

# MPC WEEKLY FRIDAY REPORT

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 TO: DIRECTORS & MEMBERS  
 FROM: KEVIN ABERNATHY, GENERAL MANAGER  
 PAGES: 11



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## MPC FRIDAY MARKET UPDATE

CHICAGO CHEDDAR CHEESE BLOCKS	CHICAGO AA BUTTER	NON-FAT DRY MILK
WEEKLY CHANGE <b>+\$0.1100</b> \$1.4725	WEEKLY CHANGE <b>+\$0.1300</b> \$1.7100	WEEK ENDING 01/31/26
WEEKLY AVERAGE <b>+\$0.0375</b> \$1.4315	WEEKLY AVERAGE <b>+\$0.0805</b> \$1.6375	NAT'L PLANTS <b>\$1.2197</b> 16,317,463
	DAIRY MARKET NEWS W/E 02/06/26 <b>\$0.7050</b>	LAST WEEK ENDING 01/24/26
	NATIONAL PLANTS W/E 01/31/26 <b>\$0.6861</b>	NAT'L PLANTS \$1.2032 14,244,536

## CALIFORNIA FEDERAL MILK MARKETING ORDER PRICE PROJECTIONS

PRICE PROJECTIONS	CLASS I ACTUAL (RANGE BASED ON LOCATION)	CLASS II PROJECTED	CLASS III PROJECTED	CLASS IV PROJECTED
FEB 5 EST	<b>\$16.90 - \$17.50</b>	<b>\$15.00</b>	<b>\$15.51</b>	<b>\$15.85</b>
JAN '25 FINAL	<b>\$18.55 - \$19.15</b>	<b>\$13.92</b>	<b>\$14.59</b>	<b>\$13.55</b>



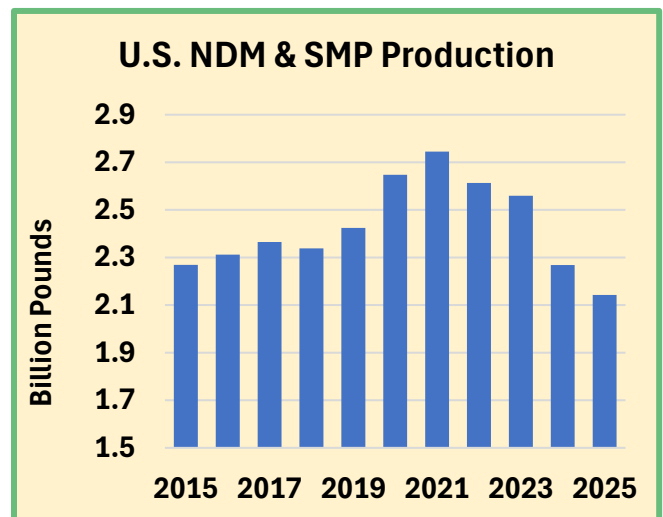
## Milk, Dairy, and Grain Market Commentary

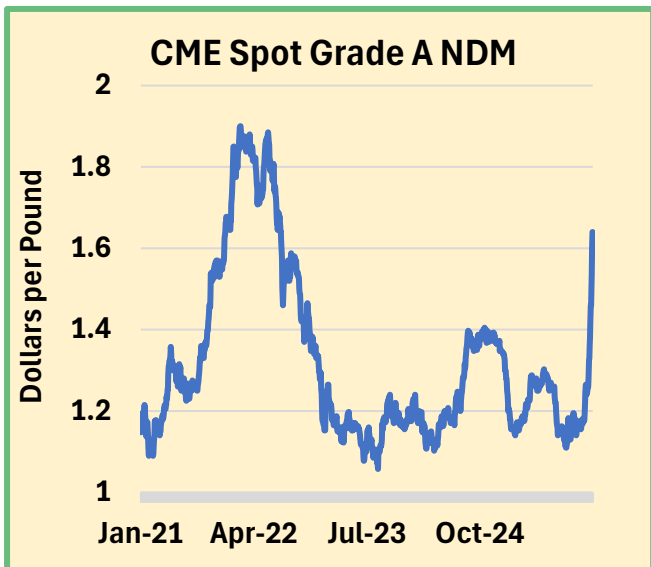
By Monica Ganley, Quarterra  
[Monica.Ganley@QuarterraGlobal.com](mailto:Monica.Ganley@QuarterraGlobal.com)

