



November 27, 2019

**Revised Dairy Council 2019-2020 FY Assessment Rates Established  
January 1, 2020 - June 30, 2020**

To All California Milk Producers and Handlers:

The Board of Directors of the Dairy Council of California recently recommended, and the Department of Food and Agriculture has approved, the revised assessment rates below for the second half of the Dairy Council's 2019-2020 FY (January 1, 2020 - June 30, 2020).

<b>Handler</b>	\$0.0140 / cwt. for milk utilized in Class I products
	\$0.0070 / cwt. for milk utilized for all other usages
<b>Producer</b>	\$0.00144 / pound for quota solids-not-fat
	\$0.00072 / pound for non-quota solids-not-fat

These revised rates were established to be aligned with the new assessment provisions within the Dairy Council Law, which were recently amended via the passage of AB 590. These revised assessment rates have been set to generate the same total assessment revenue as the rates previously set for the 2019-2020 fiscal year. In addition to being revenue-neutral, these revised rates also accomplish the following legislative intentions.

- For handlers, the revised rates shift some assessment obligation from milk utilized for Class I products to milk utilized for all other usages.
- For producers, the revised rates place an increased relative share of the assessment obligation upon solids-not-fat covered by quota.

As in the past, handlers will continue to be responsible for remitting both the handler and producer assessments to the Department. Handlers shall pay the handler assessments for milk utilized in the handler's plant. Producer assessments shall be collected by the first handler of milk produced in California by deducting such assessments from any payment due the producer for such milk.

The Department will provide handlers with instructions via separate correspondence on how to calculate their revised assessment obligations. If you have questions about such calculations, please call Steven Donaldson of CDFA at (916) 900-5012. If you have questions regarding the activities of the Dairy Council, please call Tammy Anderson-Wise, CEO of the Dairy Council, at (916) 263-3560.

Sincerely,

Joe Monson, Assistant Branch Chief  
Marketing Branch

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