

July 2, 2021

# RESULTS OF AMENDMENT REFERENDUM TO THE QUOTA IMPLEMENTATION PLAN

To the California Market Milk Producer Addressed:

The California Department of Food and Agriculture (Department) recently conducted a referendum vote among California Market Milk Producers within the State of California to determine whether the Quota Implementation Plan (QIP) effective November 1, 2018, should be amended to equalize regional quota adjusters such that the quota premium in all counties equal 1.43/cwt., and to terminate the QIP effective March 1, 2025.

In order for the amendments to be approved California Food and Agricultural Section 62717 specifies that:

Not less than fifty-one percent (51%) of the total number of eligible producers in the state shall have voted in the referendum **AND** one of the following criteria must be satisfied:

- a) Sixty-five percent (65%) or more of the total number of eligible producers who voted in the referendum who produced fifty-one percent (51%) or more of the total amount of fluid milk produced in the state during the calendar month next preceding the month commencement of the referendum period (January 2021) by all producers who voted in the referendum approve the plan, <u>OR</u>,
- b) Fifty-one percent (51%) or more of the total number of eligible producers who voted in the referendum who produced sixty-five percent (65%) or more of the total amount of fluid milk produced in the state during the calendar month next preceding the month commencement of the referendum period (January 2021) by all producers who voted in the referendum, approve the plan.

#### **Summary of the Results of the Referendum Vote:**

Proportion of Eligible Producers that participated: Proportion of those Eligible Producers Voting in Favor:	78.56% 49.25%
Proportion of those Eligible Producers Voting in Opposition:	50.75%
Proportion of the Voted Volume Represented by Eligible Producers in Favor:	54.47%
Proportion of the Voted Volume Represented by Eligible Producers in Opposition:	45.53%



In summary, 78.56% of the total number of eligible producers voted in the referendum, and 49.25% voting in favor, having produced **54.47%** of the total amount of fluid milk in the state, among participating producers, in January 2021. Conversely, 50.75% voting in opposition, produced **45.53%** of the total amount of fluid milk in the state, among participating producers, in January 2021.

### **Explanation of Results:**

**78.56%** of the total number of eligible market milk producers in the State voted, therefore the first criterion <u>was satisfied.</u>

Additionally, both elements of EITHER criterion in (a) OR (b) above must also be satisfied:

- a. The producers who accounted for 54.47% of the fluid milk, produced by participants in the referendum, in January 2021 voted IN FAVOR, exceeding the threshold of 51% by 3.47%, thereby satisfying the first element; however, only 49.25% of the number of eligible producers voted IN FAVOR, falling short of satisfying the threshold of 65% for the second element by 15.75%. Therefore, because only one of the two elements were satisfied, the referendum is not adopted through this criterion.
- b. 49.25% of the number of eligible producers voted IN FAVOR, falling short of satisfying the 51% threshold by 1.75%; AND, producers who accounted for 54.47% or more of the total amount of fluid milk, produced by participants in the referendum, in January 2021 voted IN FAVOR, falling short of satisfying the threshold of 65% threshold by 10.03%. Therefore, because neither of the two elements were satisfied, the referendum is not adopted through this criterion.

Since the outcome of this referendum does not meet the criteria set forth in Section 62717 of the Food and Agricultural Code, the amendments will not be incorporated into the Quota Implementation Plan, and the QIP will remain in force and will not be terminated effective March 21, 2025. A further summary of the results is included with this notice.

If you have questions regarding the referendum, please contact Steven Donaldson with the Quota Administration Program at (916) 900-5012 or steven.donaldson@cdfa.ca.gov.

Sincerely,

Kathy Diaz-Cretu, Director Marketing Services Division



# QUOTA IMPLEMENTATION PLAN AMENDMENT REFERENDUM

Certification Results – July 2, 2021 Voting Period: March 4, 2021 – June 1, 2021

### Participation:

Number of valid ballots received:	733
Total number of producers on the list:	933
Percentage of producers on the list who submitted a valid ballot:	78.56%
Total January 2021 volume (in product pounds) represented by	3.099,362,593
those submitting valid ballots:	3,099,302,393

### In Favor of the Amendments to the Quota Implementation Plan:

Number of producers who voted in favor:	361
Percentage of producers who voted in favor:	49.25%
January 2021 product pounds represented by producers voting in favor:	1,688,226,044
Percentage of total product pounds represented by producers voting in favor:	54.47%

## In Opposition of the Amendments to the Quota Implementation Plan:

Number of producers who voted in opposition:	3/2
Percentage of producers who voted in opposition:	50.75%
January 2021 product pounds represented by producers voting in opposition:	1,411,136,549
Percentage of total product pounds represented by producers voting in opposition:	45.53%

Steven Donaldson

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