



CDFA Market Enforcement Advisory Committee Meeting

🌐 Location:	1220 N Street Suite 333 (Conference Rm) Sacramento, CA 95814
📅 Date:	May 15, 2025
🕒 Time:	10:00 am

Agenda Item #1 & 2: Call to Order and Roll Call Establishing Quorum

Annaraine Diaz called the meeting to order at 10:03 AM. She stated that while all agenda topics would be discussed, the order of their presentation had changed. Hallie Wenz conducted a roll call of members to establish a quorum. A quorum was met with ten (10) voting members. The present board members and CDFA staff introduced themselves, including a brief background related to their roles in the food and agricultural industry.

In attendance:

Members Present:

Andrew Ratto, Ratto Bros
Bryan Nickerson*, Western Growers Association
Jeff Bitter, Allied Grape Growers
Natalie Collins, CA Association of Winegrape Growers
Mike Manna**, Manna Ranch Inc.
Mike Montna, CA Tomato Growers Association
Robert Sereno, Fresh Point Central
Trudi Hughes, CA League of Food Producers
Donn Zea***, CA Prune Board
Thomas Jones***, Safe Food Alliance

Members Absent:

Tom Orvis
John Thomas

Other:

Dale Stern, CA Association of Winegrape Growers

CDFA Staff:

Annaraine Diaz, Branch Chief, Market Enforcement Branch
Hardeap Badyal, Supervising Special Investigator, Market Enforcement Branch
Kathy Diaz, Director, Marketing Services Division
Kacie Fritz, Assistant Director, Marketing Services Division
Beth Jensen, Staff Services Manager, Marketing Services Division
Marina Martin, Staff Services Manager, Market Enforcement Branch
Hallie Wenz, Staff Services Analyst, Market Enforcement Branch
Peter Weber, Staff Counsel, Legal Office

* Joined remotely at 9:54 AM

** Joined remotely at 9:58 AM

*** Joined remotely at 10:02 AM

All votes were taken by roll call due to the teleconference option being used.

Agenda Item #3: Market Enforcement Branch Overview

Annaraine Diaz provided a brief explanation of the Market Enforcement Branch, hereafter referred to as MEB, and its role and impact within the Food & Ag industry. She provided that the mission of MEB is to objectively enforce the laws to secure and ensure confidence and stability within the agricultural workplace.

MEB is comprised of two main units:

Licensing Unit: MEB processes over 14,000 licenses throughout the state. The licensing unit processes new and renewed applications while completing a thorough background check on each to ensure financial solvency. The licensing unit may secure surety and employment bonds, as well as issue conditional licenses on a case-by-case basis.

Enforcement Unit: MEB Special Investigators are responsible for completing compliance checks, processing verified complaints, and conducting proactive investigations. The enforcement unit investigates potential violations and takes disciplinary action when necessary.

Additional services provided by MEB include recovery efforts on behalf of the Marketing Order, outreach by way of training/education, and technical non-legal assistance. MEB assists in potential resolution services by acting as a mediator. MEB collaborates with local district attorney offices when investigations uncover serious and egregious violations.

Agenda Item #4: Market Enforcement Advisory Committee Onboarding / Overview

Overview of FAC § 56702 – 56707: Annaraine Diaz provided excerpts of CA FAC relevant to the formation of the Market Enforcement Advisory Committee and the guidelines thereof.

Onboarding Paperwork and Required Trainings: Kacie Fritz reviewed the New Board Member Presentation, which covered the role of the Board and requirements of its members, meetings, and maintaining a constructive culture.

Paid Board Member vs. Volunteer Board Member: Marina Martin provided copies of the Oath of Allegiance to each board member present in person. The form was presented to those who joined by teleconference via email. Marina Martin explained the benefits of being a Paid Board Member, which include a \$100 stipend as well as travel expense reimbursement. Kathy Diaz explained that a paid board member is required to complete paperwork like that of a new CDFA hire and can, at times, affect tax filing status. It was confirmed by a show of hands that all ten (10) board members present chose to serve as volunteers at this time.

