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 FIVE (105),
NORTHERN CALIFORNIA ORDER NUMBER FOURTEEN (14),
SOUTH VALLEY ORDER NUMBER THIRTY-ONE (31), AND
SOUTHERN CALIFORNIA ORDER NUMBER THIRTY (30)

Pursuant to the provisions of Chapters 2 and 2.5, Part 3, Division 21 of the
Food and Agricultural Code, notice of an April 13, 1988 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 into
conformity with the January 1988 changes in the California Consumer Price
Index as determined by the Division of Labor Statistics and Research, California
Department of Industrial Relations.

The director of Food and Agriculture makes the following findings based upon
the testimony and evidence presented at the consolidated hearing held in
Sacramento, California on April 13. In addition the Director hereby adopts
the concurrent Economic Basis for Findings and Conclusions on Material

FINDINGS

It is hereby found and concluded that:

(1) The Stabilization and Marketing Plans do not conform to the changes in
    the California Consumer Price Index as determined by the Department of
    Industrial Relations.

(2) The current Stabilization and Marketing Plans for Market Milk now in
    effect are no longer in conformity with the standards prescribed in and
    will not tend to effectuate the purposes of said Chapters 2 and 2.5.

(3) The amended Stabilization and Marketing Plans for Market Milk
    identified as Del Norte-Humboldt Order Number One Hundred Five (105),
    Northern California Order Number Fourteen (14), South Valley Order
    Number Thirty-one (31), and Southern California Order Number Thirty
    (30) will tend to accomplish the purposes of said Chapters 2 and 2.5
    within the standards therein prescribed.

ORDER

Therefore, by virtue of the premise aforesaid and the authority vested in
me, I do hereby order that the said Stabilization and Marketing Plans for
Market Milk shall become effective in each of the above-named marketing
Areas on and after 12:01 a.m., Pacific Daylight Savings Time, June 1, 1988.

Jack C. Parnell
Director of Food and Agriculture

By [Signature]

David K. Ikari, Chief
Milk Stabilization Branch

Signed and entered in the
Office of the Director of
Food and Agriculture at
Sacramento, California, on
ECONOMIC BASIS FOR FINDINGS AND CONCLUSIONS ON MATERIAL ISSUES
PRESENTED FOR CONSIDERATION TO AMEND
THE STABILIZATION AND MARKETING PLANS FOR MARKET MILK

Effective January 1988, the Bureau of Labor Statistics, U.S. Department of Labor, changed the standard reference base for the Consumer Price Indexes (CPI) for Los Angeles and San Francisco, California. The old base was 1967=100; the new base is 1982-84=100. The Division of Labor Statistics and Research, California Department of Industrial Relations, uses the CPI from these two cities to develop the California Consumer Price Index (C-CPI). The change in the standard reference base required a change in the calculation of the C-CPI.

The existing Stabilization and Marketing Plans for Market Milk are not in conformity with the change in the C-CPI with regard to the formula used to determine Class 1 prices. Therefore, a public hearing, called upon the motion of the Director, was held in Sacramento on April 13, 1988 to consider amendments to the respective plans in order to conform them to the new C-CPI.

In addition, minor, noncontroversial, technical changes which remove obsolete language and improve the clarity of the plans were considered at the hearing.

Three persons testified at the hearing. No witness opposed the proposed amendments. 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
Senior Agricultural Economist
Milk Stabilization Branch

Date May 12, 1988