

DEPARTMENT PROCEDURES FOR HANDLING HARDSHIP REQUESTS UNDER THE QUOTA IMPLEMENTATION PLAN

BACKGROUND

The Quota Implementation Plan (QIP) provides that producers may request relief from hardship to the Producer Review Board and that upon review of the request, the Producer Review Board shall submit its recommendation to either support the request, deny the request, or provide partial relief in writing to the Secretary. The QIP does not specifically outline the procedures or process for submission or consideration of a hardship request received by the Department.

As a result, the Department developed procedures for any hardship consideration received by the Department and reviewed by the Producer Review Board.

RECOMMENDATION

The Department has developed the attached procedures for handling a hardship request under the QIP.

Karen Ross Digitally signed by Karen Ross Date: 2025.05.21 15:19:40 -07'00'	5/21/25
Karen Ross, Secretary	Date
California Department of Food and Agriculture	





Procedures for Submitting a Consideration for Hardship to the Quota Implementation Plan May 1, 2025

The purpose of this document is to provide direction regarding the process for any hardship consideration to be received by the California Department of Food and Agriculture (CDFA) and reviewed by the Producer Review Board (PRB), as outlined in Article 5, Section 500 of the Quota Implementation Plan (QIP).

Any consideration of hardship request shall include:

- Producer name, physical dairy ranch address, signature of the producer and signature date.
- Contact information for the producer or dairy representative seeking a hardship consideration.
- A statement of the hardship consideration being requested, which includes the basis for the relief requested and clearly articulates the challenges the dairy faces and links the challenges to specific provisions of the QIP.
- A statement on the extent of the relief that is being requested. Please include a timeframe that the relief is being requested for.
- The hardship consideration shall be submitted to the CDFA Secretary or the QIP Administrator, via mail at CDFA-QIP 1220 N Street, Sacramento, CA 95814 or emailed to: pooling@cdfa.ca.gov
- To be considered for a hardship consideration, the applicant must be a current dairy producer and have submitted all the above listed items.

Upon receipt of the hardship consideration request:

- The Secretary shall notify the applicant in writing of its receipt of the hardship consideration request.
- The QIP Administrator will review the hardship consideration request for technical completeness. If the request is incomplete, the applicant will be notified and given 30 days to provide the missing information. At the end of 30 days, the request will be submitted to the PRB as incomplete.
- Upon receipt of a complete request, the QIP Administrator will notify the PRB of the hardship consideration within 15 days of receipt of the hardship consideration request.
- The Chairman of the PRB will call a meeting of the PRB (or Hardship Committee) within 90 days of receipt of the hardship consideration request for the





Board/Committee to review the request and make a recommendation to the Secretary.

• The PRB may request the applicant submit additional information or documents as it deems necessary.

The responsibilities of the Producer Review Board:

- The Producer Review Board shall review the hardship consideration request at one or more meetings and make a recommendation to the Secretary.
 - If appropriate, the Board may designate a "Hardship" subcommittee of the Board to review hardship requests and make a recommendation to the full Board.
- The applicant may appear for an oral interview at the PRB meeting.
- Depending on the type of hardship consideration being requested, the Producer Review Board may rely on guidelines provided by CDFA legal regarding hardships or may set its own policies or guidelines in determining whether to recommend the hardship consideration be granted.
- An applicant shall provide, upon request, documents related to the hardship consideration. If the requested documents cannot be readily supplied the PRB may decide to hold off on making a recommendation until the requested documents can be supplied.
- Examples of the types of documents that may be requested include, but are not limited to:
 - Documents and/or statements related to an emergency, quota transfer, change in ownership or other matters related to the use of quota.
 - Financial documents, including the most recent independent CPA
 Auditor's reports, balance sheets, profit/loss statements, federal tax
 returns, articles of organization, operating agreements, bank statements,
 lines of credit or other relevant financial information.
 - Any documents submitted for consideration will become part of the public record. Certain Personal Identifying Information (such as bank account numbers) should be redacted.
- The Producer Review Board will give earnest and thorough consideration to each request and will do its best to make a recommendation regarding the hardship consideration request in the timeline that the applicant has asked for. However, the PRB may delay indefinitely making a recommendation, particularly if the board feels it does not have enough information to make an informed decision.





 A recommendation to the secretary shall include support of the request, denial or partial relief and indicate the extent of relief recommended and the effective date for such relief, along with its findings.

Upon a recommendation from the Producer Review Board:

The Secretary shall review the recommendation of the PRB. The
recommendation shall be subject to approval or modification by the Secretary,
who shall notify the applicant in writing of the decision within 15 days after
receiving the recommendation from the PRB.