- Trudi Hughes requested confirmation of where future MEAC meetings would take place. Annaraine Diaz confirmed per code, MEAC meetings may take place once annually, or as needed, and that the meetings would likely take place at the CDFA Headquarters, or in

Agenda Item #5: Election of Chairman / Vice Chairman

Kathy Diaz requested nominations for Chairman.

Board Action 2025-1: It was motioned by Jeff Bitter and seconded by Natalie Collins to elect Trudi Hughes as Chairman. There were no additional nominations by the board.

Discussion: Hallie Wenz called for a roll-call vote.

Vote on Board Action 2025-1: The motion **passed unanimously** with ten (10) members voting in favor.

Yes votes: Andrew Ratto, Bryan Nickerson, Natalie Collins, Jeff Bitter, Mike Manna, Mike Montna, Robert Sereno, Thomas Jones, Trudi Hughes, Donn Zea

No votes: None

Board Action 2025-2: It was motioned by Jeff Bitter and seconded by Mike Montna to elect Natalie Collins as Vice Chairman.

Discussion: Hallie Wenz called for a roll-call vote.

Vote on Board Action 2025-2: The motion **passed unanimously** with ten (10) members voting in favor. **Yes votes:** Andrew Ratto, Bryan Nickerson, Natalie Collins, Jeff Bitter, Mike

Manna, Mike Montna, Robert Sereno, Thomas Jones, Trudi Hughes, Donn Zea

No votes: None

Agenda Item #6: Nomination of a Public Member

Annaraine Diaz presented to the board the option to nominate a Public Member and explained that a Public Member would have the same voting and other rights and immunities as other members of the committee. No nominations were made. Chairman Trudi Hughes stated we would table this discussion and possibly revisit it at our next MEAC meeting.

- Jeff Bitter requested input from MEB staff as to who would be beneficial to serve as a public member. Dale Stern recommended someone from the CA Grocers Association, or an Agricultural Economist from UC Davis.

Agenda Item #7: Market Enforcement Branch Investigations Updates

Hardeap Badyal presented that MEB has three (3) Northern California based Investigators and four (4) Southern California based Investigators that collectively cover the entire state of California. The investigative staff handle licensing and compliance, as well as conducting investigations both by proactive measures and submission of verified complaints. The licensing and compliance sweeps conducted help accrue revenue for MEB and protect growers and handlers alike.

Mr. Badyal highlighted investigative stats pertaining to the calendar year, Jan 2024 - Dec 2024:

March 2024: Mr. Badyal along with four (4) MEB Investigators conducted a licensing sweep at the LA Flower Market. 146 contacts were made, 33 new applications were collected, 113 were found to be already licensed or did not require a license. These efforts yielded a total of \$18,403.00.

April 2024: Mr. Badyal along with four (4) MEB Investigators conducted a licensing sweep at the LA Produce Market. 133 contacts were made, 27 new applications were collected, 106 were found to be already licensed or did not require a license. These efforts yielded a total of \$12,537.00.

October 2024: Mr. Badyal along with three (3) MEB Investigators conducted licensing sweeps at the Central Valley Markets, including Fresno and Visalia. 91 contacts were made, 18 new applications were collected, 73 were found to be already licensed or did not require a license. These efforts yielded a total of \$3,152.00.

- Trudi Hughes asked what percentage of the budget these sweeps amount to. Annaraine Diaz explained that fees collected as a result of sweeps are not factored into our budget as they are not guaranteed funds.
- Mike Montna requested clarification if our goal during farmers market sweeps is economically based. Mr. Badyal explained that generally sweeps are conducted for compliance and out-reach. MEB does not generally conduct sweeps at farmers markets because if you are cultivating, you do not require a license, the license is required for the handlers.
- Andrew Ratto asked for the current cost of our licenses. Mr. Badyal explained with our current structure, if you purchase under \$20,000/yr the annual fee is \$136.00. If you purchase between \$20,000 and \$50,000/yr the annual fee is \$200.00. If you purchase between \$50,000 and \$2,000,000/yr the annual fee is \$300.00. If you purchase \$2,000,000+ /yr the annual fee is \$400.00.
- Tom Jones asked if the MEB Enforcement Unit coordinates with other parts of the CDFA. Mr. Badyal stated that MEB does collaborate with other CDFA partners such as *Weights and Measures*. He stated that MEB intends to coordinate with other Divisions of CDFA in the future.