### Milk & Dairy Markets

What has gotten into the nonfat dry milk (NDM) market? NDM prices have been climbing since January, but the trajectory accelerated meaningfully this week. After taking a brief respite on Monday, the spot price for NDM rose every day between Tuesday and Friday, delivering an 18¢ increase, and qualifying as the commodity's strongest week since May 2007. Prices settled at \$1.64/lb. on Friday, which is not only the highest price since August 2022, but is also a comfortable 16.75¢ above Cheddar prices, and within spitting distance of the butter price.

Product scarcity seems to be driving the gains in the milk powder market as buyers seeking product are coming up empty-handed. According to USDA's *Dairy Products* report, combined output of NDM and skim milk powder (SMP) was just 170.3 million pounds in



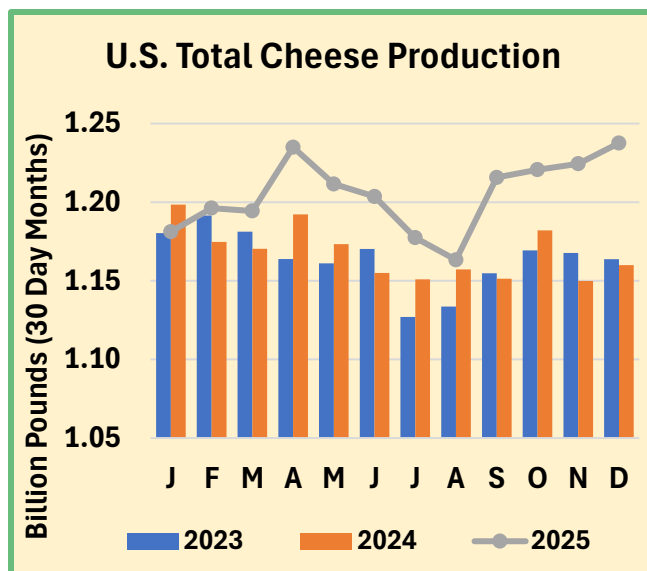


December, down 6.2% compared to the same month last year. Weak production in the final month of 2025 capped off a year of disappointing milk powder output. Over the full year, dryers turned out just 2.143 billion pounds of product, the weakest annual output since 2013. At the end of December, manufacturer’s stocks of NDM totaled 127.2 million pounds, down 2.7% from prior year, but up a hefty 17.7% compared to prior month.

Other global powder markets have also experienced a lift, which has likely buoyed the domestic market further. At Tuesday’s Global Dairy Trade (GDT) auction, the SMP price jumped 10.6%, complementing

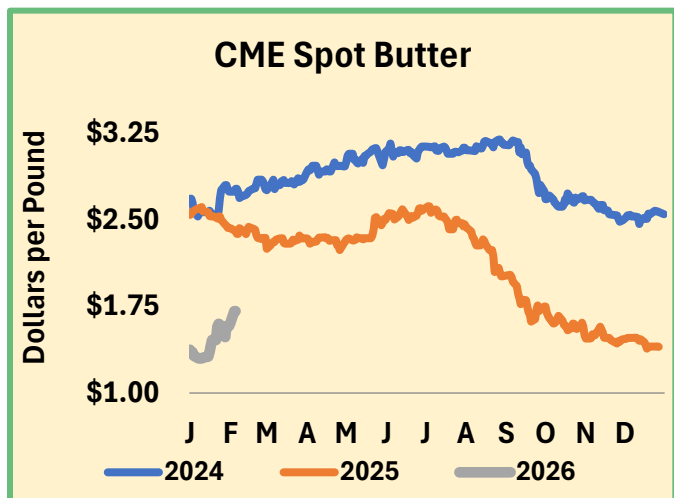
gains across every other product category. But despite the dramatic increase, after correcting for different protein levels, GDT product holds a 25¢ advantage compared to the CME price for NDM. With such an important price gap at play, it will prove challenging for U.S. exporters to ink new export sales.

