



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE

Karen Ross, Secretary

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE STANDARDIZATION ADVISORY COMMITTEE

MEETING NOTICE

The meeting will be conducted via Zoom only

Zoom Meeting ID: 160 071 6578

Passcode: a031020!

Dial-in Number: 833-568-8864 (passcode: 46463162)

Meeting Link:

<https://www.zoomgov.com/j/1600716578?pwd=MWpMc1Q5eVI2Zmp6OG9JVXlodlhRQT09>

Please keep your phone/computer on mute during the meeting and wait to be called on by the Chair before speaking. Once called on, please then identify yourself before speaking.

Committee Members

Marko Zaninovich, Chair

David Silva

Jeff Simonian

Ed Williams

Patrick Tucker, Vice Chair



Public Participation

Members of the public are encouraged to provide comment to the Standardization Advisory Committee and may suggest items to be placed on the agenda for discussion at the next Standardization Advisory Committee meeting. While the Standardization Advisory Committee values the participation of the public, the Committee Chairman reserves the right to limit the time for public comment to a maximum of three (3) minutes per speaker in order to proceed with the agenda.

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**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE
STANDARDIZATION ADVISORY COMMITTEE**

MEETING AGENDA

Thursday, October 29, 2020

10:00 am – 1:00 pm

Zoom Meeting ID: 160 071 6578

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Items

- (1) CALL TO ORDER
- (2) ROLL CALL/INTRODUCTIONS – Establish Quorum
- (3) ELECTION OF OFFICERS
- (4) VACANCIES & TERMS REPORT
- (5) PUBLIC COMMENTS – Limited to items not on the agenda
- (6) REVIEW OF MARCH 5, 2020 MEETING MINUTES
- (7) FUND CONDITION AND ASSESSMENT INCREASE PROPOSAL
- (8) FY 2019/20 COUNTY ENFORCEMENT ACTIVITY REPORTS
- (9) COUNTY WHOLESALER REGISTRATION STATUTE – CACASA UPDATE
- (10) DIRECT ONLINE PRODUCE SALES
- (11) TABLE GRAPE INDUSTRY – SHED/FIELD PACKING
- (12) PROGRAM UPDATES
- (13) NEXT MEETING/AGENDA ITEMS

(14) ADJOURNMENT

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**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
STANDARDIZATION ADVISORY COMMITTEE (STDZ)
March 5, 2020 Meeting Minutes
4437 South Laspina Street, Tulare, CA 93274**

MEMBERS PRESENT

Marko Zaninovich - Chair
David Silva
Jeff Simonian
Patrick Tucker
Ed Williams

MEMBERS ABSENT

None

INTERESTED PARTIES

Tesfaye Jimma - Tulare Co.
Christopher Greer - Tulare Co.
Mayra Marrufo - Monterey Co.
Yvonne Perez - Monterey Co.
Eddy Greynolds - Kern Co.
Amanda Zito - Fresno Co.
Angel Gibson - Fresno Co.
Scotti Walker - Fresno Co.

CDFA

Steve Patton
Marcee Yount
Mitchell King
Karrie Batchelor
Andrea Todd

ITEM 1: ROLL CALL/INTRODUCTIONS

The meeting was called to order by Marko Zaninovich, Chair at 10:05 a.m. Introductions were made, roll was called by Mitchell King, and a quorum was established.

ITEM 2: PUBLIC COMMENTS

There were no public comments.

ITEM 3: REVIEW AND APPROVAL OF OCTOBER 29, 2019 MEETING MINUTES

Chair Zaninovich asked for a motion to approve the October 29, 2019 Meeting Minutes as presented.

MOTION: Patrick Tucker moved to approve the October 29, 2019 Meeting Minutes as presented. David Silva seconded the motion. The motion passed unanimously.

ITEM 4: COMMITTEE VACANCY AND TERMS REPORT

King provided the Committee Vacancy and Terms Report. Current vacancies include: two fresh fruit members for oranges, other citrus fruit, and/or table grapes; four fresh vegetable members for broccoli, lettuce, or tomatoes; two other fresh vegetable members; and one other commodity member. King also provided the names of members who will be eligible for reappointment beginning September 1, 2020.

Steve Patton encouraged the county and industry representatives present to submit recommendations for potential members to help fill committee vacancies.