Mr. Badyal explained that Verified Complaints are received from growers, licensees and individual entities due to failure to pay, breach of contract, or failure to account properly. The current filing fee is \$100.00. Entities may file a complaint within 9 months from when payment was due. Once a complaint is received, it is tracked in the database and assigned to an Investigator. The responding party then has 30 days to submit a response. Even if funds are not recovered, MEB does its best to mediate between parties and ultimately may take licensing action against an entity. At times, depending on the case investigation results, MEB will submit a case to the local District Attorney's office for prosecution.

Mr. Badyal highlighted complaint stats pertaining to the calendar year, Jan 2024 - Dec 2024:

- **2024:** MEB received 118 complaints. 17 of those Complaints were filed under the Produce Dealer's Act (CA FAC Ch. 7). 101 of those Complaints were filed under the Processor's Law (CA FAC Ch. 6). Approximately 52% of the cases have been resolved with some form of payment and approximately 48% of the cases were found to be non-jurisdictional or unable to resolve. Of that 48%, the higher end of cases that were unable to be resolved were a result of a large handler that is currently in receivership through the courts. A little over \$1.1 million dollars were recovered through the formal complaint process due to payments being made or payment plans being negotiated. MEB monitors payment plans/schedules to ensure the payments are being made and follows up as needed.
- Trudi Hughes requested clarification on what type of vegetables/fruits were involved in complaints received in 2024. Mr. Badyal explained it was a majority mixed vegetables, leafy greens, cherries, and stone fruit.

- Mike Montna requested clarification as to why some cases are forwarded to the local DA's office. Mr. Badyal explained some entities will not comply with the licensing requirements and MEB has no further ability internally. Kathy Diaz went on to explain that having a report from a state agency helps the DA to build a criminal and/or civil case.
- Dale Stern commented that if a complainant is unable to recover funds, they may be able to recover their commodity through a Producer's Lien. Mike Montna asked if this is something MEB handles. Mr. Badyal explained that a grower would need to go through the court process to enforce the Producer's Lien provisions.
- Mike Montna asked what constitutes "Out of Jurisdiction." Mr. Badyal explained that a complainant must file the complaint within 9 months of when payment was due. If MEB is unable to investigate it as a complaint, it may still be investigated to determine any violations of the CA FAC.
- Jeff Bitter commented that in the past, MEB would require a rejection letter from PACA when submitting a complaint. Mr. Badyal explained PACA is for products going out of state and further does not handle wine grapes. If a complaint is regarding products/fresh produce that are shipped out of state, MEB may require a PACA denial letter so there are not two state agencies looking into the same case.

Mr. Badyal stated there are tasks Investigators complete that are not reflected in the stats presented. The Investigators complete thorough background checks to ensure "bad players" are flagged and given the ability to correct their wrongs. MEB utilizes surety bonds, employment bonds and conditional licenses to ensure compliance measures. The Investigators assist with collecting Grape Crush Reports as well as Handlers reports.

- **2024 Special Assignments:** So-Cal Investigators were assigned over 250 LA based entities who had previously expired or denied licenses. Their efforts yielded ~\$36,563.00 and 50% of licenses that lapsed reappplied. The rest were found to be out of business, license no longer required or unable to be located. The Nor-Cal Investigators were assigned entities that had previously expired or denied licenses. Their efforts yielded ~\$10,386.00 and 35% of licenses that lapsed reappplied. The rest were found to be out of business, license no longer required or unable to be located.
 - Mike Montna asked if Surety Bonds occur often. Mr. Badyal stated they do happen but are very expensive therefore, MEB may be able to reduce the bond requested and utilize other forms of licensing action. Annaraine Diaz stated that reassessing an entity's licensing status, despite when a surety bond expires, ensures financial solvency and that employment bonds are utilized for Agents in like manner.
 - Don Zea asked if MEB attended the Marketing Board Meetings and presented this information. Mr. Badyal and Annaraine Diaz affirmed that this was discussed and was something MEB would like to do soon.
 - Dale Stern highlighted the ability to call or go online to see if an individual or entity is licensed with MEB. Annaraine Diaz followed by stating the MEB website also has information regarding what businesses have Surety Bonds in place and other complaint information/stats.

