



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
CALIFORNIA ORGANIC PRODUCTS ADVISORY COMMITTEE (COPAC)**

May 8, 2018

Meeting Minutes

2800 Gateway Oaks, Sacramento, CA

MEMBERS PRESENT

Mindee Jeffery – Chair
Melody Meyer – Vice Chair
Vernon Peterson
David Will
Karen Archipley
Steve Beck
Jeremy Johnson
Christina Jensen Augustine
Jaclyn Bowen
Jake Lewin
Stacy Carlsen
Benjamin Diesl
Phillip LaRocca
John McKeon
Garff Hathcock
Alexis Randolph

MEMBERS ABSENT

Sean Graham
Randy Skidgel
Heather Podoll
Jane Reick
Kaley Grimland
Jennifer Shawgo
Chad Sokol

INTERESTED PARTIES

Kelly Damewood – CCOF
Peter Nell - CCOF
Robin Perry – CDPH
Anja Raudabaugh – Western United
Dairymen (WUD)
Bobby Marchy – WUD
Jennifer Berretta – Western Organic
Dairy Producers Alliance
Taylor Roschen – CA Farm Bureau
Federation
Mark McAfee – Organic Pastures Dairy
Co.
Dinna Morris – San Diego County
Tom Wright – Sustainable Business
Practices

CDFA

Jenny Lester-
Moffitt
Natalie Krout-
Greenberg
Carla Sanchez
Steve Patton
Marcee Yount
Danny Lee
Scott Renteria
Thomas Osborn
Mayze Fowler-
Riggs
Andrea Cano
Leslie Fernandez
Pam Rodriguez
Michele Dias
Kara Breevaart

ITEM 1: CALL TO ORDER

The Committee was called to order at 10:05 a.m. by Ms. Mindee Jeffery, Chair, and self-introductions were made.

Ms. Jenny Lester-Moffitt, CDFA Undersecretary, thanked Ms. Melody Meyer for her many years of service to COPAC, and her work on behalf of the organic community. Mr. Danny Lee presented Ms. Meyer with a gift basket in recognition of her outstanding contribution to the California organic industry.

ITEM 2: ROLL CALL

Roll was called by Mr. Thomas Osborn, and a quorum was established.

ITEM 3: REVIEW AND APPROVAL OF JANUARY 25, 2018 MEETING MINUTES

Ms. Jeffery requested a motion to approve the January 25, 2018 Meeting Minutes as submitted.

Mr. David Will mentioned that an interested party's surname was misspelled. It was also noted that the meetings listed May 9, 2018 as the next COPAC meeting date.

Ms. Jeffery then requested a motion to approve the January 25, 2018 Meeting Minutes as amended.

MOTION: Mr. Vernon Peterson moved to approve the January 25, 2018 Meeting Minutes as amended. Ms. Melody Meyer seconded the motion. The motion passed unanimously, with no abstentions.

ITEM 4: CALIFORNIA DEPARTMENT OF PUBLIC HEALTH UPDATE

Ms. Robin Perry presented the California Department of Public Health (CDPH) Update on behalf of Ms. Jane Reick. Ms. Perry informed the Committee that Mr. Benson Yee replaced Mr. Pat Kennelly as CDPH Food Safety Section Chief. CDPH is also working to fill existing staff vacancies, as well as respond to organic complaints in a timely manner. Ms. Perry went on to state that CDPH will compile data relating to organic food complaints by the summer of 2018, and that CDPH is conducting a review of the entire CDPH Organic Program, in order to improve overall Program function. Ms. Perry also noted that the CDPH Organic Program is working to create a new Organic Analyst position.

Mr. Jeremy Johnson requested that CDPH compile data pertaining to Personnel Services expenditures, and present it to COPAC at a later meeting date.

ITEM 5: STATE ORGANIC PROGRAM REPORTS

i. Vacancy and Terms

Mr. Osborn provided the Vacancy Report. Vacancies include: one technical representative; two producer alternates; two processor alternates; one environmental representative alternate; two technical representative alternates; and one consumer representative alternate.

A discussion ensued pertaining to the reappointment process for members eligible for reappointment. Mr. Osborn clarified that members seeking reappointment must submit a Prospective Membership Appointment Questionnaire and letter of recommendation in order to be reappointed to a second term on COPAC.

ii. Bagley-Keene/ Form 700 Requirements

CDFA General Counsel Ms. Michele Dias provided the Committee with an overview of the Bagley Keene Act and Form 700 Statement of Economic Interests requirements.

Ms. Dias explained that these laws are designed to increase Committee transparency, and provide the public with an opportunity to participate in the decision-making process and identify potential conflicts of interest.

