



August 16, 2012

Proposed Increase in the California Beef Council Assessment Rate Not Approved

TO ALL INTERESTED PARTIES:

The California Department of Food and Agriculture (CDFA) recently conducted a referendum among certified beef producers in the state to determine if the California Beef Council assessment rate should be raised from the current rate of \$1.00 per head to a new rate of \$2.00 per head paid on each sale of cattle or calves. The final voting tally shows that the approval criteria required for implementing this proposed assessment increase was not achieved. As a result, the mandatory assessment obligation of California beef producers to the California Beef Council will remain unchanged at \$1.00 per head. Below is a summary of the voting results:

PARTICIPATION	
Total number of beef producers who certified their eligibility and were issued ballots	1,829
Number of beef producers who cast valid ballots	1,287
Percentage of beef producers who participated in the referendum	70.4%
IN FAVOR OF INCREASING ASSESSMENT RATE	
Number of beef producers who voted in favor of increasing the assessment rate	714
Percentage of beef producers who voted in favor of increasing the assessment rate	55.5%
IN OPPOSITION OF INCREASING ASSESSMENT RATE	
Number of beef producers who voted in opposition of increasing the assessment rate	573
Percentage of beef producers who voted in opposition of increasing the assessment rate	44.5%

In order for the proposed assessment rate increase to have been implemented, at least 60% of the beef producers participating in this referendum would have needed to vote in favor of it. As shown in the table above, this level of required support was not achieved as **55.5%** of producers participating in the referendum voted in favor of the proposed assessment rate increase. Thus, the increase will not be made effective.

If you have questions regarding these referendum results, please contact Glenn Yost of this office at (916) 900-5018. For questions concerning activities of the California Beef Council, please contact Bill Dale, Executive Director of the California Beef Council, at (916) 925-2333.

Sincerely,

Robert Maxie, Chief
Marketing Branch