Agenda Item #8: Market Enforcement Branch Budget Updates

Budget Projections: Annaraine Diaz presented a Budget Projections Fiscal Display. Definitive actual expenditures were highlighted in blue and provided by Financial Services. MEB anticipates a 4% general weighted increase (3% Staff Salary/Benefits-5%

Expenditures/Overhead) to the projected fiscal years. MEB's licensing revenue, highlighted in green, captures the applied proposed increases in the licensing fees. Without the fee increase, beginning the 26/27 fiscal year, the expenditure fund balance will become negative. MEB is 100% industry-funded and strongly desires to keep the fiscal budget healthy for at least the next 3 years. In order to do so, it would require an increase of \$543,00.00 in revenue.

Adjustment of Fees

Licensing Fees. Annaraine Diaz presented a proposed licensing fee increase spreadsheet. In January 2025 new legislation added license category 5 which identifies entities engaged in the purchasing of CA farm products of \$4 Million and over. MEB projected a potential 25% of current licenses in category 4 would move to the new category 5. The law states there is a specific cap for each category, however MEB prefers to increase fees gradually rather than all at once and reassess as needed.

- Category 1 License Fee: Current \$136.00 – Proposed \$170.00
- Category 2 License Fee: Current \$200.00 – Proposed \$245.00
- Category 3 License Fee: Current \$300.00 – Proposed \$360.00
- Category 4 License Fee: Current \$400.00 – Proposed \$475.00
- Category 5 License Fee: Current N/A – Proposed \$500.00
- Agent Fee: Current \$55.00 – Proposed \$80.00
- Trudi Hughes asked if the number of licensees in each category was a projection or a live number. Mr. Badyal explained that only category 5 is projected, however the other categories are based on live, current numbers. Annaraine Diaz stated these numbers are carried onto the next fiscal year projections.
- Mike Montna asked why each category isn't getting a straight across/equal percentage increase. Annaraine Diaz responded that the increases were based on the total licensees in each category and how each category affects the revenue; however, would be willing to entertain the consideration of an equal, across-the-board increase if the numbers worked.
- Andrew Ratto expressed concern that the number of licensees would not remain consistent on a year-to-year basis. He stated there may be a need to account for a decrease in licenses over the next few years.
- Trudi Hughes suggested forming a finance assessment team. Marina Martin confirmed that while the total number of licenses does vary, it remains relatively consistent historically. Kathy Diaz stated that while it would be ideal to have a recommendation from the board today, we would like to ensure we have an accurate budget display with all considerations before a decision is made.
- Mike Montna asked if MEB has a statutory reserve. Kathy Diaz explained MEB does not have a statutory reserve but attempts to have 6 months of operational funds.
- Trudi Hughes asked if the Gas Tax projected in the Budget Projections Fiscal Display is accurate. Marina Martin confirmed that the gas tax numbers are provided by Financial and fluctuate based on the economy.
- Trudi Hughes suggested the 2-year projection appears to be more accurate however she is unsure if the later years will be accurate.
- Jeff Bitter expressed that within the wine grape community he finds a lot of entities are not licensed. Mr. Badyal stated that they do not want to target specific commodities for the

sake of fairness but instead conduct sweeps in various locations to ensure compliance.

- Tom Jones requested clarification on agents. Mr. Badyal explained, as an example, an agent license is required when a larger company has a salesperson who would be negotiating purchases on behalf of the licensee. Kathy Diaz explained that an agent license needs to be attached to a licensee otherwise the individual would need to be licensed as a Broker.

Complaint Fees: Annaraine Diaz explained that complaint filing fees are currently \$100.00. In January 2025 new legislation divided complaints into categories based on dollar amounts owed.

