

**PART 1032—MILK IN THE CENTRAL MARKETING AREA**

1. Section 1032.60 is amended by revising paragraphs (c)(3), (d)(2), and (i) to read as follows:

**§ 1032.60 Handler's value of milk.**

\* \* \* \* \*

(c) \* \* \*

(3) Add an amount obtained by multiplying the pounds of butterfat in Class III by the butterfat price.

(d) \* \* \*

(2) Add an amount obtained by multiplying the pounds of butterfat in Class IV by the butterfat price.

\* \* \* \* \*

(i) Multiply the difference between the Class I price applicable at the location of the nearest unregulated supply plants from which an equivalent volume was received and the Class III price by the pounds of skim milk and butterfat in receipts of concentrated fluid milk products assigned to Class I pursuant to § 1000.43(d) and § 1000.44(a)(3)(i) and the corresponding step of § 1000.44(b) and the pounds of skim milk and butterfat subtracted from Class I pursuant to § 1000.44(a)(8) and the corresponding step of § 1000.44(b), excluding such skim milk and butterfat in receipts of fluid milk products from an unregulated supply plant to the extent that an equivalent amount of skim milk or butterfat disposed of to such plant by handlers fully regulated under any Federal milk order is classified and priced as Class I milk and is not used as an offset for any other payment obligation under any order.

\* \* \* \* \*

2. Section 1032.61 is revised to read as follows:

**§ 1032.61 Computation of producer price differential.**

For each month the market administrator shall compute a producer price differential per hundredweight. The report of any handler who has not made payments required pursuant to § 1032.71 for the preceding month shall not be included in the computation of the producer price differential, and such handler's report shall not be included in the computation for succeeding months until the handler has made full payment of outstanding monthly obligations. Subject to the conditions of this paragraph, the market administrator shall compute the producer price differential in the following manner:

(a) Combine into one total the values computed pursuant to § 1032.60 for all handlers required to file reports prescribed in § 1032.30;

(b) Subtract the total values obtained by multiplying each handler's total pounds of protein, other solids, and butterfat contained in the milk for which an obligation was computed pursuant to § 1032.60 by the protein price, the other solids price, and the butterfat price, respectively, and the total value of the somatic cell adjustment pursuant to § 1032.30(a)(1) and (c)(1);

(c) Add an amount equal to the minus location adjustments and subtract an amount equal to the plus location adjustments computed pursuant to § 1032.75;

(d) Add an amount equal to not less than one-half of the unobligated balance in the producer-settlement fund;

(e) Divide the resulting amount by the sum of the following for all handlers included in these computations:

(1) The total hundredweight of producer milk; and

(2) The total hundredweight for which a value is computed pursuant to § 1032.60(i); and

(f) Subtract not less than 4 cents nor more than 5 cents from the price computed pursuant to paragraph (e) of this section. The result shall be known as the producer price differential for the month.

3. Section 1032.62 is amended by revising paragraphs (e) and (h) to read as follows:

**§ 1032.62 Announcement of producer prices.**

\* \* \* \* \*

(e) The butterfat price;

\* \* \* \* \*

(h) The statistical uniform price for milk containing 3.5 percent butterfat, computed by combining the Class III price and the producer price differential.

4. Section 1032.71 is amended by revising paragraphs (b)(2) and (b)(4) to read as follows:

**§ 1032.71 Payments to the producer-settlement fund.**

\* \* \* \* \*

(b) \* \* \*

(2) An amount obtained by multiplying the total pounds of protein, other solids, and butterfat contained in producer milk by the protein, other solids, and butterfat prices respectively;

\* \* \* \* \*

(4) An amount obtained by multiplying the pounds of skim milk and butterfat for which a value was computed pursuant to § 1032.60(i) by the producer price differential as adjusted pursuant to § 1032.75 for the location of the plant from which received.

5. Section 1032.73 is amended by revising paragraphs (a)(2)(ii), (c)(2)(v), and (c)(3)(ii) to read as follows:

**§ 1032.73 Payments to producers and to cooperative associations.**

(a) \* \* \*

(2) \* \* \*

(ii) The pounds of butterfat received times the butterfat price for the month;

\* \* \* \* \*

(c) \* \* \*

(2) \* \* \*

(v) The pounds of butterfat in Class III and Class IV milk times the butterfat price;

\* \* \* \* \*

(3) \* \* \*

(ii) The pounds of butterfat received times the butterfat price for the month;

\* \* \* \* \*

**PART 1033—MILK IN THE MIDEAST MARKETING AREA**

1. Section 1033.60 is amended by revising paragraphs (c)(3), (d)(2), and (i) to read as follows:

**§ 1033.60 Handler's value of milk.**

\* \* \* \* \*

(c) \* \* \*

(3) Add an amount obtained by multiplying the pounds of butterfat in Class III by the butterfat price.

(d) \* \* \*

(2) Add an amount obtained by multiplying the pounds of butterfat in Class IV by the butterfat price.

\* \* \* \* \*

(i) Multiply the difference between the Class I price applicable at the location of the nearest unregulated supply plants from which an equivalent volume was received and the Class III price by the pounds of skim milk and butterfat in receipts of concentrated fluid milk products assigned to Class I pursuant to § 1000.43(d) and § 1000.44(a)(3)(i) and the corresponding step of § 1000.44(b) and the pounds of skim milk and butterfat subtracted from Class I pursuant to § 1000.44(a)(8) and the corresponding step of § 1000.44(b), excluding such skim milk and butterfat in receipts of fluid milk products from an unregulated supply plant to the extent that an equivalent amount of skim milk or butterfat disposed of to such plant by handlers fully regulated under any Federal milk order is classified and priced as Class I milk and is not used as an offset for any other payment obligation under any order.

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2. Section 1033.61 is revised to read as follows: