STEVEN SPATE TESTIMONY

Amendment proposal #1, restructuring of the Committee and, amendment proposal #2, allowing for nominees to choose to serve as Member or Alternate members to the RAC

I am Steven Spate, an independent grower and current member of the RAC. I have served on various committees and boards in the agriculture industry and specifically in the raisin industry. I am a third-generation raisin grower and currently farm in the Fresno area, raisins and almonds. BY USDA standards I am considered a small grower.

The purpose of this testimony is to declare my support for these proposals and explain some of my opinions as to why I think it is necessary:

Proposal #1: Restructure of the Committee (part of reducing the size)

1. Add Non-Affiliated Producer Seat

Most handlers are vertically integrated in that they are also producers. When you look at the make-up the Committee, it's easy to recognize that many independent producer seats are filled with handler-affiliated producers. Allowing one (1) seat for a non-affiliated producers ensures there won't be an unfair balance favoring handler representation on the Committee.

2. Remove District Representation:

Reasons to eliminate Districts:

- a) Once the two Cooperatives (Sun-Maid & RBA) receive their proportionate share based on their tonnage, using the 2020/21 crop year numbers, there may only be about 5 independent producer seats remaining. District 1 (north of Fresno) and District 2 (south of Fresno) are much smaller growing regions than District 3 (Fresno). This would give an unfair advantage to those much smaller regions by providing automatic seats.
- b) The past 10 years, Districts 1 & 2 have been represented by mostly the same people who are not only producers in their specific regions, but are also Handlers. This provides an unfair advantage for those handlers and unbalanced representation.
- c) Removing Districts provides for fair representation through the voting process.

<u>Proposal #2: Remove separate nomination procedures for Independent and Small Cooperative Producers.</u>

3. Remove language in the nomination process that allows nominees the option to choose their preference to serve specifically as a Member or Alternate Member to the RAC.

The current system of allowing people to choose Member or Alternate positions was added when the Order was last amended through formal rulemaking in 2016. Based on the large number of vacancies the last couple terms, I believe that this system of allowing people to choose the position of Member or Alternate has actually discouraged participation. By nature, an Alternate may believe that they have no vote at the meetings (which is true if their member is in attendance) but in reality, Alternates should attend all meetings so they are well informed on issues that may come up for vote in the future when they are in fact needed as part of the voting process at each meeting.

Reducing the Committee size and structure should create a more competitive process for the available seats. I think that by going back to the original voting process of establishing members and alternates based completely on the number of votes is fair and will streamline the process.

I want to express my support for these proposals as well as all other current amendment proposals that are being considered at this time.