A period of discussion ensued, wherein Ms. Dias responded to specific questions pertaining to these documents.

iii. September Meeting Location

Mr. Osborn stated that based on Committee member preference and availability, the September 2018 COPAC meeting is scheduled to be held on September 5, in Fresno. The meeting will take place at the California State University, Fresno Jordan Agricultural Research Center, in the Wonderful Conference Room, from 10:00 a.m. – 2:00 p.m.

Mr. Osborn went on to state that Mr. Steve Beck proposed an organized farm tour to coincide with the Committee meeting in Fresno. Mr. Osborn explained that the proposed event will not be affiliated with the CDFA State Organic Program (SOP), but that members may attend independently.

MOTION: Mr. Jake Lewin moved to recommend to Secretary Karen Ross that the California Department of Food and Agriculture consider sponsoring the proposed farm tour in September as official State Organic Program business. Ms. Melody Meyer seconded the motion. The motion passed, with Ms. Mindee Jeffery abstaining.

iv. Reports: Revenue from Registration, New Registrations

Mr. Scott Renteria provided the Committee with a summary of SOP revenue collected. Mr. Renteria reported that as of March of 2018, \$1,038,746 had been collected in registration fees. He clarified that registration fees paid to CDPH are not included in the data set.

Mr. Renteria went on to provide an overview of new registrant demographics. The total number of new registrations for 2017 was 459. The majority of the new registrants are producers, followed by handlers, and then processors. The SOP has a total of 4,062 total registrants in 2017.

Mr. Renteria also provided an overview of the SOP revenue from registrations. As of March 2018, the revenue for the Fiscal Year (FY) 2017/18 is \$1,038,746.

v. Compliance and Enforcement/Appeals Summary, Complaints Report

Mr. Renteria provided an overview of the complaint activity for the 2017/18 FY. During that time, the SOP received 87 complaints in total. Of the complaints that the SOP received: 57 were investigated by CDFA and County Agricultural Commissioner staff, 18 were referred to the CDPH; nine were referred to Accredited Certifying Agents; three were referred to the National Organic Program (NOP), and zero were referred to the Organic Input Material Program.

Mr. Renteria also presented an inspection and sampling summary. There were a total of 898 inspections so far in the 2018/19 FY, with the majority of them conducted at Certified Farmers' Markets.

vi. Residue Analysis

Mr. Renteria provided the Residue Analysis report for the 2018/19 FY. As of April 2018, there were a total of 185 samples collected; 150 of those samples were from routine surveillance done by contracted counties and CDFA. Of the 150 routine samples, 11 samples detected residues within tolerance levels, and four were above tolerance levels. There were 35 investigative samples collected as of April 2018, 25 samples detected residue within tolerance levels, and one sample detected residue above tolerance level.

vii. Genetically Modified Organism (GMO) Testing Update

Mr. Lee discussed the GMO Testing pilot program. As of September 2017, the SOP collected two zucchini samples and one yellow squash sample. None of the samples tested showed evidence of GMO. Mr. Lee explained that CDFA is focusing tests on higher-risk commodities, including bulk commodities, such as animal feed and corn. Mr. Lee also reminded the Committee that the pilot program necessitates that CDFA collect and test up to a total of 60 samples. Mr. Lee explained that upon completion of the pilot program, a decision of whether or not to continue GMO testing as a regular part of the SOP will need to be reached. Ms. Jeffery discussed the possibility of forming a Subcommittee to discuss the integration of GMO testing into regular SOP activities in advance of the September 2018 COPAC meeting.

MOTION: Ms. Mindee Jefferey moved to form a Subcommittee to discuss the possibility of including the Genetically Modified Organism testing pilot program into the State Organic Program's normal regulatory framework. Mr. Stacy Carlsen seconded the motion. The motion passed unanimously, with no abstentions.

Mr. Jeremy Johnson, Ms. Alexis Randolph, Ms. Mindee Jeffery, Ms. Jaclyn Bowen, Ms. Karen Archipley, Mr. Phil LaRocca, Mr. Stacy Carlsen, and Mr. Jake Lewin volunteered to serve on the new Subcommittee.

viii. Cottage Food Industry

Mr. Lee led a discussion pertaining to organic registration for the cottage food industry. Mr. Lee explained that under CDPH guidelines, Cottage Food Operations (CFOs) are classified as Class A or Class B. Class A CFOs are those that sell foods directly to the public, whereas Class B CFOs are those that sell products to the public indirectly, such as through restaurants or stores. Mr. Lee informed the Committee that CFO operators must complete food processor training, and may only prepare food on the CDPH approved cottage food list.

