

Petition for Reversal and Termination of the QIP # 3



March 1, 2022

Madame Secretary,

We, the undersigned submit the following petition in support and request that the CDFA conduct a referendum in accordance with the procedures set forth in California Food & Agriculture Code, §§62716 and 62717, 62719 according to Section 62757 of Chapter 3.5. Following the required hearing CDFA will conduct a referendum to make a substantive change to the QIP and after the changes are made, and put into effect, the QIP would continue for 10 years and then would be terminated.

The change requested would be a reversal of the current payments. The quota holders would be assessed \$1.70 or \$1.40 depending on the dairies location and RQA's. The money then would be dispersed to all Grade A shippers at the rate of \$.38 per cwt., on a monthly basis's, until the QIP is terminated.

The QIP is a burdensome assessment on most California dairies and is hurting families and the entire California dairy industry All Grade A shippers are currently paying \$433,000 a day because of the QIP assessment. The cost exceeds the benefit for most dairy producers in California. Fact, we have lost over 504 dairies or 1/3 of our industry in the last six years alone. Remedy the overpayments that were made to the quota holders the last 25 years and then establish a level playing field for all dairymen.

Under Article 11, Section 1103 of the QIP it states, "Upon receipt of a petition signed by at least 25% of market milk producers regarding the amendment or termination of this plan, the Secretary shall convene the Producer Review Board to review the merits of the petition and make a recommendation to the Secretary. If the Secretary finds that the plan no longer tends to effectuate the purpose intended, termination shall be submitted for referendum in the same manner as provided for its initial approval." *The State is required to hold a referendum vote when this 25% threshold is met.*

Dairy Name _____

Address (no PO Box#) _____

Owner – Producer _____

Signature _____ **Date** March 1, 2022

Pool Producer State # _____ **Avg. Monthly Milk Volume (cwts.)** _____

Below is a chart showing a payment schedule based on 2500 cows at 72 lbs. of milk.

2500 cows	72 lbs. cwt.		Day	\$1.40 Month	Year	10 Year
Quota						
0%	1,800	\$684	\$684	\$20,520	\$246,240	\$2,462,400
5%	\$90	(\$126)	\$558	\$16,740	\$200,880	\$2,008,800
10%	\$180	(\$252)	\$432	\$12,960	\$155,520	\$1,555,200
15%	\$270	(\$378)	\$306	\$9,180	\$110,160	\$1,101,600
20%	\$360	(\$504)	\$180	\$5,400	\$64,800	\$648,000
25%	\$450	(\$630)	\$54	\$1,620	\$19,440	\$194,400
30%	\$540	(\$756)	(\$72)	(\$2,160)	(\$25,920)	(\$259,200)
35%	\$630	(\$882)	(\$198)	(\$5,940)	(\$71,280)	(\$712,800)
40%	\$720	(\$1,008)	(\$324)	(\$9,720)	(\$116,640)	(\$1,166,400)
45%	\$810	(\$1,134)	(\$450)	(\$13,500)	(\$162,000)	(\$1,620,000)
50%	\$900	(\$1,260)	(\$576)	(\$17,280)	(\$207,360)	(\$2,073,600)
55%	\$990	(\$1,386)	(\$702)	(\$21,060)	(\$252,720)	(\$2,527,200)
60%	\$1,080	(\$1,512)	(\$828)	(\$24,840)	(\$298,080)	(\$2,980,800)
65%	\$1,170	(\$1,638)	(\$954)	(\$28,620)	(\$343,440)	(\$3,434,400)
70%	\$1,260	(\$1,764)	(\$1,080)	(\$32,400)	(\$388,800)	(\$3,888,000)
75%	\$1,350	(\$1,890)	(\$1,206)	(\$36,180)	(\$434,160)	(\$4,341,600)
80%	\$1,440	(\$2,016)	(\$1,332)	(\$39,960)	(\$479,520)	(\$4,795,200)
85%	\$1,530	(\$2,142)	(\$1,458)	(\$43,740)	(\$524,880)	(\$5,248,800)
90%	\$1,620	(\$2,268)	(\$1,584)	(\$47,520)	(\$570,240)	(\$5,702,400)
95%	\$1,710	(\$2,394)	(\$1,710)	(\$51,300)	(\$615,600)	(\$6,156,000)
100%	\$1,800	(\$2,520)	(\$1,836)	(\$55,080)	(\$660,960)	(\$6,609,600)