

FINDINGS AND ORDER OF THE DIRECTOR OF FOOD AND AGRICULTURE
AMENDING THE STABILIZATION AND MARKETING PLANS FOR MARKET MILK, FOR
DEL NORTE-HUMBOLDT ORDER NUMBER ONE HUNDRED FOUR (104), NORTHERN CALIFORNIA
ORDER NUMBER THIRTEEN (13), SOUTH VALLEY ORDER NUMBER THIRTY (30),
AND SOUTHERN CALIFORNIA ORDER NUMBER TWENTY-NINE (29), AND
THE POOLING PLAN FOR MARKET MILK, ORDER NUMBER SIXTY-SEVEN (67)

Pursuant to the provisions of Chapters 2, 2.5 and 3, Part 3, Division 21 of the Food and Agricultural Code, notice of an August 20, 1987 consolidated public hearing was given in accordance with the provisions of Section 61994 of the Food and Agricultural Code.

The hearing was called upon the Director's own motion principally for the purpose of bringing said Milk Stabilization and Marketing Plans, and the Pooling Plan into compliance with the provisions of Senate Bill 29 which became effective July 10, 1987.

The Director of Food and Agriculture makes the following findings based upon the testimony and evidence presented at the August 20 consolidated hearing, held in Sacramento, California. In addition the Director hereby adopts the concurrent Economic Basis for Findings and Conclusions on Material Issues dated September 11, 1987.

FINDINGS

It is hereby found and concluded that:

1. The Stabilization and Marketing Plans and the Pooling Plan do not contain provisions to handle the security charges as contained in Senate Bill 29.
2. The current Pooling Plan and the Stabilization and Marketing Plans for Market Milk now in effect are no longer in conformity with the standards prescribed in or will not tend to effectuate the purposes of said Chapters 2, 2.5 and 3.
3. The amended Stabilization and Marketing Plans for Market Milk identified as Del Norte-Humboldt Order Number One Hundred Four (104), Northern California Order Number Thirteen (13), South Valley Order Number Thirty (30), and Southern California Order Number Twenty-nine (29), and the amended Pooling Plan for Market Milk, identified as Order Number Sixty-seven (67) will tend to accomplish the purposes of said Chapters 2, 2.5 and 3 within the standards therein prescribed.

ORDER

Therefore, by virtue of the premises aforesaid and the authority vested in me, I do hereby order that the said Stabilization and Marketing Plans for Market Milk, and the said Pooling Plan for Market Milk shall become effective in each of the above-named marketing Areas on and after 12:01 a.m., Pacific Daylight Saving Time, October 1, 1987.

Jack C. Parnell
Director of Food and Agriculture

By *David Ikari*

David K. Ikari, Chief
Milk Stabilization Branch

Glenn T. Gleason
Glenn T. Gleason, Chief
Milk Pooling Branch

Signed and entered in the
Office of the Director of
Food and Agriculture at
Sacramento, California, this
11th day of September, 1987.

ECONOMIC BASIS FOR FINDINGS AND CONCLUSIONS ON MATERIAL ISSUES PRESENTED
FOR CONSIDERATION TO AMEND THE STABILIZATION AND MARKETING PLANS
FOR MARKET MILK AND THE POOLING PLAN FOR MARKET MILK

On July 10, 1987, Senate Bill 29 became effective. This legislation created the Producer Security Trust Fund to compensate dairymen in the case of a major default in payment by a handler. The trust fund will be funded by an approximate \$0.05 per hundredweight security charge on all milk used for Class 1, Class 2 and Class 3 products.

The current Stabilization and Marketing Plans for Market Milk as well as the Pooling Plan for Market Milk do not contain provisions concerning either the collection of the security charge or its transfer to the trust fund. Therefore, the Director called a public hearing held in Sacramento on August 20, 1987, for the purpose of considering amendments to the Stabilization and Marketing Plans and to the Pooling Plan to provide such provisions. In addition, some minor, noncontroversial, technical changes which remove obsolete language and improve the clarity of the plans were considered at the hearing.

The hearing record and evidence submitted all support the adoption of the proposed amendments.

Jack C. Parnell
Director of Food and Agriculture

By

Elton O. Brooks

Elton O. Brooks
Senior Agricultural Economist
Milk Stabilization Branch

Robert G. Mercer

Robert G. Mercer
Audit Program Manager
Milk Pooling Branch

Date September 11, 1987

ORDER OF THE DIRECTOR OF FOOD AND AGRICULTURE IMPLEMENTING
SECURITY CHARGES TO FUND THE MILK PRODUCERS SECURITY TRUST FUND

WHEREAS, Article 4, commencing with Section 62560 of Chapter 2.5, Part 3, Division 21 of the Food and Agricultural Code specifies that the Director of Food and Agriculture shall implement the collection of security charges; and

WHEREAS, the actual amounts of such security charges are specified in Section 62561 of said Code; and

WHEREAS, THE Pooling Plan, and the Stabilization and Marketing Plans for the Del Norte-Humboldt, Northern California, South Valley, and Southern California Marketing Areas have been amended to accommodate the collection of the security charges;

NOW, THEREFORE, I, Jack C. Parnell, Director of the California Department of Food and Agriculture, acting pursuant to and by virtue of the authority vested in me, do hereby establish and implement the security charges against all milk used for Class 1, Class 2, and Class 3 purposes to be deducted from the appropriate classified prices and paid to the Director of Food and Agriculture by the milk handler at the rate of five and seven-tenths mills per pound (\$0.0057) for Class 1 fat, two and three-tenths mills per pound (\$0.0023) for Class 1 solids-not-fat, one-tenth mill per pound (\$0.0001) for Class 1 fluid, seven and one-tenth mills per pound (\$0.0071) for Classes 2 and 3 fat, and two and nine-tenths mills per pound (\$0.0029) for Classes 2 and 3 solids-not-fat; and I do hereby declare that said charges shall become effective October 1, 1987 and shall remain in effect until further notice.

Jack C. Parnell
Director of Food and Agriculture

By *David Ikari*

David K. Ikari, Chief
Milk Stabilization Branch

Date September 14, 1987