ITEM 5: REVIEW OF PROPOSED FISCAL YEAR 2020/21 COUNTY COOPERATIVE AGREEMENTS

Marcee Yount presented the Proposed Fiscal Year (FY) 2020/21 County Cooperative Agreements. Yount noted that for the FY 2020/21, counties would be receiving a 10 percent increase in funds for their cooperative agreements to help offset decreases in the agreement amounts of the previous two years. Yount also noted that Imperial County will have a cooperative agreement for the FY 2020/21. Yount went on to explain that counties must submit requests for additional funding at the fall Committee meeting. A detailed proposal and justification would be required before such requests would be considered.

Yount invited the counties in attendance to provide an update on their activities. Fresno, Tulare, Kern, Ventura, and Monterey counties reported their activities to the Committee.

Scotti Walker provided an overview for Fresno County. Fresno County conducts inspections on honeydews, watermelons, table grapes, apricots, and cherries. Walker noted that Fresno County also conducted inspections with the county's Environmental Health Department at roadside fruit stands verifying compliance with standardization laws and licensing requirements. Walker said that one issue encountered with roadside stands is a lack of proper receipts to verify ownership of fruit.

Christopher Greer provided an overview for Tulare County. As of January 2020, much of Tulare County's activity is in packing houses for citrus, cherries, pomegranates, and table grapes. Tulare County issued 12 Notices of Non-Compliance for labeling violations. Tulare County used the previous year's additional funding to enhance their table grape inspection program.

Eddy Greynolds provided an overview for Kern County. Much of the work in the county focuses on table grapes and melons. Greynolds stated that Kern County does inspect vegetables and other fruits as needed. Kern County is conducting roadside and retail inspections on a complaint basis only. David Silva asked if Kern County inspected early pomegranates and Greynolds indicated that they plan to start doing maturity inspections for pomegranates this year.

Ed Williams provided an overview for Ventura County. Williams noted that a large part of Ventura County's program is inspecting imported melons from Central America. Ventura County has also started field checks of small vegetable packers that send product to the Los Angeles produce market as well as increased visits to coolers and wholesalers to verify labeling and quality. Ventura County plans to continue inspections at roadside stands but will do so utilizing funds from their high-risk contract.

Yvonne Perez provided an overview for Monterey County. Perez noted that the 2018 value of agricultural production for Monterey County was over \$4.25 billion, representing over 50 different types of fruits and vegetables. Field packed vegetables, lettuce and other leafy greens are inspected using full time staff.

Patton mentioned a change to Monterey County's program, Monterey County is no longer conducting mandatory head lettuce inspections under a county ordinance.

Silva asked about production in counties north of Monterey, specifically, San Benito County area. Patton explained that San Benito may be doing some standardization checks on locally grown produce using county resources and that the product is also inspected by other counties performing wholesale inspections.

Silva mentioned the increase in online direct produce sales. Silva asked if the Committee was interested in having a task force review how the produce is obtained and sold by these online sellers. The discussion focused on online produce sellers and whether they are meeting the same minimum quality requirements and standards as the rest of the industry. Chair Zaninovich asked that CDFA staff investigate the online sales practices and report back at the next meeting.

ITEM 6: APPROVAL OF PROPOSED FISCAL YEAR 2020/21 PROGRAM BUDGET

Yount presented the Proposed FY 2020/21 Program Budget. Proposed expenditures for FY 2020/21 include: \$718,482 for personal services; \$1,182,421 in operating expenses and equipment; and \$141,919 for departmental services; bringing the total program cost for FY 2020/21 to \$2,042,822. With a projected gas tax credit of \$29,000 and a cash adjustment for statewide costs of \$120,753, the total projected program budget is \$2,134,575. The projected revenue for FY 2020/21 is \$2,534,516.

Patton described some of the increases to the budget including increasing county cooperative agreements by 10 percent as well as increased personal services costs. Patton also explained that the Shipping Point Inspection office at the Otay Mesa border crossing is being reimbursed for work conducted on behalf of the Standardization Program. Patton went on to discuss additional budget items.

Discussion ensued regarding the assessment rates that were scheduled to go into effect July 1, 2020.

MOTION: David Silva moved to approve the Proposed Fiscal Year 2020/21 Program Budget as presented. Patrick Tucker seconded the motion. The motion passed unanimously with no abstentions.

