



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

Karen Ross, Secretary

June 17, 2025

Voting Deadline Extended

REFERENDUM TO CONSIDER PROPOSED MAJOR AMENDMENTS TO THE CALIFORNIA DRY BEAN RESEARCH AND MARKETING PROGRAM

Voting Period Ends: **July 2, 2025**

TO THE CALIFORNIA DRY BEAN PRODUCER OR DEALER ADDRESSED:

On May 19, 2025, the California Department of Food and Agriculture (Department) issued all eligible California dry bean producers and dealers a ballot to participate in a referendum to determine whether proposed major amendments to the California Dry Bean Research and Marketing Program (Program) should be implemented. As of today, the 40 percent minimum participation threshold required for the referendum to be valid has not been met. Therefore, as authorized in the Food and Agricultural Code, the deadline for producers and dealers to cast a vote in this referendum has been extended by 15 days to July 2, 2025. Since our office has yet to receive a completed ballot from your entity, we are enclosing a duplicate copy of your ballot and a postage-paid return envelope for you to participate in this referendum. If you have already submitted a ballot for this process, please disregard this notice.

A summary of the proposed amendments to the Program is provided below and the proposed amendment language is enclosed with this notice as **Exhibit "A"**. These amendments have been recommended by the California Dry Bean Advisory Board (Board) in order to ensure adequate funding for future research and promotion activities and to maintain the overall financial sustainability of the Program.

Amend Article VII, Section C (Limitations on Rate or Rates of Assessments) and Section D (Approval of Budgets and Fixing of Rates of Assessment by the Department).

The current assessment provisions of the Program authorize the Board to recommend the following assessment rates each marketing season:

- A general assessment rate to be levied on producers of all varieties of dry beans, which cannot exceed 0.5% of the five-year average gross value of all dry beans.
- Varietal assessment rates to be levied on producers of specific varieties of dry beans, which cannot exceed 0.25% of the five-year average gross value of the variety of dry beans concerned.
- A general assessment rate to be levied on dry bean dealers and applied to all varieties of dry beans, which cannot exceed \$0.01/cwt.

Additionally, under the current assessment provisions of the Program, the combined general and varietal assessment rates levied on producers cannot exceed 0.75% of the five-year average gross value of all dry beans.



The proposed amendments to the assessment provisions of the Program would authorize the Board to recommend the following assessment rates each marketing season:

- A general assessment rate to be levied on producers of all varieties of dry beans, which cannot exceed \$0.50/cwt.
- Varietal assessment rates to be levied on producers of specific varieties of dry beans, which cannot exceed 50% of the general producer assessment rate.
- A general assessment rate to be levied on dry bean dealers and applied to all varieties of dry beans, which would be set at 50% of the general producer assessment rate. This maximum allowable assessment threshold would be phased in gradually over the next three marketing seasons. Specifically, the proposed amendments would limit the general dealer assessment rate from being set at a level that exceeds \$0.05/cwt. during the 2025-2026 marketing season and \$0.10/cwt. during the 2026-2027 marketing season.

Collectively, under the proposed amendments to the assessment provisions of the Program, the total combined general and varietal assessment rates levied on producers and dealers cannot exceed \$1.00/cwt.

The Board meets every July to consider research and promotion activities and recommend rates of assessment to the Department for the upcoming marketing season. Assessment rates established for each marketing season can vary according to industry needs and priorities. For your reference, the following assessment rates have been established for the 2024-2025 marketing season:

- The general producer assessment rate is \$0.36/cwt.
- The varietal producer assessment rates are: \$0.13/cwt. for Baby Limas, \$0.09/cwt. for Blackeyes, \$0.10/cwt. for Common Beans, \$0.09/cwt. for Garbanzos, and \$0.12/cwt. for Large Limas.
- The general dealer assessment rate is \$0.01/cwt.

These proposed amendments cannot be implemented without first being approved by producers and dealers in separate votes conducted by the Department. The following criteria must be achieved by both segments of the industry in order for the proposed amendments to become effective:

1. At least 40 percent of the total number of eligible entities on record must submit valid ballots, **and**
2. Of those voting, at least 65 percent by number, who represent at least 51 percent of the total voted volume, must vote in favor of implementing the proposed amendments, **or**

Of those voting, at least 51 percent by number, who represent at least 65 percent of the total voted volume, must vote in favor of implementing the proposed amendments.

If one or both segments of the industry (producers and/or dealers) fail to achieve the above criteria, the proposed amendments will not be implemented and the Program will remain unchanged.

Enclosed with this notice are a referendum ballot and a postage-paid return envelope. Each separate California dry bean producer entity who produced for market 2,000 pounds or more of any variety of dry beans during the 2024 season and each separate dry bean dealer entity who

engaged in selling, marketing, or distributing dry beans produced in California during the 2024 season is entitled to receive a ballot and participate in this referendum. If you are eligible to participate in this referendum, please complete all applicable sections of your ballot and return it to the Department's Marketing Branch in the envelope provided. In order for your ballot to be counted, it must be **postmarked or otherwise received by this office no later than July 2, 2025**. All individual ballots cast during this process will be kept strictly confidential.

