

# Regulatory Alignment Study

## Confined Animal Facilities (CAF) Program Workshop



# Agenda

- Regulatory Alignment Study Objectives and Upcoming Milestones
- Workshop Objectives
- Approach to Regulatory Alignment
- Proposed Regulatory Pathways by Focus Area
  - Data and Information Sharing
  - Efficiencies
  - Effectiveness
  - Equity
- Wrap-Up and Next Steps



# Regulatory Alignment Study Objectives



Evaluate state regulatory requirements within the areas of water quality and food safety for the agricultural community and identify protections to public health and the environment.



Conduct listening sessions to gather input from the agricultural community relating to their experiences with the reporting requirements and process in these areas.



Convene the agricultural community and regulators to review and map existing regulatory pathways for water quality and food safety to identify opportunities to improve efficiency and information sharing.



Identify and prepare implementation plans for recommended process improvements to streamline reporting requirements.



Provide recommendations to CDFA, CalEPA, and the Water Boards for technological enhancements to streamline regulatory administrative and reporting processes for the agricultural community.

# Upcoming Study Milestones

- The input gathered through these workshops will be instrumental in shaping our final recommendations and remaining study milestones:

Milestones	Identify Process Improvements & Implementation Steps	Evaluate & Recommend Technological Enhancements	Present Solutions & Recommend Implementation Plans
Timeline	Summer 2024	Fall 2024	2025
Activities	<ul style="list-style-type: none"><li>• Synthesize feedback from workshops</li><li>• Identify and prepare recommended process improvements</li><li>• Identify and prepare implementation plans for process improvements</li></ul>	<ul style="list-style-type: none"><li>• Identify and document opportunities for potential technological enhancements</li><li>• Identify core technological solution requirements</li><li>• Conduct benchmarking and market research on potential solutions</li></ul>	<ul style="list-style-type: none"><li>• Develop final report detailing solutions and regulatory alignment recommendations</li><li>• Present final report to CDFA, CalEPA, Water Boards, and interested parties</li><li>• Develop detailed implementation plan to implement recommended process improvements and related technological solutions</li></ul>
Outcomes	<ul style="list-style-type: none"><li>• Public update on workshop outcomes</li><li>• Development of process improvements and implementation plans to support regulatory alignment</li></ul>	<ul style="list-style-type: none"><li>• Identification of potential technological enhancements to support regulatory alignment</li></ul>	<ul style="list-style-type: none"><li>• Release of Final Regulatory Alignment Report</li><li>• Release of Final Implementation Plan</li></ul>

# Workshop Objectives

To inform the further development of the proposals, the goal of the workshops is to receive input on the following topics:

- **Effectiveness of Proposals** in meeting regulatory alignment goals. This includes assessing the practicality and potential impact of each proposal.
- **Implementation Challenges and Opportunities** that might arise during the implementation of these proposals. It is crucial to understand the feasibility of each proposal from various perspectives.
- **Unaddressed Needs or Gaps** not currently addressed in the proposals within the scope of the project. This input is vital for assuring the proposals are comprehensive.
- **Equity and Inclusivity** and how the proposals impact different groups within the agricultural community, especially small-scale, and socially disadvantaged growers and disadvantaged community members.
- **Suggestions for Improvement** of the proposals to better meet the needs of all are highly encouraged.



