

**DETERMINATIONS, FINDINGS, CONCLUSIONS AND ORDER OF THE
SECRETARY OF FOOD AND AGRICULTURE**

In Regard to the Public Hearing Held on April 4, 2013

DETERMINATIONS

A duly noticed public hearing was held by the Department of Food and Agriculture (Department) on April 4, 2013, to consider amendments to the Pooling Plan for Market Milk (Pool Plan) and to the Milk Stabilization and Marketing Plans for Market Milk for Northern California and for Southern California (Stabilization Plans). The amendments under consideration propose changes to milk movement incentives, transportation allowances through the Pool Plan and transportation credits through the Stabilization Plans. The Department called the hearing after receiving a petition from Wallaby Yogurt Company. Two alternative proposals were then submitted by California Dairies, Inc. and Dairy Farmers of America.

Testimony and evidence pertinent to proposed changes were received into the hearing record; additional material was submitted by means of post-hearing briefs following the close of the hearing. This information is summarized in the Panel Report to the Secretary. (Attachment A). In weighing all available information, the Hearing Panel determined that changes to the current Pool Plan and Stabilization Plans are warranted and necessary to continue to effectuate the declared purposes of the Food and Agricultural Code.

Based on the hearing record and Panel Report, the Secretary agrees with and adopts the Hearing Panel recommendations regarding:

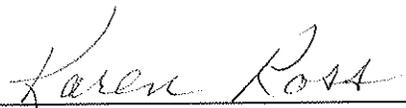
- Amendments to the Pool Plan regarding transportation allowances; and
- Amendments to the Stabilization Plans regarding transportation credits.

FINDINGS AND CONCLUSIONS

Considering all of the relevant information provided and in accordance with the provisions set forth in Chapters 2, 3 and 3.5, Part 3, Division 21 of the Food and Agricultural Code, it is hereby found and concluded that: the current Milk Pooling Plan and Stabilization and Marketing Plans for Market Milk now in effect no longer conform to the standards prescribed in nor tend to effectuate the purposes of those provisions and that the proposed changes in the Panel Report (Attachment A) are necessary to conform to the standards prescribed in and tend to effectuate those purposes.

ORDER

It is hereby ordered that the Pooling Plan for Market Milk Order Number 109, and the Stabilization and Marketing Plan for Market Milk for Northern California Order 58 and the Stabilization and Marketing Plan for Market Milk Southern California Order Number 73, shall become effective at 12:01 a.m., June 1, 2013.



Karen Ross, Secretary
California Department of Food and Agriculture

Signed and entered in the Office of the Secretary of Food and Agriculture
Sacramento, California
On May 16, 2013