



COMMERCIAL FEED REGULATORY PROGRAM

FREQUENTLY ASKED QUESTIONS

Revised August 2023

LICENSING

What products are considered “commercial feed?”

“Commercial Feed” includes all materials intended for use as feed or for mixing in feed of commercial livestock including all feed ingredients such as processed grains, by-products, hay cubes or pellets, oil meals, fats and oils, almond hulls, whole cottonseed, minerals and vitamins, as well as formula feed, supplements and complete feeds. *Food and Agricultural Code (FAC) Section 14925*

Is food for domestic pets such as rabbits, chinchillas, birds (e.g., parrakeets), and rodents considered commercial feed?

Preparations manufactured and distributed for feeding domestic pets such as dogs, cats, birds, rabbits, and rodents are NOT commercial feed when they are solely intended for and specifically labeled as pet food. Any animal utilized for human consumption or economic gain (including eggs and milk) is commercial livestock, including ALL poultry, laying hens and gamebirds, meat rabbits, and horses.

Who is required to obtain a commercial feed license?

Each person shall obtain a license for each location where commercial feed is manufactured, distributed, sold, or stored for later sale. Persons who do not have a permanent place of business, but who otherwise manufacture, sell, or store feed, as well as persons whose name and address appear on the label of a commercial feed as guarantor shall also obtain a license. *FAC Section 15051*

View the infographic for further information regarding who is required to obtain a commercial feed license:

https://www.cdfa.ca.gov/is/ffldrs/docs/Do_I_need_a_Commercial_Feed_License.pdf

How do I obtain a commercial feed license?

The application for a Commercial Feed License can be completed using the online ExtraView database at <https://inspect.cdfa.ca.gov/evj/ExtraView>.

View the help guide for step by step instructions:

https://www.cdfa.ca.gov/is/ffldrs/docs/commercial_feed_license_application_guide.pdf

How much is the fee for a commercial feed license?

The annual license fee is \$500.00 for each licensed location. All licenses shall be renewed on July 1 of each year and shall be valid until June 30 of the following year. The fee is non-refundable and shall not be reduced to cover a fraction of a year. A reduced license fee is available for firms *solely engaged* in the diversion of eligible human food by-products to commercial feed without further manufacturing/processing; see the Organic Waste, By-Products, and Diversion section below for more information.

TONNAGE TAX

Who is required to pay the inspection tonnage tax?

The last licensee selling or distributing commercial feed to a consumer-buyer in the state is required to pay the inspection tonnage tax. The seller/distributor shall also pay an inspection tonnage tax for purchased commercial feed fed to his or her own animals. *FAC Section 15061*. Since retail stores are exempt from licensing, the inspection tonnage tax for packaged feeds sold in retail stores is paid by the licensee named on the commercial feed label.

View the infographic for further details regarding who is required to pay inspection tonnage tax:

https://www.cdfa.ca.gov/is/ffldrs/docs/Who_pays_Commercial_Feed_Inspection_Tonnage_Tax.pdf

When is the inspection tonnage tax required to be paid?

Reports and payment of the inspection tonnage tax shall be made quarterly; a completed tax report must be filed whether or not taxable sales have been made in that period.

What is the current inspection tonnage tax rate?

The inspection tonnage tax rate is currently set at ten cents (\$0.12) per ton. Reduced inspection tonnage tax is available for eligible human food by-products diverted to commercial feed without further manufacturing/processing; see the Organic Waste, By-Products, and Diversion section below for more information.

How do I report tonnage and pay the inspection tonnage tax?

Tonnage is reported using the online ExtraView Database at <https://inspect.cdfa.ca.gov/evj/ExtraView>.

You can find guidance on how to fill out your tonnage information at:

<https://www.cdfa.ca.gov/is/ffldrs/pdfs/TonnageTaxHowToGuide.pdf>

ORGANIC WASTE, BY-PRODUCTS, AND DIVERSION

What is the difference between “organic waste” and “by-products”?

“Organic waste” is a broad term used by CalRecycle to describe plant and animal material that is typically discarded in landfills, such as food waste, green waste, landscape and pruning waste, agricultural waste, and more. Organic waste includes some types of materials the feed industry commonly refers to as “by-products.” Traditional by-products used in feed, such as almond hulls and rice bran, as well as non-traditional by-products, such as recovered retail food and restaurant food waste, are all considered organic waste. However, organic waste also includes many types of materials that are not suitable for use as feed.

What is “diversion”?

Diversion is the process of repurposing safe and suitable types of organic waste (known in the feed industry as by-products) for their highest and best use as commercial feed instead of discarding them in a landfill. Diversion is not only sustainable and supports the reduction of California agriculture’s carbon footprint, it is also a vital and locally-produced source of nutrition for our state’s livestock population.

