

**ORDER REVISING QUOTA PREMIUM ASSESSMENT TO BE PAID
UNDER CHAPTER 3.5, PART 3, DIVISION 21 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 standalone 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 October 2, 2023, and based on the most recent twelve months of activity, recommended that the assessment rate be adjusted to \$0.040 per pounds of SNF (\$0.348 per hundredweight)

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 Chapter 3.5, Part 3, Division 21 of the Food and Agriculture Code, effective November 1, 2023, the quota premium assessment rate be set to \$0.040 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 Diaz-Cretu, Director
Marketing Services Division

October 3, 2023
Date