



ORDER OF THE SECRETARY OF FOOD AND AGRICULTURE  
REDUCING QUOTA PREMIUM ASSESSMENT TO BE PAID UNDER  
CHAPTER 3.5, PART 3, DIVISION 21 OF THE  
FOOD AND AGRICULTURAL CODE OF THE STATE OF CALIFORNIA

WHEREAS, Chapter 3.5, Part 3, Division 21, Section 62757 of the Food and Agricultural Code of the State of California allows the Secretary to establish a stand-alone quota program if a federal milk marketing order is established in California.

WHEREAS, Dairy producers approved the QIP via referendum conducted in 2017, and certified January 5, 2018

WHEREAS, Dairy producers approved the FMMO via referendum as conducted by USDA and confirmed on June 7, 2018

WHEREAS, a Federal milk marketing order (FMMO) has been established for California effective November 1, 2018

WHEREAS, the Quota Implementation Plan initial quota revenue assessment rate has generated more revenue than necessary, resulting in excess cash balance

WHEREAS, the Department desires to reduce the cash balance over a twelve-month period, at which time the rate will be changed to a level where assessments collect more closely align with premium paid

WHEREAS, an assessment rate of \$0.0374 per pound of assessable solids not fat will reduce cash balances to a desired level in approximately twelve months

NOW THEREFORE, I, Don Shippelhouse, Special Assistant of the Marketing Division acting pursuant to Section 901 of the Quota Implementation Plan and by virtue of the authority vested in me by Chapter 3.5, Part 3, Division 21 of the Food and Agriculture Code, do order the reduction of the quota premium assessment rate beginning September 1, 2019, the fee to be deducted from payments made to market milk producers by handlers and remitted to the Secretary of Food and Agriculture.

By:

Don Shippelhouse, Special Assistant  
Marketing Services Division

Date: 7/15/2019