# Development of the Regulatory Alignment Concept Paper

## Preliminary Evaluation of Regulatory Requirements

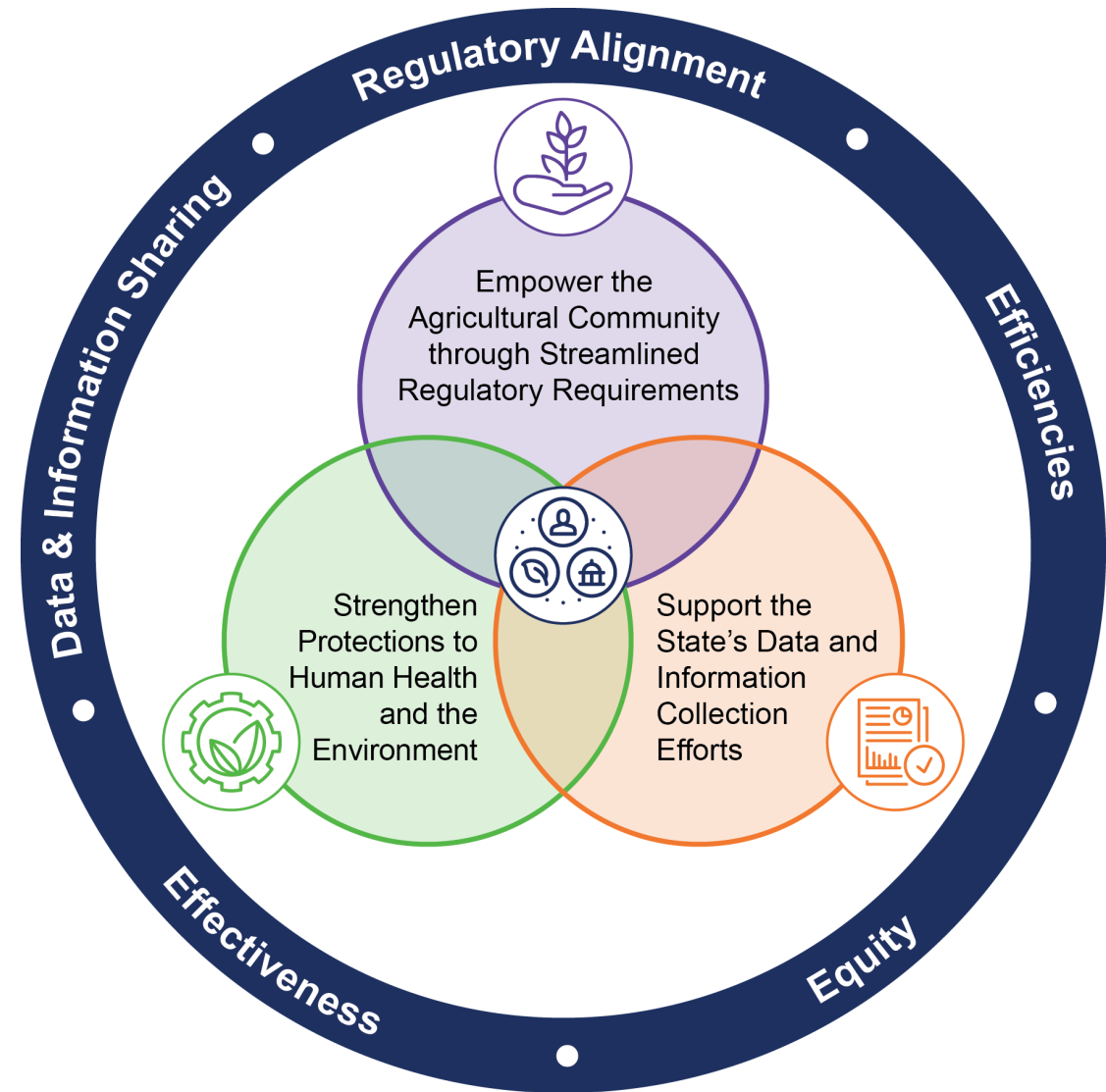
- **In-Depth Sessions with Program Staff:** Crowe conducted nearly 30 sessions with CDFA and Water Boards staff
- **Mapping Regulatory Requirements and Processes:** Crowe mapped 80 distinct processes across the programs in scope of the study

## Listening Sessions with Agricultural Community

- **Understanding Experiences and Opportunities:** The primary aim of these sessions was to gain insights and perspectives from the agricultural community and to identify streamlining opportunities
- **Ground-Level Insights:** These interactions provided a ground-level view of how regulations are implemented and experienced
- **Continued Engagement with Program Staff:** In addition to these listening sessions, Crowe conducted roughly 10 additional sessions with CDFA and Water Boards staff

# Approach to Regulatory Alignment

- **Three Goals:**
  1. Empower the Agricultural Community through Streamlined Regulatory Requirements
  2. Support the State's Data and Information Collection Efforts
  3. Strengthen Protections to Human Health and the Environment
- **Four Focus Areas:**
  1. Data and Information Sharing
  2. Efficiencies
  3. Effectiveness
  4. Equity



# Regulatory Alignment Focus Areas



## Data and Information Sharing

Opportunities to improve the exchange of selected data and information between state regulatory agencies and programs.



## Efficiencies

Opportunities to simplify and expedite regulatory administrative, reporting, and compliance processes.



## Effectiveness

Opportunities to measure regulatory performance objectives and goals.



## Equity

Opportunities to ensure the inclusion of socially disadvantaged communities, farmers and ranchers\* in the development, implementation, and enforcement of regulations.

\*As defined by the [Farmer Equity Act of 2017](#).



# Workshop Discussion Questions

**Please keep the following discussion questions in mind when reviewing the regulatory pathways:**

- What are potential implementation benefits/opportunities?
- What are potential implementation challenges?
- Which regulatory pathway, within each focus area, is most important to you?
- Are there any unaddressed needs?

