

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
ANIMAL HEALTH AND FOOD SAFETY SERVICES (AHFSS)
MEAT, POULTRY AND EGG SAFETY BRANCH (MPES)
RENDERING INDUSTRY ADVISORY BOARD (RIAB)
MEETING MINUTES
October 03, 2024**

California Department of Food and Agriculture
1220 N St, Room 133
Sacramento, CA 95814

Item

No. **CALL TO ORDER**

Mr. Brad Fleeman, Acting Chair, called the RIAB meeting to order at 10:00 a.m.

(1) ROLL CALL

Roll call was taken by Mr. Fleeman. A quorum was established at 10:03 a.m.

Board Members Present:

Brad Fleeman, Acting Chair
Jimmy Andreoli II
Phil Ottone
Michael Koewler

D.O. "Spike" Helmick Jr.
T. J. Koewler
David Belt

Interested Parties:

Tristan Daedalus, Baker Commodities
Andy Black, Reno Rendering Company
Angelica Hernandez, Rapid Grease Services

CDFA:

Dr. Annette Jones
Dr. Fernando Umayam
Lisa Quiroz
Andrew Halbert
Alec Lieu

Paula Batarseh
Han Lai
Brittany Cardoza
Penny Arana
Sedona Quiroz-Lopez

(2) APPROVAL OF MINUTES

Mr. Fleeman asked the Board to review the meeting minutes from July 18, 2024.

Motion #1: Mr. D.O. "Spike" Helmick Jr. made a motion to accept the minutes and Mr. T. J. Koewler seconded the motion. All members agreed with no abstentions. The motion passed unanimously.

(3) **BRANCH UPDATES**

Ms. Paula Batarseh began by notifying the Board that AB 2721 was signed by Governor Gavin Newsom on September 6, 2024. AB 2721 extends the sunset dates for five years for CDFA's authorization to charge fees to fund the Rendering Enforcement program. RIAB passed a motion to keep the sunset dates on March 28, 2024; the Board will vote on it again in five years.

MPES attended the Annual Food Regulators meeting on September 19th which was led by the Food and Drug Administration (FDA) and attended by food regulators from CDFA, the United States Department of Agriculture (USDA), the National Oceanic and Atmospheric Administration (NOAA) and the California Department of Public Health (CDPH). Regulators reviewed policy issues and high-level investigations.

Ms. Batarseh shifted to the National Animal Disease Preparedness and Response Program (NADPRP) composting training event, which was conducted from September 17th to 20th in two phases. Twenty-eight students attended the three-day classroom training phase, culminating in a certification exam to become composting Subject Matter Experts (SMEs); SMEs that passed are eligible to be deployed during emergencies when composting is utilized for animal mortalities. The second phase of the project is the deployment itself, in which SMEs will shadow seasoned experts during an active response.

Additionally, there was a VIP informational event on September 19th. Regulators, agricultural commissioners and industry representatives were invited to attend the demonstration, learning about composting processes and their environmental impacts in order to make more informed decisions in the future. Ms. Batarseh thanked the rendering industry for their continued dedication to maintaining best communication and biosecurity practices with dairies on their routes to avoid the spread of disease.

Ms. Batarseh introduced Ms. Lisa Quiroz with CDFA's Animal Health Branch (AHB) to provide an update on the avian influenza outbreak in cattle. Ms. Quiroz began by echoing Ms. Batarseh's appreciation for the renderers who have been adjusting their pickup routes to pick up from positive dairy locations last; the cooperation and support is appreciated, especially during this very difficult time for the dairy producers. Renderers have been proactive from the beginning of this outbreak by developing and sharing biosecurity protocols. Baker has been most affected by increased mortalities during this response but as testing continues in other parts of the state, other renderers' service areas may be impacted.

Ms. Quiroz detailed the current state of the H5N1 influenza outbreak, so named to distinguish it from highly pathogenic avian influenza (HPAI). The virus presents differently in cattle than it does in poultry, thus the terminology is shifting to refer to it as H5N1 when found in cattle. As of October 2nd, 2024, 55 dairies have confirmed positive test results for H5N1 influenza. AHB is doing area testing of surrounding dairies to ensure detection of all virus spread. They are targeting highest priority premises and evaluating priorities for surveillance regularly; it is not unexpected that AHB would continue to detect positives.