Mr. Lee went on to state that CFOs must be registered with their local environmental health agency before commencing business. Additionally, CDPH does not regulate

CFOs with less than \$50,000 in gross sales. Mr. Lee noted that CDPH will register CFOs with over \$50,000 in gross sales, as these firms are considered to be commercial food operations. For CFOs to sell products as organic, they must obtain a Processed Food Registration (PFR) Certificate from CDPH, as well as organic registration through the SOP. Mr. Lee encouraged those in attendance to visit the CDPH webpage for useful information pertaining to CFOs, and to share this webpage with stakeholders, and those in the Cottage Food industry.

Ms. Jeffery reiterated the need for CDFA and CDPH to work on educating CFOs on the specific requirements necessary for products to be certified as organic. Mr. Stacy Carlsen suggested that SOP staff communicate with local environmental health agency staff to facilitate coordination between CDFA, CDPH, and local environmental health agencies throughout California.

ix. Communications/Marketing Update

Mr. Lee presented the Communications contract. He began by informing the Committee that the SOP recently sent out a press release pertaining to COPAC vacancies. Mr. Lee also explained that a survey designed to gauge participants' knowledge and impression of the SOP was recently conducted, and provided valuable feedback pertaining to the program. He went on to state that CDFA is working to create a new website, and COPAC page on the SOP website, and that SOP staff will seek COPAC Marketing Subcommittee feedback as the project moves forward.

Mr. Lee also led a brief discussion of Organic Stakeholder Working Group recommendations. These recommendations include streamlining the CDFA registration process, improving enforcement activities, enhancing training, and expanding outreach and communication to stakeholders. Mr. Lee also informed the Committee that the SOP hired two additional full-time Inspectors in central and southern California, in order to improve enforcement capabilities throughout the state. CDFA will collaborate with County Agricultural Inspectors to conduct training sessions, encourage training through the International Organic Inspectors Association, as well as continuing to conduct presentations at organic workshops to organic industry and county enforcement staff.

Mr. Garff Hathcock noted that he found the new organic online registration procedures to be very streamlined and user-friendly, and thanked SOP staff for their work.

ITEM 6: BUDGET REVIEW AND APPROVAL

i. SOP Fund Condition

Mr. Lee presented the FY 2017/18 Fund Condition to the Committee. As of February 28, 2018, the beginning balance was \$3,393,313 and total revenue was \$946,607. Total expenditures were \$1,001,049 and the ending balance was \$3,338,871.

ii. FY 2018/19 Budget

Mr. Lee discussed the proposed SOP budget for FY 2018/2019. The total proposed SOP budget is \$2,138,007, and the proposed revenue is \$1,553,707. Total Personnel Services expenses are \$796,811, total Operating Expenses and Equipment are \$1,009,990, and total Departmental expenses are \$431,160.

Mr. Will asked if the proposed budget for FY 2018/19 accounted for changes associated with Senate Bill (SB) 84, which required a supplemental employer contribution to the Public Employees' Retirement Fund. Ms. Natalie Krout-Greenberg explained that an update on the fiscal impacts of SB 84 on the SOP's FY 2018/19 benefit calculations will be provide to the Committee at the next meeting.

Ms. Jeffery asked for a motion to approve the FY 2018/19 budget as submitted.

MOTION: Mr. Garff Hathcock moved to approve the FY 2018/19 budget as submitted. Ms. Melody Meyer seconded the motion. The motion passed unanimously, with no abstentions.

ITEM 7: DATABASE UPDATE

i. Commodity Categories

Mr. Renteria presented the commodity group changes to the registration process. He explained that the registration database containing the additional commodities went live on April 1, 2018. Mr. Renteria informed the Committee that industry feedback has been positive thus far. During the testing phase, Mr. Vernon Peterson requested the addition of melons to the commodity list. Mr. Renteria went on to explain that this addition would require an additional regulatory change. Ms. Jeffery suggested that the Committee review the commodity information collected by the new registration database at the September 2018 COPAC meeting.

ii. Database Changes

Mr. Renteria led a discussion pertaining to the Office of Information Technology Services (OITS) requirements for Stage Gate Project Analysis and approval. There was also a lengthy discussion regarding the process for making broad changes to the database. Mr. Renteria explained that modifications to the process by which reports are generated and displayed by the database requires substantial changes by OITS staff, and require additional stage gate analysis. Mr. Jake Lewin requested that CDFa explore ways to export organic registration reports to make the data more easily accessible to organic certifiers. Mr. Renteria responded that he will consult with OITS staff, and report his findings to the Committee during the September COPAC meeting.

ITEM 8: COMMERCIAL HEMP UPDATE

Ms. Michelle Phillips and Mr. Josh Kress of the CFDA Nursery, Seed, and Cotton Program presented the Commercial Hemp Update. Ms. Phillips informed those in

attendance of USDA National Organic Program (NOP) instructions on organic certification of industrial hemp production. Under federal law, institutions of higher education authorized by state and federal law to cultivate hemp may be certified as organic. However, CDFA is not aware of any institutions of higher education cultivating industrial hemp at this time.

