MEMORANDUM

DATE: October 29, 2026

TO: California Avocado Handlers, including Producers acting as Handlers

FROM: April Aymami, CAC Director of Industry Affairs and Operations

SUBJECT: **2026-27 CAC ASSESSMENT RATE**

Cc: Ken Melban, CAC President
Sam Santander, State Inspector/Enforcement

On October 1, 2026, the Board of Directors of the California Avocado Commission (CAC) voted to approve an assessment rate of **$0.015 (one and a half cent) per pound** on all varieties of avocados produced in California. The effective date of this rate is November 1, 2026 continuing through October 31, 2027 on fruit received for handling during that time period.

As you are aware, each October the Commission is required by State law to:

> *"…establish the assessment for the following marketing season beginning November 1st and ending October 31st. In no event shall the assessment exceed 6½ percent of the gross dollar value of the year's sales of avocados by all producers to handlers, or which are sold by handlers on behalf of producers."* California Avocado Commission Law § 67101.

Effective November 1, 2017, California avocado handlers, including producers acting as handlers, are required to remit payment of assessments in accordance with the recently amended California Avocado Commission (CAC) Law, which defines a "Producer" or "Grower" as follows:

> *"Producer" or "grower" means any person who is engaged within this state in the business of producing, or causing to be produced, avocados for market. "Producer" or "grower" does not include any person who has an average annual production of less than 10,000 pounds of avocados in the three preceding marketing years.*

Determination of each producer's assessment exemption status is made solely by the Commission and in November 2026 notification of producer exemption determinations will be provided to all handlers and producers on record.

With regard to the submission of CAC Assessment Reports, all handlers, including producers acting as handlers, must continue to report the volume and value of all fruit received for handling in a given month. The enclosed 2026-27 CAC Assessment Report allows for the deduction of exempt fruit from total volume and value being reported, resulting in a net volume and value for which assessments shall be paid.

In the case of producers acting as handlers that have been identified as exempt from payment of the 2026-27 CAC assessment, monthly CAC Assessment Reports must continue to be submitted, even if no

CAC assessment payment is required to be made. As noted above, please report the total volume and value of all fruit received for handling, including the exempt volume and value, and remit payment of assessments due on the calculated net volume and value. If these calculations result in zero assessment dollars due, you are still required to indicate this on the CAC Assessment Report and submit to CAC.

CAC Assessment Reports, along with assessment funds due, must be submitted to the Commission by the last day of the month following the month in which avocados were received for handling (i.e. November 2026 fruit received must be reported by December 31, 2026). If assessments are sent via ACH or wire transfer to CAC, funds must be sent to CAC's account no later than the last business day of the month in which assessments are due, and the Assessment Report must be concurrently submitted to CAC via email to accountspayable@avocado.org by the last business day of the month in which assessments are due. If assessment funds (checks) and Assessment Reports are sent via U.S. mail or overnight courier, they must be postmarked by the last business day of the month in which assessments are due.

Assessments which are not paid by the last day of the month following the month in which avocados were received for handling are considered delinquent and a ten percent (10%) late payment charge will be added at that time. In addition, interest at the rate of 1.5% per month begins accruing on the first day after the assessment payment is delinquent. THIS PENALTY AND INTEREST POLICY IS FURTHER OUTLINED IN SECTION 67105 OF CAC LAW AND SHALL BE ENFORCED.

CAC selects a certain number of first handlers to be audited for compliance with the CAC Assessment Policy (attached) every year.

If you have any questions concerning the assessment for the 2026-27 crop year or the reporting and payment procedures, please send an email to aaymami@avocado.org or call (949) 341-1955.