Milk powder wasn’t the only market to demonstrate exuberance this week as Cheddar blocks also notched steady gains during every day of trading. All told, the spot price rose 11¢ during the week with an impressive 51 loads of product trading hands. At \$1.4725/lb., U.S. cheese prices remain competitively priced for global buyers and should continue to attract export sales that will help compensate for ailing domestic demand.

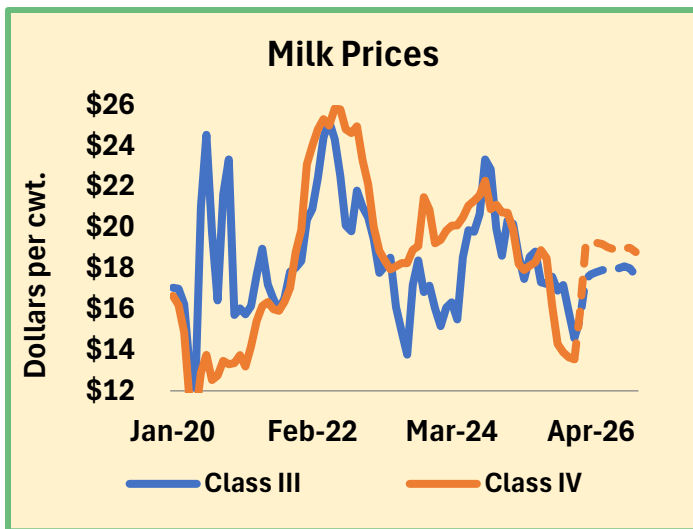


The export market will continue to prove essential for cheese, especially as production volumes continue to rise. In December, total cheese production soared to 1.279 billion pounds, an increase of 6.7% year over year. Most cheese varieties saw volumes grow, including Italian varieties, which posted a 7.4% year over

year increase. Mozzarella production specifically grew 5.9%, as the category continues to cope with weak demand from pizza chains and other foodservice channels. Meanwhile output of American styles jumped by 6.8% in December, bolstered by a 9% increase in Cheddar production.



Butter production also expanded in December, albeit by a more modest 2% year over year. Total production for the month grew to 203.8 million pounds with particular gains driven by the Central region. Much has been made in recent months about



fat availability in the U.S. milk supply as component levels continue to rise. This trend shows no sign of abating as last week's Agricultural Prices report pinned the average fat test for the U.S. milk supply at 4.51% in December up 0.05 percentage points from a year prior.

But the spot butter market has not appeared overly burdened by supplies recently as prices moved upward once more this week. The spot price rose by 13¢ over the course of the week, including a 10.25¢ jump on Thursday alone. This meant that the spot butter price ended the week at \$1.71/lb. A

substantial 21 loads of product changed hands, but dozens of unfilled bids remained on the board across the week, suggesting that unmet demand persists.

In a surprising reversal to recent weeks, dry whey was the only product that lost value over the week. Dips on Monday, and especially Tuesday, were only partially counteracted by gains later in the week. By Friday, the spot price for dry whey stood at 73¢ per pound, 2¢ lower than the prior Friday with three trades completed.

The whey market remains dynamic, but interest is dominated by buyers looking for higher protein products designed to meet the needs of food manufacturers. Output of whey protein isolates continued to surge during December, rising to 20.6 million pounds, an 11.7% year over year increase. Production of whey protein concentrates (WPC) with between 50% and 89.9% protein were also up a sizeable 9% versus December 2024. However, much of this came at the expense of output of WPCs between 25% and 49.9% protein, production of which slipped 12.8% year over year. Dry whey production for human consumption rose 4% in December, reflecting the larger whey stream enabled by rising cheese production.

Stronger dairy commodity prices translate favorably to milk prices, and the milk futures markets have taken this into account as prices rose over the course of the week. By Friday, Class III prices had improved considerably with MAR26 through the end of the year trading above \$17/cwt. Meanwhile, Class IV prices, emboldened by strong NDM values were trading in the high \$18s/cwt. Despite the recent strength, however, the market feels precarious as the fundamentals of ample milk production and mixed demand remain front and center.

