

The Producer Review Board (PRB) is currently in the process of developing a detailed stand-alone quota program, which, once accepted by the Secretary will then go out to the producer community for affirmation by referendum. The rules and procedures for this process are all currently contained in the Food and Agriculture Code.

The proposal that producers vote on will contain all the final regulatory language needed to implement the program. If affirmed, enactment of the stand-alone quota program will be contingent upon the Federal Milk Marketing Order being approved by dairy producers in California. The trailer bill introduced by the Department simply ensures that this process is explicitly authorized. It states:

“Section 62757 is added to the Food and Agricultural Code, to read:

62757. (a) If a federal milk marketing order is established in California, the secretary is authorized to establish a stand-alone quota program, the details of which shall be included in the pooling plan. The stand-alone quota program may be funded by an assessment on milk produced in this state.

(b) The secretary may require handlers, including cooperative associations acting as handlers, to make reports necessary for the operation of the stand-alone quota program.

(c) The stand-alone quota program shall be pursuant to a recommendation by the review board established pursuant to Section 62719 and approved by a statewide referendum of producers pursuant to Sections 62716 and 62717.”

It should be noted that the powers of the PRB are limited to those powers currently existing in the Food and Agricultural Code. Any recommendations from the PRB that fall outside the bounds of the statute will need legislative authority to effectuate.