Dated: September 19, 1995.

Shirley R. Watkins,

Acting Assistant Secretary, Marketing and Regulatory Programs.

Order Amending the Order Regulating the Handling of Milk in the Central Arizona Marketing Area

This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

### Findings and Determinations

The findings and determinations hereinafter set forth supplement those that were made when the order was first issued and when it was amended. The previous findings and determinations are hereby ratified and confirmed, except where they may conflict with those set forth herein.

(a) Findings. A public hearing was held upon certain proposed amendments to the tentative marketing agreement and to the order regulating the handling of milk in the Central Arizona marketing area. The hearing was held pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), and the applicable rules of practice and procedure (7 CFR Part 900).

Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said order as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

- (2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the aforesaid marketing area. The minimum prices specified in the order as hereby amended are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and
- (3) The said order as hereby amended regulates the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, a marketing agreement upon which a hearing has been held.

## Order Relative to Handling

It is therefore ordered that on and after the effective date hereof, the handling of milk in the Central Arizona marketing area shall be in conformity to and in compliance with the terms and

conditions of the order, as amended, and as hereby amended, as follows:

## PART 1131-MILK IN THE CENTRAL ARIZONA MARKETING AREA

1. The authority citation for 7 CFR Part 1131 continues to read as follows:

Authority: 7 U.S.C. 601-674.

2. § 1131.10, paragraph (a)(3) is redesignated as (a)(4), a new paragraph (a)(3) is added, and paragraph (a)(1)(ii) is revised to read as follows:

#### §1131.10 Producer-handler.

\*

(a) \* \* \*

(1) \* \* \*

- (ii) Fluid milk products obtained by transfer or diversion from pool plants, other order plants, or from a handler described in § 1131.9(b), in an amount not to exceed 5 percent of its fluid milk product disposition for the month or 5,000 pounds, whichever is less;
- (3) Does not distribute fluid milk products to a wholesale customer who also is serviced by a handler described in § 1131.9(a) or (d) that supplied the same product in the same-sized package with a similar label to the wholesale customer during the month; and

## §1131.13 [Amended]

3. In § 1131.13 paragraphs (a)(2) and (b)(1), the words "that is not a producerhandler plant" are removed.

## §§ 1131.21 and 1131.22 [Removed]

- 4. Sections 1131.21 and 1131.22 are removed.
- 5. In § 1131.30, paragraph (d) is redesignated as paragraph (e), in newly designated (e) the words "(a) through (c)" are revised to read "(a) through (d)", and a new paragraph (d) is added to read as follows:

#### §1131.30 Reports of receipts and utilization.

\* \* (d) Each handler described in § 1131.10 shall report:

- (1) The pounds of milk received from each of the handler's own-farm production units, showing separately the production of each farm unit and the number of dairy cows in production at each farm unit;
- (2) Fluid milk products and bulk fluid cream products received at its plant or acquired for route disposition from pool plants, other order plants, and handlers described in § 1131.9(b);
- (3) Receipts of other source milk not reported pursuant to paragraph (d)(2) of this section;

- (4) Inventories at the beginning and end of the month of fluid milk products and products specified in § 1131.40(b)(1); and
- (5) The utilization or disposition of all milk and milk products required to be reported pursuant to this paragraph.

## §1131.33 [Removed]

6. Section 1131.33 is removed.

7. In § 1131.42 paragraph (d)(2)(vi), the words "pursuant to § 1131.22 or" are removed, and the introductory text of paragraph (c) and paragraph (c)(1) are revised to read as follows:

#### §1131.42 Classification of transfers and diversions.

- (c) Transfers and diversions to producer-handlers. Skim milk or butterfat transferred or diverted from a pool plant or diverted from a handler described in § 1131.9(b) to a producerhandler under this or any other order shall be classified:
- (1) As Class I milk, if transferred or diverted in the form of a fluid milk product; and

# §1131.44 [Amended]

- 8. In § 1131.44(a)(4), the word ".ilk" is revised to read "milk".
- 9. In § 1131.50, paragraph (a) is revised to read as follows:

## §1131.50 Class prices.

(a) The Class I price shall be the basic formula price for the second preceding month plus \$2.52.

10. In § 1131.61, paragraph (b) is removed, paragraphs (c) through (f) are redesignated as paragraphs (b) through (e), and newly redesignated paragraph (d) is amended by removing paragraph (d)(3) and revising paragraphs (d)(1) and (2) to read as follows:

#### §1131.61 Computation of uniform price.

\* \*

(d) \* \* \*

(1) The total hundredweight of producer milk; and

(2) The total hundredweight for which a value is computed pursuant to § 1131.60(f).

### §1131.72 [Amended]

11. In § 1131.72, the word "for" is revised to read "from" in the section heading, paragraph (b) is removed, and paragraph (c) is redesignated as paragraph (b).