ITEM 7: PROGRAM UPDATES

Yount provided an update on the Standardization assessment increase and reported it was moving through the regulatory process. Silva requested that a letter informing the industry of the assessment increase be sent out in April or May.

Patton provided an update on the Produce Safety Program noting that they will be hiring additional inspection staff. There was brief discussion regarding the placement of new Produce Safety Program staff throughout the state as well as the processes involved in inspections. Patton stated that these staff assist Centers for Disease Control personnel in inspections during outbreaks. Patton also described current research on lettuce food

safety that will be funded by the Food and Drug Administration to assist with the Leafy Green Marketing Agreement.

Karrie Batchelor discussed the upcoming cherry season and stated the county training sessions will be held in April. Batchelor also mentioned the annual table grape industry labeling letter will soon be sent to growers, handlers, and interested parties.

ITEM 8: NEXT MEETING/AGENDA ITEMS

Williams asked for a discussion about increasing annual wholesale registration fees. Patton asked if California Agricultural Commissioners and Sealers Association could provide a letter of intent to the Committee showing that they would support a legislative process to increase annual wholesale registration fees and include the regulatory changes.

Chair Zaninovich asked that there be discussion of online or direct to consumer sales.

Patton also noted that counties will provide reports on their standardization activities.

The next meeting will be held on Thursday, October 29, 2020 at 10:00 a.m. at the Tulare County Agricultural Commissioner's Office, in Tulare, California.

ITEM 9: ADJOURNMENT

The meeting was adjourned at 11:40 a.m. by Chair Zaninovich.

Respectfully submitted by:

for
Stacey Hughes, Program Supervisor
Standardization Program

**Standardization Program
Fund Condition Comparative Evaluation**

	<u>2020-2021</u>	<u>2021-2022*</u>	<u>2021-2022**</u>	<u>2022-2023*</u>	<u>2022-2023**</u>
Fund Beginning Balance	\$1,443,299	\$1,276,638	\$1,276,638	\$1,417,001	\$748,578
Revenue	\$1,781,443	\$2,461,175	\$1,792,752	\$2,454,985	\$1,794,503
Available Cash	\$3,224,742	\$3,737,813	\$3,069,390	\$3,871,986	\$2,543,081
Expenditures	\$1,827,351	\$2,187,984	\$2,187,984	\$2,358,568	\$2,358,568
Cash Adjustment	\$120,753	\$132,828	\$132,828	\$146,111	\$146,111
Ending Balance	\$1,276,638	\$1,417,001	\$748,578	\$1,367,306	\$38,402

*Includes proposed .001 mil assessment rate increase that would become effective on July 1, 2021.

**Does not include proposed .001 mil assessment rate increase.

**Standardization Cooperative Agreement
County Enforcement Activity Summary
FY 2019-20**

County	Lots Inspected	Containers Inspected	Containers Rejected	Non-Compliances Issued	Administrative Civil Penalties Issued	Hours	Agreement Amount	Invoiced Amount	Agreement Balance
Alameda	9,859	73,223	41	2	0	151	\$16,200	\$15,515	\$685
Fresno	3,230	598,039	9,665	24	0	1,965	\$130,800	\$108,618	\$22,182
Kern	1,494	650,203	4,272	14	0	1,343	\$55,480	\$55,480	\$0
Kings	755	84,060	210	1	0	381	\$24,300	\$22,285	\$2,015
Los Angeles	18,091	1,792,672	67,889	453	142	3,360	\$85,502	\$85,502	\$0
Merced	128	116,609	40	1	0	170	\$14,400	\$11,592	\$2,808
Monterey	323	383,210	0	0	0	320	\$26,244	\$25,101	\$1,143
Riverside	28,286	6,858,260	45,503	224	4	1,528	\$85,094	\$85,094	\$0
San Bernardino	9,702	912,644	4,943	14	0	359	\$22,073	\$22,073	\$0
San Diego	1,004	312,304	327	16	4	499	\$47,430	\$42,773	\$4,657
San Francisco	938	52,986	396	5	0	286	\$14,398	\$13,124	\$1,274
San Joaquin	845	82,024	1,695	27	0	758	\$39,816	\$39,816	\$0
San Mateo	36,012	2,004,845	10,168	132	0	741	\$65,404	\$65,404	\$0
Stanislaus	793	425,254	11,384	4	0	230	\$10,800	\$10,800	\$0
Tulare	2,141	974,051	10,097	18	0	1,027	\$43,800	\$43,800	\$0
Ventura	911	34,409	25	5	0	223	\$14,400	\$14,400	\$0
Yolo	56	202,144	0	0	0	172	\$17,144	\$17,144	\$0
TOTALS	114,568	15,556,937	166,655	940	150	13,513	\$713,285	\$678,521	\$34,764



