

(i) Net removals of nonfat dry milk for a period of 12 consecutive months exceed 600,000,000 pounds, but do not exceed 800,000,000 pounds, in which case the CCC nonfat dry milk purchase price will be not less than \$0.75 per pound during the immediately following month, or,

(ii) Net removals of nonfat dry milk for a period of 12 consecutive months exceed 800,000,000 pounds, in which case the CCC nonfat dry milk purchase price will be not less than \$0.70 per pound during the immediately following month.

(b) CCC may offer to purchase cheddar cheese, butter, fortified nonfat dry milk, or fortified instant nonfat dry milk in consumer-sized ready-to-consume packages at a premium to the purchase prices for cheddar cheese, butter and nonfat dry milk specified in paragraph (a) of this section. Any such offers will be made through CCC's purchase announcements, and such offers may be limited by quantity and to a specific time period.

(c) CCC may offer to purchase cheddar cheese with a lower moisture content than is specified in §1430.102(c) at a premium to the prices specified in paragraph (a) of this section. Any such offers will be made through CCC's purchase announcements, and such offers may be limited by quantity and to a specific time period.

§ 1430.104 Sales from inventories.

(a) CCC may sell any dairy product purchased as specified in this subpart for unrestricted use at the market price prevailing for that product at the time of sale, except that the sale price will not be less than 110 percent of the purchase price specified in §1430.103(a), before any price reduction for the amount of CCC net removals of the dairy products.

(b) CCC may sell or distribute dairy products purchased under this section for restricted use when such sale is determined to maximize the return to CCC on its purchases.

Subpart B—Milk Income Loss Contract Program

SOURCE: 67 FR 64476, Oct. 18, 2002, unless otherwise noted.

§ 1430.200 Applicability.

(a) This subpart governs the Milk Income Loss Contract Program. This program provides financial assistance to dairy operations in connection with milk production that is sold in the commercial market.

§ 1430.201 Administration.

(a) This program is administered under the general supervision of the Executive Vice President, CCC, or a designee, and shall be carried out by Farm Service Agency (FSA) State and county committees and employees.

(b) State and county committees, and their employees may not waive or modify any requirement of this subpart, except as provided in paragraph (e) of this section.

(c) The State committee shall take any action required when not taken by the county committee, require correction of actions not in compliance, or require the withholding of any action that is not in compliance with this subpart.

(d) The Executive Vice President, CCC, or a designee, may determine any question arising under the program or reverse or modify any decision of the State or county committee.

(e) The Deputy Administrator, Farm Programs, FSA, may waive or modify program requirements where failure to meet such requirements does not adversely affect the operation of the Milk Income Loss Contract Program.

(f) A representative of CCC may execute Milk Income Loss Contracts and related documents under the terms and conditions determined and announced by CCC. Any document not under such terms and conditions, including any purported execution before the date authorized by CCC, shall be null and void.

§ 1430.202 Definitions.

The definitions in this section shall be applicable for all purposes of administering the Milk Income Loss Contract (MILC) program established by this subpart.

CCC means the Commodity Credit Corporation of the Department.

Class I Milk means milk, including milk components, classified as Class I milk under a Federal milk marketing order.