

Referendum Voting FAQs

1. Why is the Formal rule change needed?

- a. The Board of Directors recommended to USDA a number of proposed amendments to the Marketing Order that are primarily administrative or modernizing in nature. The changes simplify, clarify or align the Order language with current industry practices.
- b. The amendments include clarifying various definitions (e.g., for shelled almonds, almond biomass), enacting date changes to align better with Board/Committee meetings, cleaning up old language that referred to the “Almond Control Board,” and modifying administrative language about how reserves are maintained. The new section that is being added is for Borrowing Authority.
- c. The Formal rule change requires a grower referendum before it can be finalized.

2. Is the Board increasing the assessment?

- a. The Rule change does not affect the assessment rate nor ABC revenue.

3. Why is Borrowing Authority needed?

- a. Many of our budgeted global marketing activities require advance payments early in the year – but assessment review is collected on specific dates, with the bulk collected midway through the crop year.
- b. The Rule change gives the Board the ability to borrow short term funds to manage cashflow if needed – not unlike the way industry manages its finances.

4. How will it be decided when to borrow funds?

- a. The Finance & Audit Committee and the Board of Directors will approve specific financial controls and procedures for when it is appropriate to borrow funds and when they must be paid back.
- b. ABC auditors will review any borrowing as part of the annual financial audit.
- c. Short term borrowed funds will pertain to the crop year – borrowed funds will be paid back with assessment revenue within the crop year.

5. Why does the new section on Borrowing Authority also refer to Acceptance of Advanced Assessments?

- a. That is a standard Agricultural Marketing Service (AMS) provision – it just means that ABC can accept the funds if a handler “pays forward” their assessment obligation.

6. What does the grower referendum entail?

- a. The referendum is being held Oct. 30 – Nov. 20. The AMS Fresno office has sent out ballots to all growers – the same way it handles board elections. Returned referendum ballots must be postmarked by Nov. 20.
- b. Either 2/3 of the growers voting in the referendum, or growers representing 2/3 of the volume voted in the referendum, must be in favor for an issue to pass.

7. What was the Informal rule change?

- a. The Informal rule changes are mainly administrative updates to the Marketing Order language. The final informal rule change notification was published on Oct. 2 in the Federal Register and the changes became effective on Nov. 1.