacts from federal changes that will occur regardless of state rulemaking.

Bill Sponsor Notification

The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

Interested Persons

The Department of Livestock maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency and its administratively attached boards. Persons who wish to have their name added to the list shall make a written request that includes the name, email, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Written requests may be mailed or delivered to the contact person listed in this notice or may be made by completing a request form at any rules hearing held by the board.

Proposed Effective Date

The board intends to adopt the proposed amendment effective June 1, 2025.

Rule Reviewer

Lindsey Simon, Legal Counsel

Approval

Ken Bryan, Chair, Board of Milk Control