- Category 1 Complaint Fee: Proposed - \$125 (Filing of less than \$100,000)
- Category 2 Complaint Fee: Proposed - \$135 (Filing of \$100,000 and over but less than \$250,000)
- Category 3 Complaint Fee: Proposed - \$145 (Filing of \$250,000 and more)

Board Action 2025-3: It was motioned by Mike Montna and seconded by Don Zea to form a Finance Assessment Committee comprised of Trudi Hughes, Mike Montna and Jeff Bitters.

Discussion: Hallie Wenz called for a roll-call vote.

Vote on Board Action 2025-3: The motion **passed** unanimously with nine (9) members voting in favor. Yes votes: **Andrew Ratto, Bryan Nickerson, Natalie Collins, Jeff Bitter, Mike Manna, Mike Montna, Robert Sereno, Thomas Jones, Trudi Hughes** No votes: **None**

Note: **Don Zea** left the meeting prior to the vote being held.

Agenda Item #9: Public Comments

There were no public comments.

Agenda Item #10: Adjournment

With no further business to discuss Annaraine Diaz moved to adjourn the meeting at 12:08 PM.

MEB LICENSE FEE HISTORY

SB 1198 (1998)

CATEGORY 1 - \$100

CATEGORY 2 - \$400 (1999), \$300 (2000), \$200

CATEGORY 3 - \$500 (1999), \$400 (2000), \$300

CATEGORY 4 - \$600 (1999), \$500 (2000), \$400

AGENT - \$35

AB 2240 (2011)

CATEGORY 1 - \$136

CATEGORY 2 - \$200

CATEGORY 3 - \$300

CATEGORY 4 - \$400

AGENT - \$55

SB 1270 (2025)

CATEGORY 1 - Max cap \$250

CATEGORY 2 - Max cap \$350

CATEGORY 3 - Max cap \$450

CATEGORY 4 - Max cap \$550

CATEGORY 5 - Max cap \$650

AGENT - Max cap \$100



MARKET ENFORCEMENT BRANCH
Projected Fiscal Display
(June 2025) WITHOUT FEE INCREASES

Budget	Actual Expenditures 2022-23	Actual Expenditures 2023-24	Projection 2024-25 (3% increase for Salaries - 5% for Exp & OH)	Projection 2025-26 (3% increase for Salaries - 5% for Exp & OH)	Projection 2026-27 (3% increase for Salaries - 5% for Exp & OH)	Projection 2027-28 (3% increase for Salaries - 5% for Exp & OH)	Projection 2028-29 (3% increase for Salaries - 5% for Exp & OH)
Salary & Benefits (15 PYs)	\$ 1,948,080	\$ 2,035,015	\$ 2,096,065	\$ 2,158,947	\$ 2,223,716	\$ 2,290,427	\$ 2,359,140
Operating Expenses	275,870	240,700	252,735	265,371	278,640	292,572	307,200
Oversight (overhead/prorate)	676,706	608,648	639,081	671,035	704,587	739,816	776,807
Gas Tax and/or other credits	(86,648)	(85,724)	(85,724)	(85,724)	(85,724)	(85,724)	(85,724)
Total Expenditures	\$ 2,814,008	\$ 2,798,638	\$ 2,902,157	\$ 3,009,629	\$ 3,121,218	\$ 3,237,091	\$ 3,357,423
Fund Condition	2022-23	2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27	Projected 2027-28	Projected 2028-29
Beginning Balance	\$ 2,423,769	\$ 2,032,919	\$ 1,731,009	\$ 1,324,448	\$ 770,554	\$ 105,071	\$ (676,285)
Current Licenses	2,333,549	2,361,195	2,361,195	2,361,195	2,361,195	2,361,195	2,361,195
Late Application Fees	18,950	22,225	22,225	22,225	22,225	22,225	22,225
Interest	35,766	68,332	68,332	68,332	68,332	68,332	68,332
Other - Miscell - Reprint/Compaint	4,526	3,983	3,983	3,983	3,983	3,983	3,983
License Sweeps	30,367	40,994	39861	0	0	0	0
With License Fee Increase	0	0	0				
Total Revenues	2,423,158	2,496,729	2,495,596	2,455,735	2,455,735	2,455,735	2,455,735
Beginning Balance & Total Revenues	\$ 4,846,926	\$ 4,529,648	\$ 4,226,605	\$ 3,780,183	\$ 3,226,289	\$ 2,560,806	\$ 1,779,450
Expenditures	2,814,008	2,798,638	2,902,157	3,009,629	3,121,218	3,237,091	3,357,423
Fund Balance	\$ 2,032,919	\$ 1,731,009	\$ 1,324,448	\$ 770,554	\$ 105,071	\$ (676,285)	\$ (1,577,973)