# Proposed CAF Regulatory Pathways

We identified 10 proposed regulatory pathways (RP's) for the Confined Animal Facilities Program (CAF):

- Two RPs related to data and information sharing
- Two RPs related to program efficiency
- Two RPs related to program effectiveness
- Four RPs related to equity

**Regulatory Pathways (i.e., proposals):** Include considerations, options, tools and/or recommendations for improving, streamlining, and aligning the regulatory programs and requirements in scope of the study. They are not final recommendations.

For more detailed information, refer to Section 5 of the Concept Paper

# CAF Proposed Regulatory Pathways

## *Data and Information Sharing*

**RP1**

Standardize Reporting Requirements and Templates Across Regional Water Boards to Simplify Reporting

**RP2**

Centralize Data Management Systems to Consolidate Data

# Data and Information Sharing: Regulatory Pathway 1

## RP1: Standardize Reporting Requirements and Templates Across Regional Water Boards to Simplify Reporting

### Proposal Opportunities:

- Generate standardized “general information forms” to streamline reporting processes.
- Build on existing electronic self-monitoring process to standardize implementation across all Regional Water Boards, to the extent feasible.
- Provide additional guidance and instructions on requested data fields within standardized templates to support collection of high-quality data, while considering regional and/or facility type differences.



# Data and Information Sharing: Regulatory Pathway 2

## RP2: Centralize Data Management Systems to Consolidate Data

### Proposal Opportunities:

- Expand Application Programming Interfaces (APIs) for interaction between existing databases.
- Elevate GeoTracker to a centralized database and enhance its capabilities.



# CAF Proposed Regulatory Pathways

## *Efficiencies*

**RP3**

Expand Third-Party Monitoring Group Responsibilities to Streamline Monitoring, Reporting, and Inspection Activities

**RP4**

Invest in Resources that Support Improved Management of Excess Nutrients



# Efficiencies: Regulatory Pathway 3

## RP3: Expand Third-Party Monitoring Group Responsibilities to Streamline Monitoring, Reporting, and Inspection Activities

### Proposal Opportunities

- Provide opportunities for third-party groups to conduct alternative pre-inspections to encourage compliance and reduce Water Boards staff workload.
- Empower third-party groups to provide reporting templates and regulatory assistance to dischargers.
- Expand third-party group responsibilities to assist in annual reporting processes.



# Efficiencies: Regulatory Pathway 4

## RP4: Invest in Resources that Support Improved Management of Excess Nutrients

### Proposal Opportunities

- Support dedicated infrastructure for the collection of excess solids waste by the state, composting it for use by members of other Water Boards programs.
- Develop an online interface for members of CAF, ILRP, and other relevant programs to assist in facilitating waste transfer processes on an opt-in basis.
- Provide incentives for CAF enrollees with established bioreactor facilities who offer fertilizer to dischargers under other Water Boards orders or to process manure from dischargers without digesting facilities.



# CAF Proposed Regulatory Pathways

## *Effectiveness*

**RP5**

Develop Incentives for Dischargers that Help the Program Achieve Objectives

**RP6**

Distribute Performance Reports to Dischargers to Create Feedback Loops

# Effectiveness: Regulatory Pathway 5

## RP5: Develop Incentives for Dischargers that Help the Program Achieve Objectives

### Proposal Opportunities

- Offer incentives to dischargers achieving program objectives to promote sustainable practices beneficial for human health and the environment.
- Enhance incentives that reduce sampling or inspection requirements for dischargers who meet or exceed specific monitoring criteria.
- Introduce a market-based incentive by providing a certification or seal on the products of dischargers who meet environmental regulation standards.



# Effectiveness: Regulatory Pathway 6

## RP6: Distribute Performance Reports to Dischargers to Create Feedback Loops

### Proposal Opportunities

- Implement a mailing system where dischargers receive letters ranking them against dischargers of similar size or output based on key performance indicators.
- Introduce public interactive webinars where regulators share insights on discharger performance, compliance, and environmental impact.



