

Alliance for Fair Dairy Promotion
December 13th 2010

Reduce administrative burden on importers

Concern: The method of calculating the assessment on imported dairy products results in less favorable treatment being accorded to imported dairy products because it places a greater administrative burden on imported dairy products than on domestic milk

- CBP requirement for milksolids data at beginning of 2011 highlighted the administrative burden on importers
- Manufacturers do not routinely record the milksolids content of products
 - Most customers do not ask for it
 - Some customers wish to keep it confidential
- Importers will need to establish systems and processes in order to capture and retain milksolids data, which domestic producers do not have to do
- It is particularly burdensome on small and medium sized importers, who have less relationship with manufacturers and less ability to obtain and record the milksolids data
- Some importers (and their customers) have confidentiality concerns as the National Board (constituting 36 domestic producers) has the discretion to verify the importers' reports.

Concern: The default assessment rate for each HTS code is based on maximum milk solids content. As imported dairy products must be treated in a manner as favorable as the most favored US product, the minimum milksolids content should be used.

Proposed amendment:

- Remove concept of "actual and default" reporting of milksolids content
- USDA should determine the minimum milksolids applicable to products in a tariff line

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shall receive a credit for contributions to such program(s), but not to exceed 10 cents per hundredweight of milk marketed.

(4) In order for a producer described in § 1150.152(a)(1) to receive the credit authorized in § 1150.152(a)(3), either the producer or a cooperative association on behalf of the producer must establish to the person responsible for remitting the assessment to the Board that the producer is contributing to a qualified national, regional, or State program. Producers who contribute to a qualified program directly (other than through a payroll deduction) must establish with the person responsible for remitting the assessment to the Board, with validation by the qualified program, that they are making such contributions.

(5) In order for a producer described in § 1150.152(a)(2) to receive the credit authorized in § 1150.152(a)(3), the producer and the applicable qualified national, regional, or State program must establish to the Board that the producer is contributing to a qualified national, regional, or State program.

(6) The collection of assessments pursuant to § 1150.152(a)(1) and (a)(2) shall begin with respect to milk marketed on and after the effective date of this section and shall continue until terminated by the Secretary. If the Board is not constituted by the date the first assessments are to be collected, the Secretary shall have the authority to receive the assessments on behalf of the Board. The Secretary shall remit such assessments to the Board when it is constituted.

(7) Each person responsible for the remittance of the assessment pursuant to § 1150.152(a)(1) and (a)(2) shall remit the assessment to the Board not later than the last day of the month following the month in which the milk was marketed.

(8) Money remitted to the Board shall be in the form of a negotiable instrument made payable to "National Dairy Promotion and Research Board." Remittances and reports specified in § 1150.171(a) shall be mailed to the location designated by the Secretary or the Board.

(b) Importer Assessments.

(1) Each importer of dairy products identified in the following table, except for as provided for in § 1150.157, is responsible for paying 7.5 cents per hundredweight of U.S. milk, or equivalent thereof, as determined in (i) or (ii) below. / or as USDA

(i) If the importer has sufficient documentation, as stated in § 1150.172(b), to determine the milk solids content of the imported dairy product, the importer shall use the

determines minimum milk solids from time to time

~~assessment rate of \$0.01327 per kilogram (kg) of milk solids to calculate and pay the assessment. Milk solids of U.S. origin shall not be included in the calculation.~~

~~(ii) If the importer does not have sufficient documentation, as stated in § 1150.172(b), to determine the milk solids content of the imported dairy product, the importer shall pay a rate per kg of product volume as listed in the following table.~~

