



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

Karen Ross, Secretary

June 1, 2023

**QUOTA IMPLEMENTATION PLAN
ASSESSMENT RATE REVISIONS EFFECTIVE
July 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.

FAC section 62757 and Article 9, Section 901 of the Quota Implementation Plan (QIP) provides for a quota revenue assessment to fund the quota premiums. Since March 1, 2023, the rate has been set at \$0.0391 per pound of Solids Not Fat (\$0.34 per hundredweight). The rate has generated more reserves than needed to pay quota premiums; accordingly, at its meeting on May 25, 2023, the Producer Review Board (PRB), as an advisory board to the California Department of Food and Agriculture (CDFA), voted to recommend that effective July 1, 2023, the rate be decreased to **\$0.0330 per pounds of Solids Not Fat (\$0.2870 per hundred weight)**.

CDFA has adopted the PRB's assessment recommendation. It is anticipated that this rate will generate roughly the same assessment revenue that is paid out; to this effect, CDFA and the PRB agreed to meet as needed to re-evaluate the quota premium assessment levels.

Sincerely,

Kathy Diaz-Cretu
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Date: 2023.06.01 15:27:48 -07'00'
Kathy Diaz-Cretu, Director
Marketing Services Division