# CAF Proposed Regulatory Pathways

## *Equity*

**RP7**

Implement Tiered Monitoring Requirements Across All Regional Water Boards to Reduce Workload for Small-Scale, Socially Disadvantaged Dischargers

**RP8**

Use Alternative Sources to Assist with Annual Fees and Third-Party Monitoring Fees for Small-Scale, Socially Disadvantaged Dischargers

**RP9**

Support Small-Scale, Socially Disadvantaged Dischargers with Enrollment and Monitoring, and Reporting

**RP10**

Encourage Use of Dairy Digesters for Dairy Facilities Located in Disadvantaged Communities



# Equity: Regulatory Pathway 7

**RP7: Implement Tiered Monitoring Requirements Across All Regional Water Boards to Reduce Workload for Small-Scale, Socially Disadvantaged Dischargers**

## Proposal Opportunities

- Develop a survey or questionnaire for dischargers to better understand their current facility characteristics and potential impacts on water quality.
- Define categorical differences between the various sizes of dischargers to include conditional exemptions for smaller operations.
- Extend existing permit tiering models all Regional Water Boards.



# Equity: Regulatory Pathway 8

## **RP8: Use Alternative Sources to Assist with Annual Fees and Third-Party Monitoring Fees for Small-Scale, Socially Disadvantaged Dischargers**

### **Proposal Opportunities**

- Focus on grant funding to support small-scale, socially disadvantaged dischargers for implementing special projects that benefit water quality and the environment.
- Evaluate feasibility of an alternative fee structure that considers a reduced impact on small scale, socially disadvantaged dischargers.



# Equity: Regulatory Pathway 9

## RP9: Support Small-Scale, Socially Disadvantaged Dischargers with Enrollment and Monitoring, and Reporting

### Proposal Opportunities

- Use established networks like the USDA Socially Disadvantaged Groups Grant (SDGG) Program and the USDA Farm Service Agency (FSA) to conduct outreach efforts from channels that already exist to communicate with this community.
- Enhance outreach by collaborating with entities already engaged with dischargers such as third-party monitoring groups, local Resource Conservation Districts (RCDs), and UCCE advisors.
- Establish collaborative initiatives with entities such as UCCE to expand accessibility of educational and guidance material to multiple languages.



# Equity: Regulatory Pathway 10

## RP10: Encourage Use of Dairy Digesters for Dairy Facilities Located in Disadvantaged Communities

### Proposal Opportunities

- Collaborate with CDFA's Dairy Digester Research and Development Program (DDRDP) to encourage funding of installation of dairy digesters in disadvantaged communities.
- Establish accessible dairy digester facilities within disadvantaged communities, open for use by the public.
- Enhance environmental monitoring for dairies with digester facilities.



# Workshop Discussion Questions

**Please keep the following discussion questions in mind when reviewing the regulatory pathways:**

- What are potential implementation benefits/opportunities?
- What are potential implementation challenges?
- Which regulatory pathway, within each focus area, is most important to you?
- Are there any unaddressed needs?

# How to stay involved?

- Provide all written input and questions on the Regulatory Alignment Concept Paper by 5:00 PM on July 31, 2024, to:  
[RegulatoryAlignmentStudy@crowe.com](mailto:RegulatoryAlignmentStudy@crowe.com)
- Participate in Additional Workshops to be held through Summer 2024
- Monitor the Regulatory Alignment Study webpage for updates:  
<https://www.cdfa.ca.gov/RegulatoryAlignment>
- Register for upcoming public workshops on the Study Website at:  
<https://www.cdfa.ca.gov/RegulatoryAlignment>





# Thank you

Reach out to us anytime.

[RegulatoryAlignmentStudy@crowe.com](mailto:RegulatoryAlignmentStudy@crowe.com)

"Crowe" is the brand name under which the member firms of Crowe Global operate and provide professional services, and those firms together form the Crowe Global network of independent audit, tax, and consulting firms. "Crowe" may be used to refer to individual firms, to several such firms, or to all firms within the Crowe Global network. The Crowe Horwath Global Risk Consulting entities, Crowe Healthcare Risk Consulting LLC, and our affiliate in Grand Cayman are subsidiaries of Crowe LLP. Crowe LLP is an Indiana limited liability partnership and the U.S. member firm of Crowe Global. Services to clients are provided by the individual member firms of Crowe Global, but Crowe Global itself is a Swiss entity that does not provide services to clients. Each member firm is a separate legal entity responsible only for its own acts and omissions and not those of any other Crowe Global network firm or other party. Visit [www.crowe.com/disclosure](http://www.crowe.com/disclosure) for more information about Crowe LLP, its subsidiaries, and Crowe Global.

The information in this document is not – and is not intended to be – audit, tax, accounting, advisory, risk, performance, consulting, business, financial, investment, legal, or other professional advice. Some firm services may not be available to attest clients. The information is general in nature, based on existing authorities, and is subject to change. The information is not a substitute for professional advice or services, and you should consult a qualified professional adviser before taking any action based on the information. Crowe is not responsible for any loss incurred by any person who relies on the information discussed in this document. © 2023 Crowe LLP.