The same strain of the virus was detected in a poultry operation in Merced County; there is no known or obvious connection between the dairies and the poultry operation. CDFA has performed the mandated disease mitigation activities on the poultry operation and tested

both poultry and dairy operations in near proximity around the positive poultry farm. The control area around the poultry premises will be released in the next week.

Ms. Quiroz noted that there are a few research projects currently taking place around a positive dairy and a poultry operation. As the detection of H5N1 in cattle is a novel occurrence, CDFA is using the opportunity to study it and gather data, answer scientific questions and more effectively guard against the virus and respond to it in the future.

Ms. Quiroz provided the Board with resources. Those interested in receiving disease outbreak updates can visit the CDFA website:

https://www.cdfa.ca.gov/AHFSS/Animal_Health/HPAI.html. For public inquiries regarding the H5N1 outbreak in California, please send an e-mail to cdfa.HPAInfo@cdfa.ca.gov or call 916-217-7517. Sick animals can be reported through the hotline: 866-922-2473. Media inquiries should go to CDFA Public Affairs Office.

One calf ranch is currently composting carcasses under a temporary emergency permit. This facility is very large and receiving calves from both positive and negative farms. CDFA epidemiologists visited the ranch to evaluate biosecurity and make recommendations based on disease risk; to establish enhanced biosecurity and mitigate risk, they are temporarily composting these carcasses. When the quarantine on the calf ranch is released, they will resume their normal disposal methods.

Ms. Quiroz detailed the process by which renderers are notified of animal disease outbreaks. Currently, when CDFA issues a quarantine, the dairy owner or operator notifies all their service providers, including rendering, of the need to be serviced last on the route. If any renderer needs to contact CDFA to report observations in the field, please call 916-217-7517. A CDFA public information officer responds to these calls and can direct the inquiry to relevant staff. Renderers can also reach out to their established MPES contacts, and they will in turn refer the message to appropriate personnel engaged in the response.

Ms. Quiroz closed by mentioning a report of milk dumping. AHB received a report of milk dumping but has no further details. When positive dairy premises are placed under quarantine, they are required to send all milk to pasteurization; milk is also pasteurized before being fed to calves. It may be necessary for a dairy to dump milk for various reasons; for example, not every dairy has a pasteurizer on their premises. Renderers are encouraged to report anything that seems out of the ordinary to the number above (916-217-7518) so that CDFA can investigate.

Mr. Jimmy Andreoli II shared that Baker Commodities had received calls from some unaffected dairy customers who were surprised that the renderer was not already aware of the H5N1 outbreak. He asked if renderers could be alerted to the presence of disease as early as possible by CDFA so as to implement enhanced biosecurity where necessary. Mr. Andreoli added that he finds the composting of carcasses concerning when rendering exists as an effective disposal solution to prevent pathogenic spread. Ms. Batarseh affirmed CDFA's appreciation and commitment to rendering disposal and clarified that in certain outbreaks, carcass movement can spread disease. Actions to mitigate that spread must be taken; in some instances, that can include enhanced biosecurity rendering pick-ups and in others, composting on the site of the outbreak is a wiser decision.

Mr. Fleeman seconded Mr. Andreoli's request for advance notification of disease outbreaks. Ms. Quiroz affirmed that she will present this as an action item to the AHB team.

Mr. David Belt added that he has received calls from dairies inquiring if they can compost, which he has referred to CDFA. Ms. Quiroz elaborated that carcass composting is not authorized lightly. Rendering with enhanced biosecurity remains the primary method for carcass disposal. In rare instances, epidemiologists may evaluate a premises and determine that composting is the necessary tool for disease mitigation. Currently, only one premises has emergency authorization for composting due to its size and the number of dairies that feed into it; authorization is made on a case-by-case basis.

Mr. Helmick seconded the prioritization of rendering in carcass disposal.

(4) SB 1383 - USEPA WASTED FOOD SCALE AND STRATEGY

Ms. Batarseh updated the Board that CalRecycle has started their first of year of SB 1383 enforcement and will be increasing enforcement measures over the next few years. MPES will stay in close communication with CalRecycle to ensure proper disposal of packinghouse/inedible waste in compliance with CDFA's requirements.

