

May 6, 2022

Sent Via Email

Mr. Craig Gordon StopQIP 14400 South Grove Ave Ontario, CA 91762

Dear Mr. Gordon,

We are contacting you regarding the petition to amend and terminate the Quota Implementaiton Plan (QIP) titled "Petition for Reversal and Termination of the (QIP) #3" submitted by StopQIP and received by the California Department of Food and Agriculture (CDFA) on March 10, 2022. In summary, the petition:

- 1. "Requests that CDFA conduct a referendum in accordance with the procedures set forth in California Food & Agriculture Code, §§62716 and 62717, 62719 according to Section 62757 of Chapter 3.5." It also asks that "Following the required hearing CDFA will conduct a referendum to make a substantive change to the QIP and after the changes are made, and put into effect, the QIP would continue for 10 years and then would be terminated."
- 2. Indicates that "The change requested would be a reversal of the current payments. The quota holders would be assessed \$1.70 or \$1.40 depending on the dairies location and RQA's. The money then would be dispersed to all Grade A shippers at the rate of \$.38 per cwt., on a monthly basis's, until the QIP is terminated."

The petition proposal does not include any proposed amendment language to allow CDFA to understand the manner in which StopQIP is proposing to apply an assessment of \$1.70 or \$1.40 based upon the current five Regional Quota Adjuster (RQA) region rates as set within Article 8 of the QIP. The ambiguity about the rates would not allow CDFA to provide a producer with enough information to make an informed decision related to petition proposal. In view of the absence of specific proposed language and details regarding the proposed mechanics for the application of the assessment CDFA denies the petition.

In addition and to reiterate our letter to you dated February 18, 2022, the Quota Implementation Petition Procedures indicate a petition shall include:

- the producer name
- producer number under the QIP program
- physical dairy ranch address
- signature of the producer, and
- signature date.



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The petition includes a set signature date of March 1, 2022, instead of a blank signature section where the producer would date upon signing. A set signature date does not reflect a true date the producer signed a petition and would be further reason to deny this petition. The procedures to submit petitions can be found at the following link: https://www.cdfa.ca.gov/dairy/pdf/QIP PetitionProcedures.pdf

With this correspondence we are closing the process associated with the above named petition.

Sincerely,

Kathy Diaz-Cretu, Director Marketing Services Division