Hass Avocado Promotion, Research and Information Order (Order) Importer Associations and Assessment Computation

This document provides background information on the Order (7 CFR Part 1219) and updates procedures for the assessment computation for importer associations under the Order.

Background: The Order became effective in 2002 and is authorized under the Hass Avocado Promotion, Research, and Information Act of 2000 (Act) (7 U.S.C. 7801-7813). The Order is administered by the Hass Avocado Board (Board) with oversight by the U.S. Department of Agriculture (USDA). The Board is composed of industry members that are appointed by the Secretary of Agriculture.

The Order is funded by assessments on fresh domestic and imported Hass avocados. Producers and importers pay the assessment. The producer assessment is remitted by first handlers, and the importer assessment is remitted by Customs and Border Protection (Customs). Exports of domestic Hass avocados are exempt from assessment. The purpose of the program is to increase consumption of Hass avocados in the United States.

Under the Order, a State association of avocado producers receives 85 percent of the assessments paid by domestic producers, and importer associations receive 85 percent of the assessments paid by their members. The State and importer associations use these funds to conduct State-of-origin and country-of-origin promotions, respectively. The remaining 15 percent of the assessments paid are used by the Board for activities to promote the consumption of all Hass avocados in the United States and to cover Board administrative expenses.

Assessment Computation for Importer Associations:

- 1. Pursuant to § 1219.54(l) of the Order, assessments from all Hass avocado importers who import Hass avocados from a country represented by an importer association will be included in the 85 percent computation. Importers who do not want their assessments included in the computation must notify the Board in writing (i.e., letter or electronic transmission).
- 2. If a country is represented by more than one importer association, importers must chose how they want their funds allocated. Absent direction from an importer, 85 percent of such importer's assessments will be allocated equally between existing associations.
- 3. The term importer shall carry the same meaning as provided in § 1219.14 of the Order.
- 4. The term importer association shall carry the same meaning as provided in § 1219.58 of the Order.
- 5. USDA published a notice in the <u>Federal Register</u> regarding the updated assessment computation for importer associations on April 27, 2011 (76 FR 23537).

- 6. USDA will notify current and future importers through a letter of the assessment computation procedures for importer associations. Importers will be sent a copy of the <u>Federal Register</u> notice.
- 7. The Board will notify USDA of new importers within 3 business days of receipt of assessments funds collected by Customs for such new importers. Within 3 business days of notification by the Board, USDA will send new importers a letter advising them of the assessment computation, along with a copy of the <u>Federal Register</u> notice and procedures.
- 8. New importers will have 30 business days to advise the Board in writing if they want all of their assessments to remain with the Board. If the Board does not receive such notice within the allotted time frame, the importer's assessments will be included in the 85 percent computation. If an importer decides at a later time to have his/her assessments remain with the Board, such importer must notify the Board in writing as provided in Step 1. Upon receipt by the Board, such importer's assessments shall remain with the Board.
- 9. Importer associations shall post these procedures, and any amendments thereto, and the <u>Federal Register</u> notice on their respective websites (if available).
- 10. USDA and the Board shall post these procedures, and any amendments thereto, and the <u>Federal Register</u> notice, on their respective websites.
- 11. Assessment funds will not be retroactively paid from the Board to an importer association.
- 12. If an importer association ceases to exist or is decertified by USDA, all such importer assessment funds shall remain with the Board.
- 13. These procedures are effective on Monday, June 27, 2011.

14. Contact information is listed below.

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