

**ORDER REVISING QUOTA PREMIUM ASSESSMENT TO BE PAID  
UNDER DIVISION 21, PART 3, CHAPTER 3.5, OF THE  
CALIFORNIA FOOD AND AGRICULTURAL CODE**

**WHEREAS**, Division 21, Part 3, Chapter 3.5, Section 62757 of the Food and Agricultural Code of the State of California allows the Secretary to establish a stand-alone quota program if a federal milk marketing order (FMMO) is established in California; and,

**WHEREAS**, California Dairy producers approved an FMMO via referendum as conducted by USDA and confirmed on June 7, 2018; and

**WHEREAS**, the FMMO for California became effective November 1, 2018; and

**WHEREAS**, California Dairy producers approved a stand-alone quota program via referendum conducted in 2017, and certified January 5, 2018; and

**WHEREAS**, California's stand-alone quota program became effective November 1, 2018; and

**WHEREAS**, the stand-alone quota program provides for a quota premium assessment to fund the quota premiums to be paid to quota producers; and

**WHEREAS**, the Department desires to set the assessment rate for the program at a level that will generate roughly the same revenue as it pays out; and

**WHEREAS**, the Producers Review Board (PRB) met on June 6, 2022, and based on the most recent twelve months of activity, recommended that the assessment rate be adjusted to \$0.0315 per pounds of SNF (\$0.274 per hundredweight) through the end of February 2023; and

**WHEREAS**, the PRB also recommended that a rate of \$0.0391 per pounds of SNF (\$0.34 per hundredweight) be adopted starting March 1, 2023; and

**WHEREAS**, the assessment rates recommended by the PRB will tend to generate revenue levels that are consistent with the Department's goals;

**NOW THEREFORE**, it is hereby ordered that pursuant to Section 901 of the Quota Implementation Plan and by virtue of the authority vested in me by Division 21, Part 3, Chapter 3.5, of the Food and Agriculture Code, effective August 1, 2022, the

quota premium assessment rate be set to \$0.0315 per pounds of SNF; it is further ordered that beginning March 1, 2023, the quota premium assessment rate be set to \$0.0391 per pounds of SNF. The assessment is to be deducted from payments made to market milk producers by handlers and remitted to the Secretary of Food and Agriculture.

By:



Kathy Díaz, Director  
Marketing Services Division



Date