### **Grain Markets**

Grain markets appreciated over most of the week as weather concerns in South America and spillover from other commodity markets boosted values. The rally was especially evident in the soybean markets which also reflected comments from the Trump administration regarding potential expansion in Chinese soybean purchases. On Thursday, MAR26 soybean meal settled at \$303.2/ton with further gains seen on Friday. Meanwhile, MAR26 corn rose to \$4.35/bu. before giving up some ground on the final day of trading.



## Producer Review Board Meeting Report

By Geoff Vanden Heuvel, Director of Regulatory and Economic Affairs  
[Geoff@MilkProducers.org](mailto:Geoff@MilkProducers.org)

The Producer Review Board (PRB) held a meeting on Monday, February 2, 2026. It was a virtual meeting, and it started a bit late due to technical difficulties. The main purpose of the meeting was to consider 16 hardship requests that had been either carried over from a prior meeting or were submitted more recently. See the agenda meeting packet [here](#).

The PRB membership is down by three since the last meeting in September of 2025. Former PRB members Frank Konyn and Ted De Groot and former alternate board member Joe Vander Poel are no longer part of the Board. This leaves nine regular members and one alternate. There were two members absent, Chuck Ahlem and Tony Nunes III, leaving a voting total of eight members: Chairman William Dyt, Fred Fagundes, Cal De Jager, Alex De Jager, Dominic Assali, Travis Kamper, Fred Leyendekker and alternate Darlene Lopes.

Before getting to the hardship cases, the Department announced it had recently discovered that the amount of money left over from the State Order Pooling Program and Dairy Marketing Program is different, and less than had been previously believed. When those programs ceased to operate because California entered a Federal Milk Marketing Order, the remaining money was not separated out, but rather remained in a single bank account that collects all of the funds for the various checkoff programs administered by CDFA. Apparently when those folks were asked how much money was left over from the prior programs, they simply looked at the balances in the account and gave an answer. But that account also held other checkoff money. CDFA discovered this situation since the September meeting of the PRB and did an internal audit of those funds going all the way back to 2018. The amount of left over Pooling money is actually \$2,053,000, not \$3.5 million as previously believed. And the leftover Dairy Marketing money is \$2,600,000, not the \$3,500,000 previously believed. There were lots of questions about why and how this happened. There was some staff turnover and clearly some confusion about how the money actually flows through the Department. CDFA is now convinced they have it correct, but is asking for an audit from outside the dairy branch to confirm the new totals. Meanwhile, the question is how to get this pooling money back to producers. Last September, the idea CDFA had was to cut a refund check to every producer of about \$3,000. The PRB at that time objected to that idea because the money in the fund has always been collected on a per cwt. fee basis. Now CDFA has a new idea which is to transfer the remaining Pooling funds into the QIP administration fund. This would allow the QIP administration assessment to be suspended for about a year and a half. That sounded good to the PRB, and they passed a motion recommending that separate accounts be set up for the various checkoff funds and that the remaining Pooling money be transferred into the QIP admin fund.

As for the remaining Dairy Marketing money, the \$2,600,000 was originally contributed by both producers and processors. There was a virtual meeting later on Monday where the rest of the industry was informed of this different amount. All of the various producer and processor groups in California have jointly asked CDFA to refund that money to the California Dairy Research Foundation to advance the industry's research activities. CDFA is working out the details of how that might be accomplished.

Then the PRB meeting turned to dealing with the hardship cases. Right off the bat, the CDFA lawyer recommended that the PRB table hardship requests from four dairies whose owners were part of a lawsuit against some of the PRB members individually. The basis for delaying consideration of those hardship requests is the fact that not all the PRB members who have been sued have secured legal counsel, and forcing them to make a decision on a hardship of a producer who is also suing them creates an unfair dilemma. The motion to table those four was made, seconded, and passed with 6 yes votes and 1 no vote. (One of the existing PRB members did not vote since his hardship request was one of the four).