MARKET ENFORCEMENT BRANCH
Projected Fiscal Display
(June 2025)

Budget	Actual Expenditures 2022-23	Actual Expenditures 2023-24	Projection 2024-25 (3% increase for Salaries - 5% for Exp & OH)	Projection 2025-26 (3% increase for Salaries - 5% for Exp & OH)	Projection 2026-27 (3% increase for Salaries - 5% for Exp & OH)	Projection 2027-28 (3% increase for Salaries - 5% for Exp & OH)	Projection 2028-29 (3% increase for Salaries - 5% for Exp & OH)
Salary & Benefits (15 PYs)	\$ 1,948,080	\$ 2,035,015	\$ 2,096,065	\$ 2,158,947	\$ 2,223,716	\$ 2,290,427	\$ 2,359,140
Operating Expenses	275,870	240,700	252,735	265,371	278,640	292,572	307,200
Oversight (overhead/prorate)	676,706	608,648	639,081	671,035	704,587	739,816	776,807
Gas Tax and/or other credits	(86,648)	(85,724)	(85,724)	(85,724)	(85,724)	(85,724)	(85,724)
Total Expenditures	\$ 2,814,008	\$ 2,798,638	\$ 2,902,157	\$ 3,009,629	\$ 3,121,218	\$ 3,237,091	\$ 3,357,423
Fund Condition	2022-23	2023-24	Projected 2024-25	Projected 2025-26	Projected 2026-27	Projected 2027-28	Projected 2028-29
Beginning Balance	\$ 2,423,769	\$ 2,032,919	\$ 1,731,009	\$ 1,324,448	\$ 1,313,554	\$ 1,191,071	\$ 952,715
Current Licenses	2,333,549	2,361,195	2,361,195	2,361,195	2,361,195	2,361,195	2,361,195
Late Application Fees	18,950	22,225	22,225	22,225	22,225	22,225	22,225
Interest	35,766	68,332	68,332	68,332	68,332	68,332	68,332
Other - Miscell - Reprint/Compaint	4,526	3,983	3,983	3,983	3,983	3,983	3,983
License Sweeps	30,367	40,994	39861	0	0	0	0
With License Fee Increase	0	0	0	543,000	543,000	543,000	543,000
Total Revenues	2,423,158	2,496,729	2,495,596	2,998,735	2,998,735	2,998,735	2,998,735
Beginning Balance & Total Revenues	\$ 4,846,926	\$ 4,529,648	\$ 4,226,605	\$ 4,323,183	\$ 4,312,289	\$ 4,189,806	\$ 3,951,450
Expenditures	2,814,008	2,798,638	2,902,157	3,009,629	3,121,218	3,237,091	3,357,423
Fund Balance	\$ 2,032,919	\$ 1,731,009	\$ 1,324,448	\$ 1,313,554	\$ 1,191,071	\$ 952,715	\$ 594,027

