

STATE. BEFORE THE INITIAL ADOPTION OF REGULATIONS ESTABLISHING A COMPACT OVER-ORDER PRICE OR A COMMISSION MARKETING ORDER AND THEREAFTER BEFORE ANY AMENDMENT WITH REGARD TO PRICES OR ASSESSMENTS, THE COMMISSION SHALL HOLD A PUBLIC HEARING. THE COMMISSION MAY COMMENCE A RULEMAKING PROCEEDING ON ITS OWN INITIATIVE OR MAY IN ITS SOLE DISCRETION ACT UPON THE PETITION OF ANY PERSON INCLUDING INDIVIDUAL MILK PRODUCERS, ANY ORGANIZATION OF MILK PRODUCERS OR HANDLERS, GENERAL FARM ORGANIZATIONS, CONSUMER OR PUBLIC INTEREST GROUPS, AND LOCAL, STATE OR FEDERAL OFFICIALS.

#### SEC. 12. FINDINGS AND REFERENDUM.

(A) IN ADDITION TO THE CONCISE GENERAL STATEMENT OF BASIS AND PURPOSE REQUIRED BY § 4(B) OF THE FEDERAL ADMINISTRATIVE PROCEDURE ACT, AS AMENDED (5 U.S.C. SEC. 553(C)), THE COMMISSION SHALL MAKE FINDINGS OF FACT WITH RESPECT TO:

(1) WHETHER THE PUBLIC INTEREST WILL BE SERVED BY THE ESTABLISHMENT OF MINIMUM MILK PRICES TO DAIRY FARMERS UNDER ARTICLE IV.

(2) WHAT LEVEL OF PRICES WILL ASSURE THAT PRODUCERS RECEIVE A PRICE SUFFICIENT TO COVER THEIR COSTS OF PRODUCTION AND WILL ELICIT AN ADEQUATE SUPPLY OF MILK FOR THE INHABITANTS OF THE REGULATED AREA AND FOR MANUFACTURING PURPOSES.

(3) WHETHER THE MAJOR PROVISIONS OF THE ORDER, OTHER THAN THOSE FIXING MINIMUM MILK PRICES, ARE IN THE PUBLIC INTEREST AND ARE REASONABLY DESIGNED TO ACHIEVE THE PURPOSES OF THE ORDER.

(4) WHETHER THE TERMS OF THE PROPOSED REGIONAL ORDER OR AMENDMENT ARE APPROVED BY PRODUCERS AS PROVIDED IN § 13.

#### SEC. 13. PRODUCER REFERENDUM.

(A) FOR THE PURPOSE OF ASCERTAINING WHETHER THE ISSUANCE OR AMENDMENT OF REGULATIONS ESTABLISHING A COMPACT OVER-ORDER PRICE OR A COMMISSION MARKETING ORDER, INCLUDING ANY PROVISION WITH RESPECT TO MILK SUPPLY UNDER SUBSECTION 9(F), IS APPROVED BY PRODUCERS, THE COMMISSION SHALL CONDUCT A REFERENDUM AMONG PRODUCERS. THE REFERENDUM SHALL BE HELD IN A TIMELY MANNER, AS DETERMINED BY REGULATION OF THE COMMISSION. THE TERMS AND CONDITIONS OF THE PROPOSED ORDER OR AMENDMENT SHALL BE DESCRIBED BY THE COMMISSION IN THE BALLOT USED IN THE CONDUCT OF THE REFERENDUM, BUT THE NATURE, CONTENT, OR EXTENT OF SUCH DESCRIPTION SHALL NOT BE A BASIS FOR ATTACKING THE LEGALITY OF THE ORDER OR ANY ACTION RELATING THERETO.

(B) AN ORDER OR AMENDMENT SHALL BE DEEMED APPROVED BY PRODUCERS IF THE COMMISSION DETERMINES THAT IT IS APPROVED BY AT LEAST TWO-THIRDS OF THE VOTING PRODUCERS WHO, DURING A REPRESENTATIVE