The first hardship request that was considered was from Raw Farm LLC and carried over from the September 2025 meeting. Owner Aaron McAfee narrowed his request for this meeting to being relieved from being charged a QIP assessment for the nine months his farm was impacted by bird flu. Raw Farm LLC's original hardship request asked for relief from all fees being charged to Grade A market milk dairies with the contention that raw milk should not be treated like regular market milk. After a lot of discussion, a motion was made to deny the hardship request. That motion passed 5-2 with one abstention.

Next, an attorney spoke up who had just been hired by three dairies to represent them in the hardship requests. He asked that those three be tabled so he would have time to review and prepare their requests. A motion was made, seconded, and passed to table those three at the request of the applicants' attorney. Two more applicants also asked that consideration of their hardships be tabled. The PRB passed motions to table those hardships.

Next, an attorney representing a producer spoke on behalf of their hardship request. The attorney's comments focused on the broad definition of what a hardship is. The actual QIP language defines a hardship as "Hardship' means a challenge to the management and operation of a dairy due to the operation of this Plan." That is it. Maybe that is the reason why there are so many hardship requests and why this is such a difficult issue for the PRB to deal with. A motion was made to deny the hardship request which passed with one no vote. (By this time, a member of the PRB had left the meeting. He indicated that he would vote to support all of the hardships if he were able to stay and vote).

Next, there were four hardship requests that CDFA had deemed as incomplete. A motion was made, seconded, and passed with one no vote to deny those four requests because they were incomplete.

This left one remaining hardship request, but the PRB had a hard time stop for the meeting, so a motion to table the last hardship was made, seconded, and passed with one no vote.

There was a public statement made by Craig Gordon, and a quick motion to suspend the QIP administrative assessment, which passed unanimously.

There were some final comments by chairman Will Dyt about his desire to have the PRB consider new language for the QIP that would tighten up the definition of a hardship. There was brief discussion of this with a public comment that a hardship definition fix was part of a compromise proposal considered

by producers in a recent referendum. That referendum vote failed to pass. Finally, the meeting adjourned.

I suppose it was only coincidence that the meeting was held on Groundhog Day. If you remember the 1993 film, it tells the story of a cynical television weatherman covering the annual [Groundhog Day](#) event in [Punxsutawney, Pennsylvania](#), who becomes trapped in a [time loop](#), forcing him to relive February 2 repeatedly. This PRB meeting felt like that.

## CDQAP Update: New World Screwworm; Tricolored Blackbirds

Courtesy of the [California Dairy Quality Assurance Program](#)

The California Dairy Quality Assurance Program recently released its monthly update. **Read it in its entirety [here](#).**



### **New World Screwworm: What Has Changed and What California Dairy Producers Should Know**

*By Nick Kimutis, MPH, Livestock Programs, & Dr. Nicki Humphrey, Cattle & Swine Specialist, Animal Health Branch, CDFA*

New World Screwworm (NWS) has been the subject of recent CDQAP newsletter updates as [detections](#) in Mexico move northward. Earlier articles described what NWS is and what producers [should look for](#). This update focuses on what has changed and what California dairy producers need to know.

**NWS is not currently present in California or the United States.** (Editor's note: Since the time of original publishing, a case of NWS was found in Florida this week on an imported horse from Argentina.)

**Where Things Stand in Mexico:** As of January 29, the most recent confirmed detections of NWS in Mexico have been reported in the state of Tamaulipas, approximately 187 miles from the United States border. None of the animals associated with these cases had any reported history of movement outside of Tamaulipas. The United States Department of Agriculture (USDA) is working closely with Mexico's National Service for Agro-Alimentary Health, Safety, and Quality (SENASICA) to gather additional information and assess these cases.

In total, there are currently 8 active cases reported in Tamaulipas and approximately 870 active cases reported across Mexico involving animals. Individual case counts change over time. The broader trend remains important and reflects continued northward movement of NWS from areas where it had been successfully controlled for decades. Updated information is available through the [USDA's NWS website](#).