Ms. Batarseh then informed the Board that MPES has been and will continue engaging with California Environmental Protection Agency regulators by attending two of their standing meetings – their monthly Touch-base Meeting and their quarterly Organic Touch-base Meeting.

(5) COORDINATION WITH REGULATORY AGENCIES

Ms. Batarseh reminded the Board that both CDFA and Baker Commodities submitted separate official comment letters to the United States Environmental Protection Agency (USEPA) in May 2024, which echoed concerns that rendering was not included in USEPA's Draft 'National Strategy for Reducing Food Loss and Waste and Recycling Organics' and the Wasted Food Scale. CDFA also supported an additional letter sent to USEPA on September 19th, 2024 by a group of associations, including the American Feed Industry Association, Farm Bureau, Clean Fuels Alliance and Milk Producers Federation.

Mr. Tristan Daedalus added context to the September 19th letter. Over the summer, Baker has met with federal agencies at Capitol Hill, voicing the rendering industry's concerns on the total lack of representation of rendering and rendering products in the new Wasted Food Scale. Baker also educated the officials about the rendering industry's critical roles in biofuel production and organic recycling. The May 2024 letter to USEPA was drafted by eight Senators, followed by the September 19th letter to USEPA drafted by twenty-eight Congress Members. Both letters offered bipartisan support of the rendering industry and urged USEPA to work with USDA and FDA to revise the agency's strategy and waste scale to include the important role rendering plays in recycling agricultural and commercial organic waste. Mr. Daedalus concluded by saying that he is following up with the Office of Agriculture and Rural Affairs, which has been advocating for rendering within USEPA.

Mr. Fleeman asked if the National Strategy for Reducing Food Loss and Waste and Recycling Organics has been finalized. Mr. Daedalus confirmed that it has been finalized

and that USEPA is encouraging states to adopt the current Wasted Food Scale which does not represent rendering. He stressed that USEPA issued the report and graphic without public comment or soliciting input and suggested the Board prioritize encouraging USEPA to update the Strategy and Scale.

Mr. Andreoli added that the California Air Resources Board (CARB) will likely be expressing a preference for recycled oils over virgin oils in California's Low Carbon Fuel Standards (LCFS) credit implementation. He recommended that CDFA demonstrate support for this preference, as CARB is currently seeking comments. Mr. Helmick, Mr. Fleeman and Mr. Koewler agreed. Ms. Batarseh said she has spoken recently with Ms. Anthy Alexiadex, Short-lived Climate Pollutant Policy manager at CARB, and explained the role of rendering in California; MPES will circle back with Ms. Alexiades to continue this effort. She also shared with the Board that CARB has scheduled the next public hearing for November 8, 2024; she encouraged the Board members to attend and voice concerns or comments.

Mr. Daedalus suggested that, since CARB appears to support the inclusion of rendering in the LCFS, the Board or CDFA could reach out to CARB and ask them to express the importance of rendering to the Federal Government.

(6) ENFORCEMENT AND OUTREACH

Ms. Brittany Cardoza began by informing the Board that the Rendering Enforcement website updates have been submitted to the State's IT department. She also noted the ability to search licenses on the website is functional again after it was temporarily out of service. Ms. Cardoza reminded the Board that this website can be used to check the status of licenses before contacting MPES; in the event of another website error, the Board is encouraged to reach out to MPES staff.

Ms. Cardoza informed the Board that 2025 renewals will be mailed out in the second or third week of October. Due to a printing delay, physical decals will not be mailed out until November or early December. She advised there are a large amount of outstanding civil penalty assessments; those companies will not be allowed to register for 2025 until the assessment is addressed. She requested all companies receiving or picking up inedible kitchen grease (IKG) verify license status beginning on January 1, 2025.

Mr. Andreoli asked if there are any delays in 2024 vehicle stickers, as he has observed an increase in Orange County vehicles without a physical sticker. Ms. Cardoza confirmed there is no delay for those and asked industry to send MPES any leads on vehicles operating without a sticker.