MARKET ENFORCEMENT BRANCH
LICENSE Fee Increases by **FIXED FEE**

June 17, 2025

				Fiscal Years	
				2026/2027	2025/2026 2027/2028
Category 1 (Under \$20k)			Current	Cap	
	Total Licensees		\$136	\$250	
	PDA	800	\$108,800		
	PL	932	\$126,752		
	PDA/PL	12	\$1,632		
	TOTAL	1744	\$237,184		
				Category 1	
				Current	\$136
				Proposed F/Y Increase - 25%	\$34
				New Fee	\$170
				New Category 1 TOTAL	\$296,480
				Increase of:	\$59,296
Category 2 \$20K - \$50K			Current	Cap	
	Total Licensees		\$200	\$350	
	PDA	357	\$71,400		
	PL	356	\$71,200		
	PDA/PL	8	\$1,600		
	TOTAL	721	\$144,200		
				Category 2	
				Current	\$200
				Proposed F/Y Increase - 22.5%	\$45
				New Fee	\$245
				New Category 2 TOTAL	\$176,645
				Increase of:	\$32,445
Category 3 \$50K - \$2M			Current	Cap	
	Total Licensees		\$300	\$450	
	PDA	1071	\$321,300		
	PL	805	\$241,500		
	PDA/PL	55	\$16,500		
	TOTAL	1931	\$579,300		
				Category 3	
				Current	\$300
				Proposed F/Y Increase - 20%	\$60
				New Fee	\$360
				New Category 3 TOTAL	\$695,160
				Increase of:	\$115,860
Category 4 \$2M - \$4M			Current	Cap	
	Total Licensees		\$400	\$550	
	PDA	858	\$343,200		
	PL	187	\$74,800		
	PDA/PL	108	\$43,200		
	TOTAL	1153	\$461,200		
				Category 4	
				Current	\$400
				Proposed F/Y Increase - 18.75%	\$75
				New Fee	\$475
				New Category 4 TOTAL	\$547,675
				Increase of:	\$86,475
Category 5 \$4M and over			Proposed	Cap	
	Total Licensees		\$500	\$650	
	PDA	286	\$143,000		
	PL	63	\$31,500		
	PDA/PL	36	\$18,000		
	TOTAL	385	\$192,500		
				Category 5	
				Proposed F/Y Increase	\$500
				New Fee	\$500
				New Category 5 TOTAL	\$192,500
				Increase of:	\$38,500
				Sub Total	\$1,908,460
Agents			Current	Cap	
	Total Licensees		\$55	\$100	
		5000	\$275,000		
	PL	2569	\$141,295		
	PDA/PL	723	\$39,765		
	TOTAL	8292	\$456,060		
				Agents	
				Current	\$55
				Proposed F/Y Increase - 45.5%	\$25
				New Fee	\$80
				New Agent TOTAL	\$663,360
				Increase of:	\$207,300
				License fee total:	\$ 2,031,944
				Additional Conjunctive:	\$ 40,000
				Non accredited:	\$ 194,000
				CURRENT REVENUE:	\$2,265,944
				NEW REVENUE TOTAL:	\$2,571,820
				Total Increase of:	\$539,876

MARKET ENFORCEMENT BRANCH
COMPLAINT Fee Increases by FIXED FEE

June 17, 2025

Fiscal Years	2025/2026
2026/2027	2027/2028

		Current	Cap		
Category 1	Total Complaints	\$100	\$200	Category 1	
(Under \$100K)	8	\$800		Current	\$100
				Proposed F/Y	
				Increase	\$25
	8	\$800			
				New Fee	\$125
				New Category 1	
				TOTAL	\$1,000
				Increase of:	\$200
		Current	Cap		
Category 2	Total Complaints	\$100	\$300	Category 2	
\$100K - \$ 249,999K	6	\$600		Current	\$100
				Proposed F/Y	
				Increase	\$35
	6	\$600			
				New Fee	\$135
				New Category 2	
				TOTAL	\$810
				Increase of:	\$210
		Current	Cap		
Category 3	Total Complaints	\$100	\$500	Category 3	
\$250K - Over	9	\$900		Current	\$100
				Proposed F/Y	
				Increase	\$45
	9	\$900			
				New Fee	\$145
				New Category 3	
				TOTAL	\$1,305
				Increase of:	\$405
				NEW REVENUE	
				TOTAL	\$3,115
CURRENT REVENUE	\$2,300			Total Increase of:	\$815