STANDARDIZATION AND STATISTICS COMMITTEE
July 30, 2020

Memo

TO: CACASA Board of Directors

FROM: Ed Williams, Chair, Standardization and Statistics Committee

Report on Wholesale Registration Fee Survey

On May 13, 2020, County Agricultural Commissioners were asked to complete a survey regarding wholesale produce distributors and a possible registration fee. These are the results of that survey.

40 counties completed the survey.

Background

In 1983, the legislature adopted Food and Agricultural Code Sections 43061-43065. These sections allowed the Board of Supervisors of counties with a population of 6 million or more to establish a wholesale produce distributor registration fee in the amount of \$250. This fee pays for cost of the county agricultural commissioner to conduct inspections at these facilities for produce quality, packaging and labeling requirements.

In 1992, the legislature established the Standardization Program which allowed the Secretary of Agriculture to establish an assessment on packages of fresh fruits, nuts and vegetables to pay for the cost of conducting the Standardization Program. The California Department of Food and Agriculture uses these funds, in part to contract with county agricultural commissioners to conduct inspections of produce for quality, packaging and labeling compliance.

The Standardization Advisory Committee is responsible for advising the Secretary on Program activities and use of funding. Committee members recently asked if and how out of state produce is assessed to cover the costs for inspection of these competing products.

The only assessment that currently pays for a portion of inspection costs is the wholesale registration fee. The Committee requested Ed Williams to determine how many counties would be willing to implement this fee if the population limitations were removed. For these reasons, CACs were asked to complete the following survey questions.

Results

1. Does your county have wholesale produce distributors?
 - a. 28/40 responses yes – 70%
 - b. 12/40 responses no – 30%

2. Does your county do periodic inspections at wholesale produce distributors?
 - a. 15/39 responses yes – 38.46%
 - b. 22/39 responses no – 56.41%

3. If funding was available, would your county do periodic inspections at wholesale produce distributors?
 - a. 22/39 responses yes – 56.41%
 - b. 13/39 responses no - 33.33

4. If a wholesale produce distributor fee were established, would your county support implementation of such a fee?
 - a. 10/39 responses yes – 25.64%
 - b. 7/39 responses no – 17.95%
 - c. 22/39 responses not sure – 56.41%

5. If yes, would you support a fee of:
 - a. 7/24 responses - \$250 – 29.17%
 - b. 2/24 responses - \$500 – 8.33%
 - c. 12/24 responses - A sliding scale based on the square footage of storage space – 50%
 - d. 2/24 responses- Other, Time/Mileage/Actual and Any schedule adopted – 8.33%

Comments received regarding wholesale produce distributors and a possible registration fee:

This does not reflect all comments made, but some significant issues to consider.

Already available through Standardization contracts.

Board is hesitant to adopt fees especially for businesses who may have lost revenues during COVID 19.

At this time it would not be good to initiate a new F & V Program.

We don't have staff for additional inspections.

Only if there is full cost recovery.

Stay away from square footage, too difficult to determine.

Already have a packer fee for weights and measures purposes.
Not enough to justify the time for an agreement or invoicing.

If funding aside from implementing a fee were available we would conduct routine inspections.

County has steered away from fees like this.

Organic inspections are done, but not for Standardization.

Export inspections are done, but not for Standards.

I don't feel another fee is necessary.

QA and food safety auditors already do inspections at the coolers. May be duplicative.

Need to know the workload before agreeing to yes or no.

We could do the inspections without being directly funded through contract or fee.

We have a small number of producers, the fee would not be well supported.

CDFA OFFICE OF FARM TO FORK

Food Technology Platforms

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- CA Farmer Marketplace
- Farm Management Software
- Sales Platforms

COVID 19 “Disruption”

- School and Foodbank Meal Service
- Broader Engagement with Tech Platforms
- No Perfect Solution

Next Steps

- Collaborate with UC Agriculture and Natural Resources (UCANR)
- Develop an “ecosystem” of technology solutions
- Embed standards with startups