



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

Karen Ross, Secretary

October 3, 2023

**QUOTA IMPLEMENTATION PLAN
ASSESSMENT RATE REVISIONS EFFECTIVE
November 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. FAC 62757 further authorizes the program to be funded by an assessment on milk produced in the state.

Both FAC 62757 and Article 9, Section 901 of the Quota Implementation Plan (QIP) provides for a quota revenue assessment to fund the quota premiums. Since July 1, 2023, the rate has been set at \$0.0330 per pound of Solids Not Fat (\$0.2870 per hundredweight). Multiple market factors, including a marked seasonal drop in production this summer, have resulted in the generation of revenue at levels below what is needed to pay quota premiums; accordingly, at its meeting on October 2, 2023, the Producer Review Board (PRB) voted to recommend that effective November 1, 2023, the rate be increased to \$0.040 per pounds of Solids Not Fat (\$0.348 per hundred weight). This recommendation has been approved by the Department.

The Department and the PRB have agreed to meet again in the next few months to re-evaluate quota premium assessment levels.

Sincerely,


Kathy Diaz-Cretu, Director
Marketing Services Division