**Government Response and Surveillance Efforts:** United States ports remain closed to imports of cattle, bison, and horses from Mexico.

**Continue reading [here](#).**

## Watch for Nesting Tricolored Blackbirds



Nesting season for the threatened tricolored blackbird occurs in late February through early June. As wetlands have continued to disappear, dairy forage fields have become a favorite nesting place. Typically, large colonies of thousands of birds will make their nests on a dozen or more dairies across the Central Valley. In more recent years, the birds have been nesting in smaller colonies, across more dairies. The birds' nesting in forage fields coincides with harvest season, forcing delay or cancellation. A nesting colony may occupy a field for 45-90 days, depending on how synchronized the birds are.

**Think You Might Have the Birds?** Since tricolored blackbirds are listed as threatened, it is unlawful to harm or harass the birds. If you believe you might have tricoloreds in your fields, you can contact NRCS or partners at Audubon California to have a confidential assessment. Since 2015, through partnership with dairy and conservation groups, NRCS has provided funding to help recoup some of the financial losses to dairies. Feel free to contact Ian Souza Cole with questions: [ian.souzacole@audubon.org](mailto:ian.souzacole@audubon.org). You can also contact your trade association or cooperative field representative.

## California's Drought is Over, But We Still Must Invest in Water Supply Projects

By Edward Ring, [California Policy Center](#)

For the last 25 years, the [US Drought Monitor](#) (USDM), a collaborative effort by the University of Nebraska, NOAA, the USDA, and other experts throughout the country, has released a weekly map that shows the location and intensity of drought across the United States.

On January 8, for the first time ever, USDM's weekly map showed the entire State of California to be drought free. The timing of USDM's finding coincides with the release this week of a California Policy Center study, [Statistical Review of United States Drought Monitor](#), that calls into question the objectivity of USDM's reports. The USDM's baseline assessment for the 20th century had California in a state of drought about 30 percent of the time, whereas their assessments for the first 25 years of the 21st century had the state experiencing drought more than 60 percent of the time. But our own analysis showed almost no change in drought frequency between this century and the last.

We based our conclusion on a statistical analysis of over a century of climate records from dozens of California-based monitoring stations. Variables we examined included precipitation, snowpack, temperature, relative humidity, dew point, and vapor pressure deficit. The post-2000 climate data show no substantial drying trend compared to prior 25-year periods in the 20th century. This undermines the credibility of USDM's reports that find California to have entered a new, dramatically drier era with sharply heightened drought frequency.

What we observed from actual weather station data is corroborated by research presented at an event attended by water agency executives in Orange County in 2023 by Dr. John Christy, a Ph.D in Atmospheric Science who is a professor and Director of the Earth System Science Center at the

University of Alabama. A native of California, Christy assured the audience that he has been giving our state special attention his entire life. He presented a [series of slides](#) that contradict the consensus that informs water policy in California. Its message might be summarized as follows: There may be some warming occurring over the past century in California, but it is not extreme, nor is it accompanied by unusually severe anything: droughts, extreme wildfires, heavy rainfall, diminished snowpacks, reduced river volumes, or drier air.

Whether or not the USDM's findings are objective and reproducible, they have exercised enormous influence over water policy in California and throughout the U.S. But when even the USDM, which we allege is overstating the frequency and intensity of drought in California, says, for the first time in their 25-year history, that the entire state is currently drought-free, perhaps we should believe them.

In [response to the USDM's findings](#), UC climate scientist Daniel Swain, quoted in the *Los Angeles Times*, said "This is certainly a less destructive weather winter than last year was and than many of the drought years were, so it's OK to take that breather and to acknowledge that, right now, things are doing OK. But as we move forward, we do expect to be dealing with increasingly extreme weather swings."

Here's where policies oriented to climate change go sideways. Let's assume this unique moment for California to be completely drought free is not a return to normalcy but just an aberration on the road to a future of worsening weather whiplash. Let's assume our future involves years of droughts followed by years that are too warm for a snowpack to form, but instead are characterized by torrential rains.

