



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

Karen Ross, Secretary

August 10, 2023

**QUOTA IMPLEMENTATION PLAN
QUOTA PROGRAM ADMINISTRATION ASSESSMENT SUSPENSION
EFFECTIVE
SEPTEMBER 1, 2023**

TO ALL INTERESTED PARTIES:

The California Food and Agricultural Code (FAC) section 62757 provides that should a federal milk marketing order be established in California; the Secretary of Food and Agriculture is authorized to establish a stand-alone quota program. It allows for the program to be funded by an assessment on milk produced in the state (FAC 62757; QIP Article 9). The California Department of Food and Agriculture (CDFA) Quota Administration Program administers such quota program pursuant to the QIP.

FAC section 62757 and Article 9 of QIP provide for a quota program administration assessment to cover the cost of administering the QIP. Since November 1, 2018, the rate has been set at **\$0.0030 per hundredweight**. That rate has generated more reserves than needed to administer the QIP; accordingly, at its meeting on July 31, 2023, the Producer Review Board (PRB or Board), as an advisory body to the CDFA, voted to recommend to the CDFA that the assessment rate be **suspended for 1-year effective September 1, 2023**

The CDFA has accepted the PRB's recommendations as it is anticipated that the suspension will reduce the fund balance for the administration of the program. During the PRB meeting, the CDFA and the Board agreed to reevaluate the quota program administration assessment in 1-year (September 1, 2024).

On the reverse side is the Order suspending the assessment rate on milk produced beginning September 1, 2023.

Sincerely,

**Kathy Diaz-
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Digitally signed by Kathy
Diaz-Cretu
Date: 2023.08.10
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Kathy Diaz, Director
Marketing Services Division