Ms. Cardoza shifted to civil penalty assessments and Notices of Violation (NOVs). Between July 2024 and September 2024, civil penalty assessments amounted to \$53,395, a higher amount than usual due to the new penalty matrix scoring which allows for increased penalties for repeat offenders. There have been sixteen NOVs issued for: theft, failure to provide manifests, unlicensed IKG transporters, accepting IKG from unlicensed transporters, unlicensed collection centers, and noncompliance with California vehicle code regarding motor carrier permits.

Mr. Fleeman inquired as to next steps after operators with outstanding civil penalty assessments are not allowed to register for 2025. Ms. Cardoza elaborated that if they continue to operate without a license, they will incur an additional violation for operating an unlicensed company or facility; any company receiving their oil would also receive a violation. In some cases, MPES coordinates with California Highway Patrol to take possession of their IKG truck. However, the foremost strategy to encourage compliance is to isolate the violating operator from any collection sites.

Ms. Cardoza presented the updated Rendering Penalty Matrix to the Board for comments or suggestions. She noted that the previous matrix only contained commonly used violations, while the updated matrix includes all violations for which CDFA can issue a citation. The updates are intended to penalize IKG theft by enabling enforcement to stack penalties for egregious or repeated failure to properly manifest IKG collection.

Mr. Andreoli offered Baker's comments: raising the maximum penalty to \$10,000 (currently \$5,000); FAC 19300 "Operating a rendering plant without a license" designated as a serious violation only; FAC 19313.5 "Unlawful to steal, misappropriate, contaminate, damage IKG or IKG containers" designated as serious violation. Mr. Helmick added that if California Proposition 36 passes, theft of IKG containers would be a felony; he asked if the program would issue different penalties based on what aspect of FAC 19313.5 is violated. Ms. Cardoza confirmed that the violations are assessed on a case-by-case basis and theft would likely warrant a higher penalty score.

Mr. Andreoli requested clarification of FAC 1180.22(b) "IKG container shall be kept clean." Ms. Cardoza explained that this refers to the restaurant containers and is only cited in severely unclean cases; in most instances, the operator will be contacted first with a warning to clean the container and a violation is issued after repeated, overflowing unclean containers. Mr. Andreoli also requested clarification of FAC 19317 "Failure to notify county of change of service for IKG service." Ms. Cardoza said she has rarely ever seen the Rendering Enforcement program issue a penalty for this; some cities or counties require notification for grease traps, but it is the restaurant's responsibility to report the change.

Mr. Fleeman asked if violations will still be stacked with the new three-category scoring system (Minor, Moderate, Serious). Ms. Cardoza confirmed that each violation can be stacked, but all citations are assessed on a case-by-case basis.

Mr. Phil Ottone commented in support of Baker's suggestion to raise the maximum penalty to \$10,000. Ms. Batarseh provided clarification; the current maximum penalty (\$5,000) is set by the Food and Agricultural Code. MPES does not have the authority to raise that maximum amount using this rulemaking process, as it would require a legislative change. She encouraged the Board to pursue this further if they want to submit a proposal to change the upper limit.

Mr. Koewler asked if the penalty amounts for the minor and moderate scoring categories are set by the Food and Agricultural Code. Ms. Cardoza said they are not; those can be changed but are primarily meant to distinguish minor offenses from repeat/severe offenses like theft.

Mr. Ottone inquired as to why an unlicensed collection center can be scored at minor, while an unlicensed rendering plant starts at moderate. Ms. Cardoza explained that the violation is scored as minor only in cases where the act is unintentional or there was lack of knowledge regarding the regulation; this might involve IKG being held in a truck, not a constructed facility, which would be regarded as a lesser violation.

(7) **PUBLIC COMMENTS**

No public comments were made.

(8) **FUTURE RIAB MEETING AGENDA ITEMS**

- Expanding Rendering Capacity in CA
- H5N1 Response
- Electric Fleet Requirements

(9) **UPCOMING RIAB MEETING DATES**

The next board meeting will be scheduled for the first Thursday of February 2025. CDFA staff will send a Doodle poll to confirm the date and will notify all concerned once it is finalized.

(10) **ADJOURN**

Motion #2: Mr. Fleeman made a motion to adjourn the meeting and Mr. Andreoli seconded the motion. All members agreed with no abstentions. The motion passed unanimously.

The meeting was adjourned at 11:06 a.m.

Respectfully submitted:

Sedona Quiroz-Lopez