If this is truly what we face, why are water policies oriented to scarcity instead of abundance? Even if there is disagreement over whether or not climate change is a crisis, or whether or not the droughts we've experienced this century are worse than the droughts of the last century, most experts agree that in some form or another, there is going to be plenty of precipitation. Maybe we'll have less snow, but we'll have more rain. Maybe we'll have some drier years, but we will also have wetter years. But policies oriented to scarcity will *not* give us the ability to adapt and prepare.

It may be a 20-year drought, or it may be an earthquake that liquifies the levees in the delta, allowing the Pacific Ocean to pour in and deny freshwater transfers south for years. Pick your disaster. But in a disaster scenario, the often heard refrain that "water conserved is water supplied" will be brutally debunked. Water is life. When there is nothing to conserve, life itself is the victim.

We examined the USDM's methods and turned to core data to reproduce their findings, and we could not. So maybe things aren't so bad, after all. But even if the USDM was *understating* a very real and severe long-term trend toward worsening droughts, the state's policy response would be even more flawed. We should be investing in every possible way to harvest water. Wastewater recycling. Desalination. Urban runoff harvesting. Building better ways to safely remove additional millions of acre feet of water from the delta in wet years, storing it in off-stream reservoirs or underground.

These are the investments we should make. You can't drink conservation.

**Continue reading [here](#).**

## Padilla Introduces Bills to Bolster California's Water Supply, Drought Resilience

Courtesy of [U.S. Senator Alex Padilla](#)

U.S. Senator Alex Padilla (D-Calif.), a member of the Senate Energy and Natural Resources Committee, introduced a pair of bills to help address growing water supply challenges in California and the American West. As severe droughts, warming temperatures, limitations on groundwater pumping, and outdated infrastructure compound California's water scarcity issues, these bills would bolster water security for both cities and agricultural communities while delivering environmental and ecological benefits.

The California Department of Water Resources estimates that the drinking water deficit will reach 6 million acre feet of water per year by 2040 — enough drinking water for 36 million people. The *Making Our Communities Resilient through Enhancing Water for Agriculture, Technology, the Environment, and Residences (MORE WATER) Act* would help fill this deficit by reauthorizing expiring Bureau of Reclamation (Reclamation) programs that support the development of water recycling projects and by creating a new federal grant program to help repair California's water delivery system.

Padilla's second bill, the *Growing Resilient Operations from Water Savings and Municipal-Agricultural Reciprocally-beneficial Transactions (GROW SMART) Act*, would authorize Reclamation to fund the development of voluntary demonstration projects for innovative agricultural water efficiency measures and agricultural partnerships with municipal, industrial, and commercial entities.

"After years of severe drought and mounting climate impacts, California needs bold solutions and sustained federal investment to confront water scarcity challenges in both cities and agricultural communities across the state," **said Senator Padilla**. "From Southern California to the Bay Area, large-scale recycling programs and infrastructure upgrades can deliver clean water to millions of Californians, including for low-income communities that lack access. That is why my *MORE WATER Act* would reauthorize federal water recycling programs while modernizing aging canal infrastructure, supporting habitat restoration and wildlife refuges, and accelerating project approval. My *GROW SMART Act* would complement these efforts by offering a cost-effective approach to strengthen drought resiliency and water supply for California farmers, ranchers, and families alike through collaborative partnerships to test innovative water-saving projects."

The *MORE WATER Act* would reauthorize Reclamation's large-scale recycled water program, providing federal grants for up to 25% of the cost of these recycling projects. Multiple water districts in cities across Southern California and the Bay Area have large-scale water recycling projects (which cost \$500 million or more) that together could create over half a million acre-feet of water per year, enough water for 3 million people, including Metropolitan Water District's project that involves a collaboration with Arizona and Nevada to work together to address water shortages on the Colorado River.

