

California Department of Food and Agriculture Feed, Fertilizer, and Livestock Drugs Regulatory Services Branch

QUARTERLY FEED UPDATE

Issue 6 | Spring 2021

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NOTICE TO INDUSTRY: Tonnage Tax Report Changes

The intent of this Notice is to inform the California feed industry of changes in tonnage tax reporting being implemented by the California Department of Food and Agriculture (CDFA) Commercial Feed Regulatory Program (CFRP). The CFRP is committed to implementing and optimizing thorough and accurate data reporting about by-product diversion. These changes in reporting will illustrate the vital role of by-products and demonstrate the sustainability and significance of the "highest and best use" concept that human food by-products continue to have throughout California.

Licensees will see these new changes in tonnage tax reporting within the ExtraView Database and on the Tonnage Reporting Form. <u>This change will</u> <u>be effective APRIL 1, 2021, for all Quarter 1 tonnage reporting (January through March 2021) and all ongoing reporting.</u>

These changes will include expanded and specified reporting such as overall feed categories, specific feed or ingredient, and intended species. Human food by-products are exclusively defined within the four following categories: Wet Food Processing Waste; Recovered Retail Food; Restaurant Food Waste; and, Cull Fruits and Vegetables. Detailed definitions of all categories listed above can be found at CDFA's CFRP website at https://www.cdfa.ca. gov/is/ffldrs/pdfs/Human Food Waste Byproducts Definitions.pdf.

Additionally, the CFRP is working diligently to publish regulations pertaining to the incentivization of licensing and tonnage tax reporting of by-products, including assessing licensees at a lower tonnage tax and license rate. Notification will be provided to industry when the regulations are published.

For additional information or questions, please contact the CFRP at (916) 900-5022.

View the official notice online at: <u>https://www.cdfa.ca.gov/is/ffldrs/pdfs/</u> <u>HumanFoodByProducts_IndustryNotice.pdf</u>

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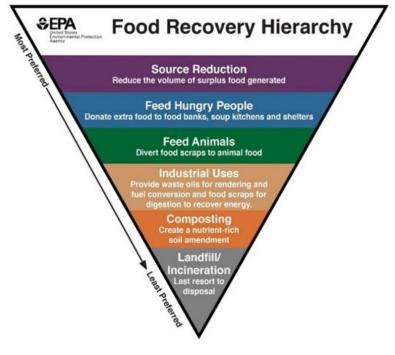
New Webpage for Human Food By-Product Diversion

CFRP is proud to debut a new webpage dedicated to human food by-product diversion. According to the United States Environmental Protection Agency, recovering human food to feed animals is the next best use for human food products when they can no longer be used. Currently, over 12.5 million tons of human food waste is diverted to animal feed annually within California's commercial feed industry.

The diversion of this tonnage that would otherwise be going to landfills demonstrates the feed industry's innovative recycling nature. Diversion helps reduce reliance on more expensive imported feed ingredients, helping the industry reduce its carbon footprint and enhance the security of the feed supply. Diversion also keeps this essential feed source out of landfills and ensures it is repurposed for its highest and best use - as a nutritional feedstuff for the livestock that provide us with eggs, meat, and milk.

To learn more about human food waste diversion to animal feed, please visit our new Human Food Waste (By-product) Diversion web page at: <u>https://www.cdfa.ca.gov/is/ffldrs/SAFE</u>

HumanFoodWasteDiversion.html



Tonnage Classification

Beginning with the 2021 Quarter 1 tonnage report, CFRP is requesting licensees to provide additional information classifying all commercial feed tonnage reported.

Licensees will have the ability to specify feed types, feed categories, and species intended for all tonnage reported using dropdown lists provided in ExtraView. Collecting this data will help CFRP accurately classify all commercial feed reported and gain a better understanding of the role the commercial feed industry plays in by-product diversion.

A list of acceptable feed types, feed categories, and species intended is provided on page 3.

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New Commercial Feed Tonnage Classifications: FEED TYPE AND FEED CATEGORY

Agricultural By-Products

Almond Hulls Almond Hulls & Shell Beet Pulp Canola Meal Corn By-product Cottonseed By-products Grain Screenings Olive Meal Rice Bran Soybean By-products Soybean Meal Sunflower Meal Wheat Mill Runs Whole Cottonseed Other (Specify)

Animal Products

Animal Fat and Tallow Meat and Bone Meal (Non-Ruminant) Meat and Bone Meal (Ruminant) Feather Meal Fish Meal Insect Products (Specify) Poultry By-products Dried Poultry Litter Other (Specify)

Formula Feed

Non-medicated Medicated VFD Medicated

Grains/Oilseed/Seeds Barley Canola Corn Mixed (Specify) Oats Rice Rolled Grains Soybeans Wheat Other (specify)

Other Human Food By-Products¹

Dried Whey Products Processed Bakery Waste Grape Pomace Nut By-products Other (Specify)

