

CALIFORNIA APPLE COMMISSION ASSESSMENT COLLECTION PROCEDURES

The Food and Agricultural Code S75582, 75630 (c), and 75632 provide that the Commission may adopt operating procedures necessary to carry out Commission law. The following assessment collection procedures have been adopted and apply to all handlers subject to Commission law:

1. The Commission shall establish the assessment for the marketing year by July 1st of each year or as soon thereafter as possible.
2. The assessment shall be (\$0.006) mils per pound or twenty-four cents (\$0.24 cents per forty-pound box) marketed for fresh consumption during the 2012/2013 marketing year. Thereafter, the assessment shall not exceed three-fourths cent (0.0075) per pound of apples marketed for fresh consumption, unless a greater fee is approved by a majority of the Commission and by eligible producers.
3. Assessments shall be levied on the producer of apples. The handler shall deduct the assessment from amount paid by him or her to the producer, and act as trustee of the funds until they are paid to the Commission pursuant to these procedures.
4. Producers who produce no more than 40,000 pounds of apples per year or who produce apples only on a noncommercial for home use, or whose apple trees are used only for ornamental purposes, shall not be subject to assessments.
5. Assessments are due and payable on or before the last day of the month immediately following the month in which apples are shipped. Handlers shall submit completed assessment report (on a form provided by the Commission) along with the assessment payment.
6. Failure to submit reports or pay assessments by the fifteenth day of the month after assessments become due and payable will be delinquent and will result in a 10% penalty on the principal amount due and owing. In addition, interest at the rate of 1.5% per month will accrue on the unpaid principal assessment balance.
7. Commission staff will attempt to resolve collection matters informally prior to taking any legal action. However, failure to pay assessments by the delinquency date will result in the matter being forwarded to the Commission's legal counsel. Legal counsel will send a Notice of Intent to Take Action by certified mail immediately upon receiving a delinquent assessment file from the Commission. The Notice gives the handler 15 days in which to respond.

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8. If no satisfactory response and payment are received from the handler during the 15-day notice period, a Summons and Complaint will be drafted and filed with the appropriate Superior Court.
9. The delinquent handler has 30-days after service of the Complaint in which to answer.
10. If the handler answers the Complaint, it will take approximately six to twelve months to get to trial. During that time, all reasonable efforts will be made to settle the litigation.
11. If the handler does not answer the Complaint, a request for entry of default against the handler will be filed with the court.
12. After a judgment is obtained by trial or default hearing, collection and enforcement efforts begin. This may take up to one year, depending on the nature and extent of the defendant handler's assets.