CALIFORNIA AVOCADO COMMISSION
PO BOX 92123
LAS VEGAS, NV 89193-2123

ASSESSMENT REPORT for Crop Year 11/01/2026 - 10/31/2027
(Please read Assessment Policy on reverse)
PAYMENT DUE BY _____.
10% LATE PENALTY AND 1.5% MONTHLY INTEREST WILL APPLY TO LATE PAYMENTS

DURING THE CALENDAR MONTH OF _____ ENTER THE TOTAL POUNDS OF AVOCADOS RECEIVED AND THE DOLLAR AMOUNT ASSIGNED, PAID OR CREDITED TO CALIFORNIA PRODUCERS FOR THOSE AVOCADOS BELOW ON LINE 1.
(CURRENT CAC ASSESSMENT RATE IS $0.015 PER POUND)

1. TOTAL POUNDS AND DOLLARS OF AVOCADOS RECEIVED

	HASS	LAMB	GEM	OTHERS	TOTAL
Pounds					
Dollars	$	$	$	$	$

2. EXEMPT POUNDS AND DOLLARS OF AVOCADOS RECEIVED (See Assessment Policy, Section 2.B.)

	HASS	LAMB	GEM	OTHERS	TOTAL
Pounds					
Dollars	$	$	$	$	$

3. NET ASSESSABLE POUNDS AND DOLLARS OF AVOCADOS RECEIVED (LINE 1 "TOTAL" less LINE 2 "EXEMPT")

	HASS	LAMB	GEM	OTHERS	TOTAL
Pounds					
Dollars	$	$	$	$	$

4. TOTAL NET ASSESSABLE POUNDS OF AVOCADOS RECEIVED (LINE 3) _____

5. Principal Assessment $ _____
(Line 4 multiplied by $0.015)

6. 10% late penalty if applicable $ _____
(Line 5 multiplied by 10% (.10). See Assessment Policy, Section 5.A.)

7. 1.5% Interest if applicable $ _____
(See Assessment Policy, Section 5.B., or call the Commission office for assistance)

8. TOTAL TO BE REMITTED (Add lines 5, 6 and 7) $ _____

I hereby certify under penalty of perjury and the laws of California that this report is true and complete. I understand that records from which this report was compiled are subject to audit by the California Avocado Commission and the California Department of Food and Agriculture.

Date _____ Signed _____
(Signature of Person Authorized to Certify this Report)

Phone _____ Name & Title _____
(Print)

Handler License # _____ Type of License _____ Expiration Date of License _____

Filing Instructions:

Return one copy of this report with remittance due. DO NOT SEND COIN OR CURRENCY. If all avocados received were from exempt producers, this report must still be completed, signed and returned to the Commission. If no avocados were received for handling during the month relevant to this report, write "NONE" on line 5, sign and return to the Commission.

To eliminate reports during a period of inactivity, complete the following statement:

_____ crop matures, no earlier than _____
(variety) (month and year)

SIGNED _____

CALIFORNIA AVOCADO COMMISSION
TERMS AND CONDITIONS OF ASSESSMENT POLICY

1. GENERAL INSTRUCTIONS

California Avocado Commission law (Food & Agricultural Code Section 67001 et seq.) requires handlers to deduct assessments from monies paid or credited from whom avocados were received, and to pay such monies (which are held in trust) to the California Avocado Commission.

2. DEFINITIONS

The following definitions apply to this Policy:

A. "**Handler**" means any person who engages, in this state, in the operation of selling, marketing, or distributing avocados which he or she has produced or purchased or acquired from a producer, or which he or she is marketing on behalf of a producer, whether as owner, agent, employee, broker, or otherwise. "Handler" also includes any person engaged as a processor in the business of processing avocados. "Handler" does not include a cooperative bargaining association that recommends that its members market their avocados through specified handlers and which otherwise is not involved in the sale of avocados. "Handler" also does not include a retailer, except for a retailer who purchases or acquires from any producer, or handles on behalf of any producer, avocados which were not previously subjected to regulation by the Commission.

B. "**Producer**" means any person who is engaged, within this state, in the business of producing, or causing to be produced, avocados for market. "Producer" does not include any person who has an average annual production of less than 10,000 pounds of avocados in the three preceding marketing years, as determined by the Commission.