Human Food By-Products (Diversion)²

Cull Fruit & Vegetable Recovered Retail Food Restaurant Food Waste Wet Food Processing Waste

Industrial By-Products

Dried Distiller's Grains Glycerin Wet Distiller's Grains Other (specify) Manufactured Hay/Grass Products Hay/Grass Cubes Hay/Grass By-products Hay/Grass Pellets Other (Specify)

Supplement/Concentrate Supplement/Concentrate

Vitamins/Minerals Medicated Non-medicated

Other (Specify)

Mixed by-products (specify) Mixed Ingredients (specify) Other (specify)

¹ This category reflects products that do not meet the definitions for wet food processing waste, recovered retail food, restaurant food waste, or cull fruits and vegetables, likely due to further processing.

² For full definitions, refer to the <u>Human Food By-products</u> <u>Definitions</u>.

New Commercial Feed Tonnage Classifications: SPECIES INTENDED

Aquaculture Avian-Other Bee Beef Cattle Dairy Cattle

Exotic Horse Insects Poultry Small Animal (Rabbit, Etc) Sheep/Goat Swine Multiple Unknown Other (Specify)

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Incentives for Human Food By-Product Diversion

The Feed Inspection Advisory Board (FIAB) Regulatory Subcommittee has recommended that the CFRP introduce incentives for licensees who divert human food byproducts to commercial livestock feed. At this time, the incentives being considered include:

- Reduced inspection tonnage tax rate for human food byproducts diverted (rate to be determined)
- Waived tonnage tax payment for a portion of human food by -products diverted (number of tons waived to be determined)
- Reduced license fee for firms solely diverting human food by-products (fee to be determined)

CFRP is currently developing regulations regarding these incentives. Notification and opportunity for public comment will be provided to industry when the regulations are published.

To ensure you receive the notice when regulations are published, please subscribe to the CFRP listserv by visiting the CDFA subscriptions page (<u>http://www.cdfa.ca.gov/</u> <u>subscriptions/</u>) and selecting "Animal Feed."

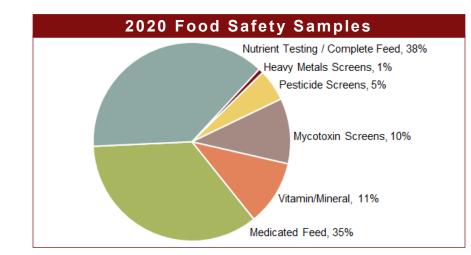
2020 Sampling Summary

CFRP has finalized its sampling data from 2020. Despite changes to everyday operations as a result of the pandemic, CFRP inspectors still managed to collect a total of 704 samples while following the program's enhanced COVID-19 protocol. In addition, 2020 saw the CFRP transition analytical services to the University of California, Davis, Analytical Laboratory (An Lab) and California Animal Health and Food Safety Services (CAHFS) Laboratory. Both An Lab and CAHFS worked quickly to accommodate CFRP, allowing for a virtually seamless transition in analytical services with no disruption to industry.

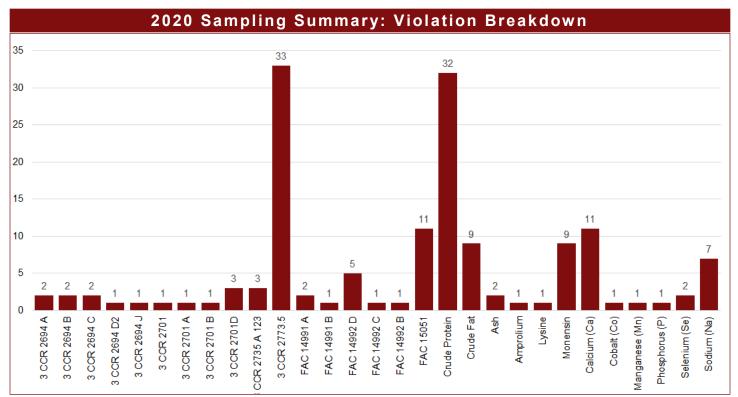
A huge thank you to the inspectors and laboratory staff who work to ensure a safe and wholesome supply of feed for California's livestock. Data on the 2020 samples is provided below and continued on page 5.

2020 Sample Types	Number	Percentage
Food Safety	372	53%
Label Compliance	332	47%
Total	704	100%
Violative Samples	147	21%





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Note: "3 CCR" refers to California Code of Regulations Title 3; "FAC" refers to Food and Agricultural Code.



CFRP obtained samples of feed products and ingredients from the following locations coming into California in 2020: Mexico, China, Canada, California, Texas, North Dakota, South Dakota, Nebraska, Kansas, Oklahoma, Minnesota, Iowa, Illinois, Missouri, Wisconsin and Arkansas

CONTACT US



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VIEW FIELD STAFF TERRITORY MAP

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