A summary of the referendum results will be announced following the tabulation of ballots by the Department.

If you have any questions regarding this referendum process or the proposed amendments to the California Dry Bean Research and Marketing Program, please contact Miranda Townsend with the Department's Marketing Branch at (916) 900-5018. For questions regarding the activities of the Program, please contact Nathan Sano, Manager of the California Dry Bean Advisory Board, at (559) 591-4866.

Sincerely,



Joe Monson, Branch Chief
Marketing Branch

Enclosures

Proposed Major Amendments to the California Dry Bean Research and Marketing Program

Additions are shown in **bold** and deletions are shown in ~~striketrough~~.

ARTICLE VII - BUDGETS AND RATES OF ASSESSMENTS

Section A. RECOMMENDATIONS OF BUDGETS AND RATE OF ASSESSMENT BY ADVISORY BOARD.

At the beginning of each fiscal year hereunder and as may be necessary thereafter, the Advisory Board may recommend to the Department a budget of estimated income and expenditures and reserves for the administration and enforcement of this Program, including activities recommended by the Varietal Councils, and the activities authorized hereunder which are conducted for the benefit of all varieties of dry beans produced in California without respect to a particular variety. The Advisory Board shall also recommend a rate of assessment calculated to provide adequate funds to defray the proposed expenditures as set forth in said budget and subject to the limitations set forth in Section C of this Article.

Section B. RECOMMENDATIONS OF BUDGETS AND RATES OF ASSESSMENT BY VARIETAL COUNCILS.

At the beginning of each fiscal year thereunder and as may be necessary thereafter, a Varietal Council may recommend to the Advisory Board a budget of estimated income, which income may include funds carried over from appropriate Varietal Council(s) under the predecessor program, and expenditures and reserves for the administration of and support of any activities authorized under this Program which are conducted primarily for the benefit of the variety or varieties included in its jurisdiction. A Varietal Council may also recommend a rate or rates of assessment to the Advisory Board calculated to provide adequate funds to defray the proposed expenditures as set forth in its budget. Said assessment shall be levied only upon producers of the variety or varieties involved and subject to the limitations set forth in Section C of this Article.

Section C. LIMITATIONS ON RATE OR RATES OF ASSESSMENTS.

~~1. Dealers.~~

This text was moved
to follow the
subsection pertaining
to Producers

~~A general rate of assessment on dealers shall be uniform for all varieties or varietal categories and shall, upon recommendation of the Board and approval of the Department, be not in excess of one cent per hundredweight (\$0.01/cwt.) of beans marketed or purchased for marketing by each dealer during each marketing season. The dealer assessment shall be used exclusively in the budget of the Board to defray administrative costs and conduct programs for the benefit of all varieties of dry beans grown in California.~~

~~2. Producers.~~

~~a.~~ 1. Assessment Units and Limitation on Total Combined Rates of Assessment.

Any assessment on producers **or dealers** hereunder may be levied and collected in terms of cents per hundredweight (¢/cwt.) or any other units; provided, in no event shall the Board or any Varietal Council recommend, nor shall the Department approve, the levying of a total combined rate or rates of assessment for administration and for research, advertising, sales promotion and market development on ~~any producer~~ **producers and dealers** of more than ~~three-fourths of one percent (0.75%) of the average of the gross dollar value of sales of all dry beans by all producers for the previous five marketing seasons~~ **one dollar (\$1.00) per hundredweight of dry beans, in accordance with the limitations set forth in this Section.**

2. Producers.

~~b.~~ **a.** Limit on General Rate of Assessment. In no event shall the Board recommend, nor shall the Department approve, the levying of a general rate ~~or rates~~ of assessment for both administration and research and for advertising, sales promotion and market development uniformly applicable and common to all producers of all varieties of dry beans of more than ~~one half of one percent (0.5%) of the average gross dollar value of sales of all dry beans by all producers for the previous five marketing seasons~~ **fifty cents (\$0.50) per hundredweight of dry beans.**

~~c.~~ **b.** Limit on Varietal Rates of Assessment. In no event shall a Varietal Council or the Board recommend, nor shall the Department approve, the levying of a varietal rate of assessment for both administration and research and for advertising, sales promotion and market development on producers of the variety or varieties concerned which is more than ~~one-fourth of one percent (0.25%) of the average of the gross dollar value of sales of the variety or varieties concerned by all producers for the previous five marketing seasons~~ **fifty percent (50%) of the general rate of assessment levied upon producers for the corresponding marketing season.**