3. CALCULATING ASSESSMENTS

A. The assessment is set annually by the Commission. The Commission may use any reasonable method of calculation which will result in an assessment that does not exceed 6-1/2 percent of the gross dollar value of the year's sales of avocados by all producers to handlers, or which are sold by handlers on behalf of growers.

B. If the assessment rate in effect was set as a percent of gross dollar value, the following will apply to the assessment calculation:
   1. The costs of picking or grove care performed by the handler which are deducted from the amount paid to the Producer must be added back into the amount paid to the producer for the purpose of calculating the assessment.
   2. Hauling, allowances credited to producers for delivery of avocados to the handler's dock are to be itemized on the handler's purchase statements and deducted from the price paid to the producer before computing assessments.

4. REPORTING AND PAYMENT

Assessment reports are to be filled out monthly, reporting the monthly volume received and price assigned, of avocados received for handling. Assessment reports and payments are due and payable on the last day of the month following the month in which avocados were received for handling. The assessment rate applied shall be that rate which was in effect at the time avocados were received for handling.

5. PENALTY AND INTEREST

A. Assessments which are not paid by the last day of the month following the month in which avocados were received for handling are considered delinquent and a TEN PERCENT (10%) late payment charge will be added at that time. The postmark (Post Office cancellation date) on the envelope containing the payment shall be considered as date of payment, regardless of the date entered on the assessment form.

B. In addition to the 10% late payment charge, interest at the rate of ONE AND ONE-HALF PERCENT (1.5%) per month will be charged on the unpaid balance. Interest begins accruing on the first day after the assessment payment is delinquent.

6. PRODUCER OBLIGATIONS

The producer is obligated to pay the assessments and determine that appropriate amounts have been deducted from payments made or credited to him by the handler.

7. HANDLER OBLIGATIONS

The handler is required to:

A. Collect assessments and hold such funds as a trustee;

B. File assessment reports and remit collected assessments to the Commission in a timely manner;

C. Keep complete and accurate reports (as described below) of all avocados received, which shall be preserved for two years and made available to the Commission on demand; and

D. All assessments shall be paid to the Commission by the handler first handling the avocados. Every handler shall be primarily and personally liable for the payment of any such assessment, and failure of a handler to collect the assessment from any producer shall not exempt a handler from liability.

8. PRODUCERS ACTING AS HANDLERS

A. A producer who sells his avocados directly to a buyer who is not a handler is a handler and must also fulfill the assessment collection and reporting obligations of a handler.

B. When the producer is also the handler, the assessment is based on the following, less amounts described in C, below, if applicable:
   1. The price received by the producer from buyers who are not handlers, or the pounds sold, marketed, or distributed by the producer to buyers who are not handlers (depending on the assessment method used by the Commission for that marketing season).

C. If the assessment rate in effect was set as a percent of gross dollar value, the producer acting as a handler may deduct the following sales and packing costs from the basis determined pursuant to B. above before computing the assessments owed: containers, packing labor, hauling, and brokerage fees.

9. RECORDS TO BE MAINTAINED BY HANDLERS

A. A monthly summary containing the date avocados were received, producer name, field receipt numbers, total pounds and varieties collected less any tare and cull weight, net pounds for which the producer was paid or credited, handler picking costs deducted from amounts paid to the producer, amounts paid to the producer, date producer was paid, and the assessment rate and amount related to each pack out.

B. All field receipts, pack out reports and any other relevant information used to compile assessment reports.

10. VIOLATIONS

It is a misdemeanor to willfully furnish false reports, statements or records required by the Commission; to willfully fail to render or furnish a report, statement, or record required by the commission; or to secrete, destroy, or alter records required by the Commission.

11. QUESTIONS

In the event you have any questions regarding the payment of assessments, submission of assessment reports or other obligations under Commission law, please contact the Commission office.