

**Date: September 18, 2013**  
**To: California Kiwifruit Handlers**  
**From: Chris Zanobini, Manager, Kiwifruit Administrative Committee**

Enclosed is your California Kiwifruit 2013/2014 season Handlers Packet, which includes the following documents:

- *2013/2014 Assessment Rates and Inspection Fees*
- A supply of the required reporting forms along with a *Kiwifruit Report Descriptions and Summary of Reporting Requirements*
- *2013/2014 Season California Kiwifruit Packing Regulations Bulletin*
- *Restyle Verification Forms*

## **ASSESSMENTS**

The proposed assessment rate for the 2013/14 season is **\$0.025** per 9 kilo (19.8 lb.) volume fill container or equivalent. This new rate is **pending approval**, and until approved the current assessment rate remains at \$0.035 per 9 kilo (19.8 lb.) volume fill container or equivalent. We anticipate approval of the new rate soon.

KAC assessments are invoiced based on shipment information reported in the weekly KISS Price-Shipment Report, or the monthly Shipment Report by destination – dependent upon the handler size category in which you fall.

Invoices are mailed at the end of each month, with payment due within 30 days of the invoice date. Payments not received within this 30 day period will be charged interest on a daily basis at the rate of 18%, beginning with the first day of delinquency. If an assessment payment is more than 30 days delinquent (60 days past invoice date), a 10% late charge will be assessed. Interest and late payment penalty charges are applied only to the overdue assessment.

## **PACKING AND INSPECTION REGULATIONS**

- **Packing Regulations** - There is one change to the packing regulations this season. The additional tolerance for “badly misshapen” fruit in the KAC No. 1 quality grade has been increased from 7% to **16%**. This should not change how you pack this grade, but should provide an extra tolerance for the borderline fruit and ease some of the packing burden.
- **Mandatory Inspection** - All fresh kiwifruit shipments, wherever marketed, must be inspected and are required to be stamped with a valid SPI-USDA, Positive Lot Identification (PLI) stamp, authorized Waiver number or authorized restyle verification number. A list of Shipping Point Inspection (SPI) offices can be found on page 10 of the *Packing Regulations Bulletin*.
- **Restyled Product** – Previously inspected kiwifruit that is restyled must either be reinspected or receive prior authorization from SPI to ship fruit under the restyle verification option. There are specific conditions under which the restyle verification option may be used and these are listed on pages 4 and 5 of the *Packing Regulations Bulletin* as well as on the back of the *Kiwifruit Restyle Verification Form*.

## **REPORTING REQUIREMENTS**

Handler reporting requirements are determined by the volume of kiwifruit handled per season. The three categories are:

- EZ Handler – 10,000 tray equivalents or less per season.
- Organic and medium size handlers – Conventional handlers with less than 100,000 tray equivalents (but over 10,000), and all organic handlers.
- Large handlers – Conventional handlers with over 100,000 tray equivalents per season.

To find your specific reporting requirements, please refer to the enclosed “*Summary of reporting requirements and reporting frequency*”. You may make additional copies of any of the blank reporting forms as needed. Forms are also available in Excel format and will be emailed to you upon request.

- **Compliance** – The enclosed “*Kiwifruit Report Descriptions*” shows the due dates for the reports. Failure to submit reports required by the KAC by the prescribed due dates is a violation of the federal marketing order.
- **Organic Handlers** – Certified organic California kiwifruit must be reported separately from conventional kiwifruit.

## **EXEMPTIONS**

Kiwifruit may be handled without regard to the certification, assessment, regulatory and reporting provisions of the Marketing Order under certain conditions. These conditions are listed on pages 5 and 6 of the *Packing Regulations Bulletin* under the headings “Minimum Quantities” and “Special Purpose Shipments”. If you intend to donate fruit to a charitable institution or sell it for commercial processing into products please contact the KAC office. Charitable organizations and processors need to have appropriate paperwork on file with the KAC.

## **CONTACT INFORMATION**

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