CALIFORNIA DEPARTMENT OF FOOD & AGRICULTURE
Karen Ross, Secretary

September 02, 2026 D2026-03

To: All District Agricultural Association CEOs and Board Chairs

SUBJECT: SB 84 Supplemental Payment Obligations – Repayment Process

This letter provides updated information on the repayment of Senate Bill No. 84 [Chapter 50, Statutes of 2017 (SB 84)] supplemental payment obligations, as previously announced in letter D2019-04, titled "SB 84 Supplemental Payment." Pursuant to SB 84, the California Department of Finance (Finance) allocated a proportionate share of the repayment obligation to each District Agricultural Association (DAA) based on the employer retirement contribution made to CalPERS in Fiscal Year (FY) 2016–17, totaling $9,751,000 in principal amounts.

Beginning in FY 2026–27, Finance will issue invoices directly to each DAA, identifying each DAA's outstanding SB 84 repayment obligation and providing payment instructions. Outstanding balances as of July 1, 2027, will accrue simple interest annually, based on the U.S. Treasury Constant Maturity Rate per SB 84, until paid in full.

SB 84 requires the loan to be paid by June 30, 2030. However, to provide repayment flexibility, DAAs may make payments earlier than scheduled, or propose different repayment schedules, as long as all obligations were paid by the statutory deadline. Because interest will continue to accrue on unpaid balances, the Fairs & Expositions Branch recommends that each DAA, to the extent financially feasible, satisfy its outstanding obligation early to minimize interest expense.

CDFA is currently looking into alternatives to assist the DAA with repayment; however, the DAAs should still plan to pay their contributions until further notice. Additional information is provided in the attached Frequently Asked Questions (FAQ). If you have any questions about the repayment process, please contact Mike Francesconi at mike.francesconi@cdfa.ca.gov or at (916) 591-8791.

Sincerely,

Michael W Francesconi

Michael Francesconi
Branch Chief

Enclosure: D2019-04 SB 84 Supplemental Payment & DOF Repayment FAQs