What types of organic waste can be diverted to commercial feed?

Safe and suitable types of organic waste, known in the feed industry as by-products, may be diverted to commercial feed if they are properly stored and handled and have remaining nutritional value for livestock. Types of by-products that can be diverted to commercial feed include but are not limited to:

- Agricultural, Industrial, and Food By-products such as almond hulls, oilseed meals, dry fruit/vegetable pomace/pulp, grain screenings, rice bran, wheat mill runs, cottonseed, dried whey/milk products, distiller's grains, glycerin, and more.
- Eligible Human Food By-products such as wet food processing waste, recovered retail food, restaurant food waste, cull fruits and vegetables, wet fruit/vegetable pomace/pulp, dried bakery product, wet brewers’ grain, and liquid whey/dairy by-products. Firms dealing in these products may be eligible for licensing and tonnage discounts; refer to questions below for additional information.

What are “eligible human food by-products”?

Eligible human food by-products are the specific by-products defined in 3 CCR Section 2804 that are be eligible for licensing and tonnage incentives. Eligible human food by-products diverted to commercial feed without additional manufacturing/processing are subject to reduced inspection tonnage tax. Firms solely dealing in the diversion of eligible human food by-products to commercial feed without additional manufacturing/processing may be eligible for a reduced commercial feed license fee. For a list of eligible human food by-products and additional information, please refer to: https://www.cdfa.ca.gov/is/ffldrs/pdfs/Human_Food_Waste_Byproducts_Definitions.pdf

What types of organic waste CANNOT be diverted to commercial feed?

- Products that are not approved feed ingredients may not be diverted to commercial feed, such yard and lawn clippings, or ornamental plants.
- Products that are not safe and suitable may not be diverted to commercial feed, including products that are spoiled, moldy, or contaminated with chemical or physical hazards. Residential waste is also not suitable for diversion to commercial feed.
- Any products containing raw meat or meat products are required to go to rendering. Learn more: <http://www.cdfa.ca.gov/AHFSS/MPES/Rendering/index.html>
- Products that are not suitable for commercial feed may be diverted to compost rather than landfill. Visit <https://calrecycle.ca.gov/organics/> for more information.

I am currently collecting food waste from a human food retailer, including vegetables, fruits, breads, as well as some meat. Can this food be fed to livestock?

NO. Since this human food waste contains animal proteins (dairy and eggs under refrigeration are an exception) it is unsuitable for animal feed. All animal proteins should be separated at the retailer and not come in contact with the other food waste.

Is a commercial feed license required to divert by-products to animal feed?

Yes, a commercial feed license is required to divert by-products to animal feed. However, a firm's operations and the types of by-products diverted determine which commercial feed license fee applies. Firms that deal in non-eligible by-products, other types of feed, or any manufacturing/ processing activities must pay the full commercial feed license fee of five hundred dollars (\$500.00). A reduced license fee of one hundred dollars (\$100.00) is available for firms solely engaged in the diversion of eligible human food by-products to commercial feed without further manufacturing/ processing. Firms claiming the reduced license fee will be subject to verification audits. [California Code of Regulations \(CCR\) Title 3, Section 2751](#)

Am I required to report tonnage and pay the inspection tonnage tax on by-products diverted to commercial feed?

Yes, all by-products diverted to commercial feed are subject to inspection tonnage tax and reporting requirements. Non-eligible by-products are subject to the full inspection tonnage tax rate of ten cents (\$0.12) per ton. Eligible human food by-products diverted to commercial feed without further manufacturing/processing will be assessed at a reduced inspection tonnage tax rate of zero cents (\$0.00) per ton for the first one thousand (1,000) tons and five cents (\$0.06) per ton for all tons over one thousand (1,000+) reported during the license period. Firms claiming reduced inspection tonnage tax will be subject to verification audits. [3 CCR Section 2750](#)

When reporting quarterly tonnage, the ExtraView database includes the question, “Do you want to voluntarily report your total diversion of by-products to animal feed to be collected for organic waste diversion goals set forth by SB 1383?” Why should I select “YES”?

Selecting “YES” and completing this section will help CDFA gather additional data regarding the use of by-products by the California Feed Industry. Data entered in this section is NOT subject to tonnage fees and is part of CDFA’s efforts to ensure the continued and further use of by-products in animal feed. Learn more by reading:

https://www.cdfa.ca.gov/pdfs/Organic_Waste_to_Animal_Feed_Help_Guide.pdf



Questions about commercial feed laws and requirements?
Email us at feed_lvstk@cdfa.ca.gov

Questions about submitting applications in the ExtraView Database?
Email us at ffldrsdb@cdfa.ca.gov



Looking for additional educational materials and information about commercial feed, by-products, or organic waste? Email us at Program website: <https://www.cdfa.ca.gov/is/ffldrs/safe.html>