3. Dealers.

A general rate of assessment **levied** on dealers shall be uniform for all varieties or varietal categories and shall, upon recommendation of the Board and approval of the Department, be ~~not in excess of one cent per hundredweight (\$0.01/cwt.) of beans marketed or purchased for marketing by each dealer during each marketing season~~ **set at fifty percent (50%) of the general rate of assessment levied upon producers for the corresponding marketing season; except, provided that during the 2025-2026 marketing season, the rate of assessment levied on dealers shall not exceed five cents (\$0.05) per hundredweight of dry beans marketed or purchased for marketing by each dealer during the marketing season, and provided that during the 2026-2027 marketing season, the rate of assessment levied on dealers shall not exceed ten cents (\$0.10) per hundredweight of dry beans marketed or purchased for marketing by each dealer during the marketing season.** The dealer assessment shall be used exclusively in the budget of the Board to defray

administrative costs and conduct programs for the benefit of all varieties of dry beans grown in California.

34. Warehousemen.

There shall be no assessment rate as such levied on warehousemen hereunder. However, any costs to warehousemen in providing reports and information to the Board, in addition to the costs of collecting and remitting by warehousemen of assessments levied on producers and dealers, shall be considered as costs in lieu of assessments levied on warehousemen.

Section D. APPROVAL OF BUDGETS AND FIXING OF RATES OF ASSESSMENT BY THE DEPARTMENT.

If the Department finds that the recommended budgets and the combined ~~rate or~~ **general and varietal** rates of assessment are proper and equitable and calculated to provide such funds as may be necessary to properly carry out the provisions of this Program, ~~he it~~ may approve such budgets and rates; provided, however, that in no event shall such ~~combined general and varietal~~ rates of assessment exceed ~~three-fourths of one percent (0.75%) of the average of the gross dollar value of sales of all dry beans by all producers for the previous five marketing seasons~~ **the limitations set forth in Section C of this Article.**

Section E. PAYMENT AND COLLECTION OF ASSESSMENTS.

1. The Board shall recommend for approval by the Department procedures as necessary to assure the collection of assessment on all lots of beans marketed. Each producer and dealer shall be liable for his ~~or her~~ proportionate share of any assessments recommended by the Board and fixed by the Department; provided, that no producer shall be assessed more than once on any lot of dry beans or portion thereof marketed by said producer and; provided, further, that no dealer shall be assessed more than once on any lot of dry beans or portion thereof received and handled by said dealer.

2. To facilitate collection of assessments, the Department may require either the warehouseman or the first handler agent designated for such purpose by the producer to collect and remit to the Department, (1) the assessment(s) on the producer on all dry beans received, cleaned, sorted, stored, or otherwise prepared for market by warehousemen or by such agents for producers, and (2) the assessment on the dealer to whom the beans were first sold. The Department shall verify that proper payment has been made by warehousemen and by such agents, for and on behalf of producers 18 California Dry Bean Research and Marketing Program April 18, 2016 and dealers. Such assessments may either be added to the invoice for services rendered by warehousemen or producers or dealers or deducted from monies owed to producers by the first handler agent designated for such purpose by the producer.

3. Although for convenience of collection, assessment procedures hereunder call for collection by warehousemen or designated agents for producers, any assessment levied hereunder shall constitute a personal debt of every producer or dealer so assessed and shall be due and payable to the Department upon demand at such times and in such manner and

amounts as the Department may prescribe by administrative rules and regulations or otherwise. The manner of collection may include estimated (or preliminary) and final weights or gross dollar values and adjustments as necessary for correct assessment collections.

4. In the event of failure by any person to pay any assessment payable hereunder, the Department may file a complaint against such person in a State court of competent jurisdiction for the collection thereof pursuant to the provisions of Section 58929 of the Act. Pursuant to the provisions of Section 58930 of the Act, the Department may add to any unpaid assessment a collection expense penalty not to exceed ten percent (10%) of such collection, any such producer or handler shall pay to the Department a penalty of five percent (5%) for each thirty (30) days of the unpaid balance for each thirty (30) days the assessment is unpaid, prorated over the days unpaid, commencing thirty (30) days after notice has been given to such producer or handler of his **or her** failure to pay the assessment on the date required, unless the Department determines to his **or her** satisfaction, that such failure to pay is due to reasonable cause beyond the producer's or handler's control. Such penalty shall not exceed fifty percent (50%) of the total amount of the assessment due.

Section F. REFUNDS.

Any money collected as assessments during a marketing season and not expended in connection with this Program may, at the discretion of the Department, be refunded after the close of any marketing season upon a pro rata basis to all persons from whom assessments were collected; or all or a portion of such money as may be recommended by the Board and approved by the Department may be carried over into the next marketing season if the Department finds that such money may be required in defraying the costs of this Program in such succeeding season.

Section G. BONDS.

The Department may require that any and all persons handling substantial funds collected pursuant to the provisions of this Program shall execute and deliver to the Department a bond or bonds in such amount as the Department may designate with surety thereon satisfactory to the Department conditioned upon the faithful performance of the duties of such person pursuant to the provisions of this Program.