**Continue reading [here](#).**

## California Dairy Sustainability Summit Panel Spotlight: Navigating Dairy Water Quality Challenges

Courtesy of [Dairy Cares](#)



**California Dairy Sustainability Summit**  
Panel Spotlight

**Navigating Dairy Water Quality Challenges**

**March 24, 2026**  
Visalia Convention Center

 <p>Patrick Pulupa Executive Officer Central Valley Water Board</p>	 <p>Tess Dunham Partner Kahn, Soares &amp; Conway, LLP</p>	 <p>Chris Kopman Chief Executive Officer Newtrient</p>
 <p>Denise Mullinax Executive Director CA Dairy Research Foundation</p>	 <p>Moderator J.P. Cativiela Regulatory Director Dairy Cares</p>	

New water quality regulations are on the way, which will require Central Valley dairy farms to further enhance their efforts to protect water quality. Dairies will soon be expected to export more surplus manure or employ novel treatment technologies. Our panel will look at the coming requirements and timelines, while discussing strategies to help dairies successfully navigate the challenges ahead. Panelists will discuss current research and funding programs aimed at assisting dairy operators, and plans to continue developing more tools and strategies for a sustainable future. New water quality regulations are on the way, which will require Central Valley dairy farms to further enhance their efforts to protect water quality. Dairies will soon be expected to export more surplus manure or employ novel treatment technologies. Our panel will look at the coming requirements and timelines, while discussing strategies to help dairies successfully navigate the challenges ahead. Panelists will discuss current research and funding programs aimed at assisting dairy operators, and plans to continue developing more tools and strategies for a sustainable future.

**Registration is Now Open! Register [here](#).**

*The California Dairy Sustainability Summit returns to the **Visalia Convention Center** on **Tuesday, March 24**. The 2026 program will address the most pressing economic and environmental sustainability challenges, while promoting opportunities to further advance planet-smart practices on California's world-leading dairy farms.*

## **NMPF Update: New World Screwworm in Florida; Argentina Trade Deal; Farm Bill 2.0 Next Steps**

*Courtesy of Gregg Doud, President & CEO  
[National Milk Producers Federation](#)*

### **New World Screwworm Found in Florida**

We begin this week's report with a shout-out to the frontline quarantine folks at USDA/APHIS. A case of New World screwworm was [confirmed](#) in the U.S. for the first time in ten years, after an imported horse from Argentina showed up at a Florida quarantine station with an infested wound. Thankfully, inspectors caught it in time and contained it. USDA said last Friday that it's ramping up its defenses by pushing sterile fly releases as much as 50 miles into Texas to stop the pest from moving north out of Mexico.

Their strategy relies on releasing millions of sterile male flies that mate with females only once, breaking the breeding cycle and preventing larvae that burrow into the flesh of cattle, wildlife and even people. To back that up, USDA is also fast-tracking construction of a large fly dispersal facility at Moore Air Force Base in Edinburg, TX, which will be able to produce and release up to 100 million sterile flies a week to help protect U.S. livestock.

Click [here](#) for a helpful guide our team put together on how you can protect your dairy.

### **U.S. Dairy Wins in New Argentina Trade Deal**

We're celebrating a U.S.–Argentina trade agreement [signed late yesterday](#) that opens the door for American dairy exports. Under the deal, Argentina agreed to scrap tariffs on a range of U.S. dairy products, including milk powders, dairy proteins, lactose and other key ingredients. It also sets up a new 1,000-metric-ton quota for certain U.S. cheeses, giving U.S. dairy farmers and exporters a new foothold in the market.

Beyond tariffs, the agreement tackles long-standing red tape by blocking new nontariff barriers, like extra facility registration requirements and by protecting 39 common cheese names, including “parmesan.” This deal builds on similar reciprocal trade agreements the U.S. [signed last week](#) with El Salvador and Guatemala.

### **Thompson Announces Next Steps for “Farm Bill 2.0”**

House Agriculture Committee Chair Glenn “GT” Thompson is gearing up to debate a new “farm bill 2.0” from Feb. 23-25. The legislation is expected to be a slimmer bill than the House farm bill marked up in 2024; Congress already boosted funding for farm programs in the One Big Beautiful Bill Act signed into law last year, but it still tackles things like reauthorizing the Conservation Reserve Program and raising USDA loan limits. Thompson also wants to prevent a patchwork of state rules on pesticide labels and animal welfare.