MARKET ENFORCEMENT BRANCH

LICENSE Fee Increases by 21%

June 17, 2025

					Fiscal Years	
					2026/2027	2025/2026 2027/2028
Category 1	Total Licensees	Current	Cap	Category 1		
(Under \$20k)		\$136	\$250			
PDA	800	\$108,800	\$200,000	Current	\$136	
PL	932	\$126,752	\$233,000	Proposed F/Y Increase	\$28	
PDA/PL	12	\$1,632	\$3,000			
TOTAL	1744	\$237,184	\$436,000			
				New Fee		\$164
				New Category 1		
				TOTAL		\$286,016
				Increase of:		\$48,832
Category 2	Total Licensees	Current	Cap	Category 2		
\$20K - \$50K		\$200	\$350			
PDA	357	\$71,400	\$124,950	Current	\$200	
PL	356	\$71,200	\$124,600	Proposed F/Y Increase	\$42	
PDA/PL	8	\$1,600	\$2,800			
TOTAL	721	\$144,200	\$252,350			
				New Fee		\$242
				New Category 2		
				TOTAL		\$174,482
				Increase of:		\$30,282
Category 3	Total Licensees	Current	Cap	Category 3		
\$50K - \$2M		\$300	\$450			
PDA	1071	\$321,300	\$481,950	Current	\$300	
PL	805	\$241,500	\$362,250	Proposed F/Y Increase	\$63	
PDA/PL	55	\$16,500	\$24,750			
TOTAL	1931	\$579,300	\$868,950			
				New Fee		\$363
				New Category 3		
				TOTAL		\$700,953
				Increase of:		\$121,653
Category 4	Total Licensees	Current	Cap	Category 4		
\$2M - \$4M		\$400	\$550			
PDA	858	\$343,200	\$471,900	Current	\$400	
PL	187	\$74,800	\$102,850	Proposed F/Y Increase	\$84	
PDA/PL	108	\$43,200	\$59,400			
TOTAL	1153	\$461,200	\$634,150			
				New Fee		\$484
				New Category 4		
				TOTAL		\$558,052
				Increase of:		\$96,852
Category 5	Total Licensees	Proposed	Cap	Category 5		
\$4M and over		\$500	\$650			
PDA	286	\$143,000	\$185,900	Current	\$500	
PL	63	\$31,500	\$40,950	Proposed F/Y Increase		
PDA/PL	36	\$18,000	\$23,400			
TOTAL	385	\$192,500	\$250,250			
				New Fee		\$500
				New Category 5		
				TOTAL		\$192,500
				Increase of:		\$192,500
				Sub Total		\$1,912,003
Agents	Total Licensees	Current	Cap	Agents		
		\$55	\$100			
PL	5000	\$275,000	\$500,000	Current	\$55	
PDA/PL	2569	\$141,295	\$256,900	Proposed F/Y Increase	\$25	
TOTAL	723	\$39,765	\$72,300			
	8292	\$456,060	\$829,200			
				New Fee		\$80
				New Category 5		
				TOTAL		\$663,360
				Increase of:		\$207,300
License fee total:					\$	2,031,944
Additional Conjunctive:					\$	40,000
Non accredited:					\$	194,000
CURRENT REVENUE:						\$2,265,944
NEW REVENUE TOTAL:						\$2,575,363
Total Increase of:						\$543,419

COMPLAINT Fee Increases by 21%

Fiscal Years	2025/2026
2026/2027	2027/2028

		Current	Cap		
Category 1	Total Complaints	\$100	\$200	Category 1	
(Under \$100K)	8	\$800	\$1,600	Current	\$100
				Proposed F/Y	
				Increase	\$25
	8	\$800	\$1,600		
				New Fee	\$125
				New Category 1	
				TOTAL	\$1,000
				Increase of:	\$200
		Current	Cap		
Category 2	Total Complaints	\$100	\$300	Category 2	
\$100K - \$ 249,999K	6	\$600	\$1,800	Current	\$100
				Proposed F/Y	
				Increase	\$35
	6	\$600	\$1,800		
				New Fee	\$135
				New Category 2	
				TOTAL	\$810
				Increase of:	\$210
		Current	Cap		
Category 3	Total Complaints	\$100	\$500	Category 3	
\$250K - Over	9	\$900	\$4,500	Current	\$100
				Proposed F/Y	
				Increase	\$45
	9	\$900	\$4,500		
				New Fee	\$145
				New Category 3	
				TOTAL	\$1,305
				Increase of:	\$405
				NEW REVENUE	
				TOTAL	\$3,115
CURRENT REVENUE		\$2,300			
				Total Increase of:	\$815