IMPORTED DAIRY PRODUCTS SUBJECT TO ASSESSMENT

HTS No.	Unit of measure	Default rate per unit of product (in dollars)
0401.10.0000 ..	liter	0.001
0401.20.2000 ..	liter	0.002
0401.20.4000 ..	liter	0.002
0401.30.0500 ..	liter	0.007
0401.30.2500 ..	liter	0.007
0401.30.5000 ..	liter	0.009
0401.30.7500 ..	liter	0.009
0402.10.1000 ..	kg	0.013
0402.10.5000 ..	kg	0.013
0402.21.0500 ..	kg	0.013
0402.21.2500 ..	kg	0.013
0402.21.3000 ..	kg	0.013
0402.21.5000 ..	kg	0.013
0402.21.7500 ..	kg	0.013
0402.21.9000 ..	kg	0.013
0402.29.1000 ..	kg	0.012
0402.29.5000 ..	kg	0.012
0402.91.1000 ..	kg	0.005
0402.91.3000 ..	kg	0.005
0402.91.7000 ..	kg	0.005
0402.91.9000 ..	kg	0.005
0402.99.1000 ..	kg	0.004
0402.99.3000 ..	kg	0.004
0402.99.4500 ..	kg	0.004
0402.99.5500 ..	kg	0.004
0402.99.7000 ..	kg	0.009
0402.99.9000 ..	kg	0.009
0403.10.1000 ..	kg	0.013
0403.10.5000 ..	kg	0.013
0403.10.9000 ..	kg	0.002
0403.90.0400 ..	liter	0.004
0403.90.1600 ..	liter	0.004
0403.90.2000 ..	liter	0.006
0403.90.4110 ..	kg	0.013
0403.90.4190 ..	kg	0.013
0403.90.4500 ..	kg	0.013
0403.90.5100 ..	kg	0.013
0403.90.5500 ..	kg	0.013
0403.90.6100 ..	kg	0.013
0403.90.6500 ..	kg	0.013
0403.90.7400 ..	kg	0.013
0403.90.7800 ..	kg	0.013
0403.90.8500 ..	kg	0.002
0403.90.9000 ..	kg	0.009
0403.90.9500 ..	kg	0.009
0404.10.0500 ..	kg	0.013
0404.10.1100 ..	kg	0.013
0404.10.1500 ..	kg	0.013
0404.10.2000 ..	liter	0.008
0404.10.5010 ..	kg	0.013
0404.10.5090 ..	kg	0.013
0404.10.9000 ..	kg	0.013
0404.90.1000 ..	kg	0.013
0404.90.3000 ..	kg	0.013

IMPORTED DAIRY PRODUCTS SUBJECT TO ASSESSMENT—Continued

HTS No.	Unit of measure	Default rate per unit of product (in dollars)
0404.90.5000 ..	kg	0.013
0404.90.7000 ..	kg	0.013
0405.10.1000 ..	kg	0.013
0405.10.2000 ..	kg	0.013
0405.20.2000 ..	kg	0.011
0405.20.3000 ..	kg	0.011
0405.20.4000 ..	kg	0.007
0405.20.6000 ..	kg	0.011
0405.20.7000 ..	kg	0.011
0405.20.8000 ..	kg	0.011
0405.90.1020 ..	kg	0.013
0405.90.1040 ..	kg	0.013
0405.90.2020 ..	kg	0.013
0405.90.2040 ..	kg	0.013
0406.10.0400 ..	kg	0.006
0406.10.0800 ..	kg	0.006
0406.10.1400 ..	kg	0.008
0406.10.1800 ..	kg	0.008
0406.10.2400 ..	kg	0.009
0406.10.2800 ..	kg	0.009
0406.10.3400 ..	kg	0.008
0406.10.3800 ..	kg	0.008
0406.10.4400 ..	kg	0.008
0406.10.4800 ..	kg	0.008
0406.10.5400 ..	kg	0.010
0406.10.5800 ..	kg	0.010
0406.10.6400 ..	kg	0.009
0406.10.6800 ..	kg	0.009
0406.10.7400 ..	kg	0.005
0406.10.7800 ..	kg	0.005
0406.10.8400 ..	kg	0.011
0406.10.8800 ..	kg	0.011
0406.20.1500 ..	kg	0.007
0406.20.2400 ..	kg	0.012
0406.20.2800 ..	kg	0.012
0406.20.3110 ..	kg	0.012
0406.20.3190 ..	kg	0.012
0406.20.3300 ..	kg	0.012
0406.20.3600 ..	kg	0.012
0406.20.3900 ..	kg	0.012
0406.20.4400 ..	kg	0.012
0406.20.4800 ..	kg	0.012
0406.20.5100 ..	kg	0.012
0406.20.5300 ..	kg	0.012
0406.20.6100 ..	kg	0.012
0406.20.6300 ..	kg	0.012
0406.20.6500 ..	kg	0.012
0406.20.6700 ..	kg	0.012
0406.20.6900 ..	kg	0.012
0406.20.7100 ..	kg	0.012
0406.20.7300 ..	kg	0.012
0406.20.7500 ..	kg	0.012
0406.20.7700 ..	kg	0.012
0406.20.7900 ..	kg	0.012
0406.20.8100 ..	kg	0.012
0406.20.8300 ..	kg	0.012
0406.20.8500 ..	kg	0.012
0406.20.8700 ..	kg	0.012
0406.20.8900 ..	kg	0.012
0406.20.9100 ..	kg	0.012
0406.30.0500 ..	kg	0.008
0406.30.1400 ..	kg	0.008
0406.30.1800 ..	kg	0.008
0406.30.2400 ..	kg	0.009
0406.30.2800 ..	kg	0.009
0406.30.3400 ..	kg	0.008
0406.30.3800 ..	kg	0.008
0406.30.4400 ..	kg	0.008