



MEETING AGENDA

PRODUCER REVIEW BOARD

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE

Modesto Centre Plaza (in conjunction with the Double Tree Hotel)

1000 K Street, Modesto CA 95354 Pistache/Ginko Room

June 15, 2017 - 9:00 am

ACTION IS POSSIBLE ON ANY ITEM CONTAINED IN THIS AGENDA

<u>Approx. Time</u>	<u>Item No.</u>	
9:00 a.m.	(1)	CALL TO ORDER/ROLL CALL
	(2)	APPROVAL OF MINUTES- May 30, 2017 Meeting
	(3)	DEPARTMENT'S COMMENTS-Jim Houston <ul style="list-style-type: none">○ Trailer bill language and existing authority○ Process to create and implement a stand-alone quota program○ Proposed quota referendum detail○ MPSTF

BOARD DISCUSSION: The Board will call for public comment following each agenda topic.

RECAP OF PRIOR MEETINGS ACTIONS

- (4) MILK SUBJECT TO ASSESSMENT
 - Motion: To assess all Grade A and Grade B milk produced in the State of CA in order to generate funds for the quota payout. Motion passed 9 to 4
 - Authority/legal considerations
 - Data/information
- (5) HOW THE QUOTA PAYMENT WILL BE CALCULATED
 - Motion: The existing fixed spread of \$0.195/pound on solids not fat (\$1.70/cwt equivalent) and the current Regional Quota Adjusters remain the same under a stand-alone quota program. Motion passed 10 to 3.
 - Authority/legal considerations





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- Milk movement incentives- location differentials, transportation credits and allowances, RQA's
- Data/information

(6) PRODUCER-HANDLER EXEMPT QUOTA

- Motion: Exempt quota should receive the same payout as producer quota and be funded through assessments on the same grouping of milk (Grade A and Grade B) that would fund producer quota. Motion tabled
- Authority/legal considerations
- Data/information

Noon (7) BREAK

(8) DATA COLLECTION

- Motion: CDFA obtain the necessary information from the CA dairy industry by requiring entities to report directly to CDFA with just the specific information required to run a stand-alone quota program. Motion passed unanimously with 13 votes.

(9) REVENUE DISTRIBUTION

- Motion: CDFA will use a settlement fund and require handlers to help manage the quota payout monies. Handlers would deduct the monies from their producers that would be required to pay an assessment and make a payment to their producers that would receive a quota payout. Handlers would either make a payment to a settlement fund or receive a payment from a settlement fund based on the difference between the total monies their producers would be assessed and the total monies their producers would receive in quota payments. Motion passed unanimously with 13 votes.

(10) FUNDING OF THE CDFA PROGRAM TO ADMINISTER A STAND-ALONE QUOTA PROGRAM

- Motion: Use the current Milk Pooling authority and assessment rate as the basis for establishing the assessment provisions to operate the stand-alone quota program. Motion passed unanimously with 13 votes.
- Data/information





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- (11) OTHER QUOTA ISSUES
 - Shipping requirements to maintain quota-ownership qualifications
 - Quota transfers

- (12) PUBLIC COMMENTS - Comments are reserved for items not appearing on the agenda and not for Board deliberation.

- (13) NEXT STEPS

- (14) ADJOURNMENT

If the Board chooses, it may go into an evening session. The Board reserves the right to take agenda items out of order or to remove an item from discussion. For additional information, contact Candace Gates at (916) 900-5139 or email at <http://www.cdfa.ca.gov/dairy>

To request special accommodations for those persons with disabilities contact Candace Gates at (916) 900-5139.

