Egg Producers Reject Higher American Egg Board Assessment

AMS No. 267-10

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WASHINGTON, Dec. 14, 2010 – The U.S. Department of Agriculture announced today that the nation's egg producers voted against a proposed increase in the mandatory assessment paid to the American Egg Board. The referendum was conducted Oct. 29 to Nov. 19, 2010.

"Although 55 percent of egg producers voting in the referendum approved an amendment to the order that would have raised the assessment from 10 cents to 15 cents per 30-dozen case of eggs," said Rayne Pegg, administrator of USDA's Agricultural Marketing Service (AMS), "their votes represented only 49 percent of the volume of eggs produced by all voters from January through December 2009."

The board uses these assessments to finance research and promotion projects, including nutrition research and consumer education. Producers in Hawaii and Alaska are not affected by the order. AMS oversees operations of the board.

For the referendum to pass, at least two-thirds of the voting producers or a majority of producers representing at least two-thirds of the volume of eggs produced by all voters, had to favor the amendment.

Commercial egg producers owning more than 75,000 laying hens between Jan. 1 and Dec. 31, 2009, except those producing hatching eggs, were eligible to vote. In addition, producers who own 75,000 or fewer laying hens but did not file for exemption and paid assessments were eligible to vote.

Producers with more than 75,000 laying hens will continue to pay 10 cents per 30-dozen case of commercial eggs to the American Egg Board, in lieu of the proposed increase to 15 cents.

Authorized by the 1974 Egg Research and Consumer Information Act, the board is responsible for developing a program of research, producer and consumer education, and promotion designed to improve, maintain, and develop markets for eggs and egg products. The program is funded entirely by assessments on eggs marketed by producers with flocks of over 75,000 hens.

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