Ms. Phillips reminded the Committee that the California Industrial Hemp Program is currently managed by the Nursery, Seed, and Cotton Program. She also encouraged those in attendance to register on the CDFA website in order to receive Program updates and Industrial Hemp Advisory Board meeting dates.

ITEM 9: CALCANNABIS UPDATE

Mr. Richard Parrot of the CDFA CalCannabis Division provided the CalCannabis Update. Mr. Parrot informed the Committee that as of May 3, 2018, CalCannabis is in the process of issuing 3,613, 120-day temporary cannabis cultivation licenses. The Department has received 5,346 temporary license applications, and has issued 1,545 denials. Mr. Parrot went on to explain that CalCannabis has also received 94 annual cultivation license applications, and has 6,424 registered public users on the CalCannabis webpage.

Mr. Parrot also stated that CalCannabis is increasing staff numbers in its Compliance and Enforcement Branch. The Compliance and Enforcement Branch is currently conducting inspections and educational outreach at temporarily licensed cannabis cultivation sites.

ITEM 10: COST SHARE/2018 FARM BILL

Ms. Meyer explained that reauthorization of the Cost Share Program is not included in the Farm Bill drafted in the United States Senate, but is present in the United States House of Representatives version of the bill.

Ms. Krout-Greenberg informed the Committee that the Department's Farm Bill letter included support of the Cost Share Program. Mr. Lewin thanked Secretary Ross and CDFA for their continued support of the Cost Share Program.

ITEM 11: NOSB MEETING UPDATE

Ms. Jeffery expressed concern regarding potential changes to the National Organic Standards Board's (NOSB) and NOP National List processes. Ms. Meyer voiced her support for keeping NOSB processes transparent and accountable.

Ms. Mindee Jeffery requested a motion to reiterate COPAC's support for the NOSB and National List processes.

MOTION: Ms. Meyer put forth a motion stating that the California Organic Products Advisory Committee is concerned about any legislative or administrative changes impacting the National Organic Standards Board, and that the California Organic

Products Advisory Committee opposes any efforts to undermine the National Organic Standards Board and its authority to govern organic systems via National Organic Program Rulemaking, as it stands currently under the United States Department of Agriculture. Mr. Vernon Peterson seconded the motion. The motion passed unanimously, with no abstentions.

ITEM 12: INFORMATIONAL UPDATE PRESENTED BY ORGANIC PASTURES DAIRY COMPANY

Mr. Mark McAfee of the Organic Pastures Dairy Company expressed concern that out-of-state dairies have failed to adequately follow existing Pasture Rule guidelines. Mr. McAfee contended that this has led to a reduction in milk prices, and has weakened the competitiveness of California organic dairies, which abide by Pasture Rule guidelines. Mr. McAfee requested that COPAC express support for strict maintenance and enforcement of the current Pasture Rule.

A period of discussion followed, with several Committee members contending that this particular issue is outside the scope of COPAC's role in advising the Secretary of Food and Agriculture, as the SOP does not possess the legal authority to investigate complaints made against firms outside of California.

Ms. Krout-Greenberg recommended that CDFA set up a stakeholder working group comprised of California organic dairy farmers, certifiers, and processors, and to use input from this working group to guide SOP enforcement practices. Ms. Krout-Greenberg also suggested that CDFA communicate with NOP staff to inform them of enforcement issues raised by industry. Ms. Krout-Greenberg emphasized that CDFA is not granted authority under the Food and Agricultural Code to address issues in the organic dairy industry outside of California.

Ms. Jennifer Berretta of the Western Organic Dairy Producers Alliance (WODPA) requested that COPAC recommend that Secretary Ross encourage stricter enforcement of USDA NOP Pasture Rule guidelines in California, and provide additional training for organic certifiers. Ms. Berretta went on to request that CDFA include WODPA and Western United Dairymen (WUD) members in the proposed working group.

Ms. Anja Raudabaugh of WUD discouraged CDFA from implementing additional regulations or assessment fees which may diminish the competitiveness of California dairies.

ITEM 13: PUBLIC COMMENTS

There were no public comments.

ITEM 14: NEXT MEETING/AGENDA ITEMS

The next meeting is scheduled to take place on September 5, 2018, in Fresno, California. The meeting will be take place at California State University, Fresno Jordan

Agricultural Research Center, in the Wonderful Conference Room, from 10:00 a.m. – 2:00 p.m.

ITEM 15: ADJOURNMENT

The meeting was adjourned at 1:40 p.m. by Ms. Mindee Jeffery, Chair.

Respectfully submitted by:

A handwritten signature in black ink, appearing to read "Danny Lee", written over a horizontal line.

Danny Lee, Supervising Special Investigator
State Organic Program