

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (Department)

**FEED INSPECTION ADVISORY BOARD (FIAB)
CALIFORNIA FARM BUREAU-SACRAMENTO**

**APRIL 13, 2022
9:00 AM – 12:00 PM**

MINUTES

ATTENDING

BOARD MEMBERS

Dan Rice
David Meeker
Jed Asmus
Kate Horstmann
Marit Arana, Chair
Michael Koewler
Paul Parreira
Shay Rambur

ABSENT

Jeremy Banducci

CDFA STAFF

Adriana Avalos
Amadou Ba
Ashley James
Elizabeth Moseby
Erika Lewis
Jenna Leal
KC Gutenberger
Lindsey Smith
Natalie Krout-Greenberg
Maria Tenorio Alfred
Rachelle Kennedy
Valeri Brott

INTERESTED PARTIES

Alejandro Hernandez
Mike Filigenzi
Tad Bell

INTRODUCTIONS AND ANNOUNCEMENTS

Dr. Marit Arana, Chair, called the meeting to order at 9:00 a.m. Chair Arana informed the interested parties that per the Bagley-Keene Open Meeting Act, they are not required to sign in or identify themselves. Self-introductions were made, and a quorum was established.

APPROVE JANUARY 13, 2022, MEETING MINUTES

Chair Arana requested the Board review the minutes from the January 13, 2022, FIAB meeting.

MOTION: David Meeker moved to approve the January 13, 2022, minutes as presented; Jed Asmus seconded. The motion passed unanimously by all present with a vote of 8 - 0.

DEPARTMENT / DIVISION / PROGRAM UPDATES

Natalie Krout-Greenberg gave Division updates. Secretary Ross was in discussions regarding the drought in California. Over 300,000 acres will remain fallow due to water conservation efforts. The Department's Agricultural Vision (Ag Vision) document is in the process of being updated. Ag Vision helps set Department goals and milestones.

The Inspection Services Division (ISD) is revising its strategic plan and expected release is in the next few weeks. Strategies to mitigate effects of the aging workforce are being discussed. There is a need for recruiting, cross-training and mentoring new staff to maintain services and productivity. ISD's budget over the past two years has increased from \$56 million to \$151 million; this money supports existing and new program structures.

Steve Patton, Branch Chief of ISD's Inspection and Compliance Branch is retiring at the end of the year. Recruiting and filling the position before his retirement will help with the transition.

Undersecretary, Christine Birdsong, and Krout-Greenberg attended the National Association of State Departments of Agriculture (NASDA) meeting in Washington D.C. The topics included animal feed, food safety, food security, and nutrition. It was a good opportunity to work with the Food and Drug Administration (FDA), United States Department of Agriculture (USDA), and representatives from other states.

ISD's headquarters office in Sacramento moved from 2800 Gateway Oaks Drive to 2399 Gateway Oaks. This downsize resulted in a quarter of its previous footprint and accommodates the hybrid telework model. Large meetings, such as this FIAB meeting, will be held in other locations due to ISD's smaller office space.

The Food Safety Modernization Act (FSMA) water rule comments were made and submitted prior to the April 5, 2022, deadline. Comments targeted the ongoing drought situation and food safety in Industry.

There will be a release of information from the California Agricultural Neighbors cooperative report in spring. Contributing parties to the conversation included Salinas Valley leafy green growers, viticulturists, composters, and cattle ranchers.

Dr. Amadou Ba provided Feed, Fertilizer, and Livestock Drugs Regulatory Services Branch updates. Dr. Ba informed the Board that there are a lot of challenges and stressors on growers and the fertilizer market, which has made a significant impact on tree and row crops. Materials from international markets such as India, Russia, and China are currently limited. The tariff import is hitting the phosphate supply from Morocco and affecting prices. Labor shortages and threat of labor strikes in Canada have also taken its toll on the fertilizer industry and getting materials to growers.

Staff changes include the pending retirement of Marilyn Boehnke, the Branch's Contracts Analyst, who has a wealth of knowledge with bill analysis and contracts. Peggy Myer from the Organic Materials Review Institute will be retiring. The Fertilizer Program's Senior Environmental Scientist (SES) (Supervisory) position, prior incumbent Nick Young, was filled by Nicole Smith.

The Fertilizer Program's biochar and biotics regulations for fertilizer labels were approved and became effective April 1, 2022. Senate Bill 1204 is now a spot bill and

could potentially change the definition of biochar in our laws, but there does not seem to be any major adjustments. CalRecycle and the Department are working with the Manure Recycling and Innovative Products Task Force to determine manure's uses in conventional fertilizers. The Fertilizer Program is engaged with other entities including the California Air Resources Board, Irrigated Lands Regulatory Program, and the University of California Agriculture and Natural Resources.

BOARD VACANCIES

Three upcoming Board member terms (David Meeker, Kate Horstmann and Jeremy Banducci) expire on April 30, 2022. Two of the four candidates who applied for the Board vacancies included current Board members Kate Horstmann and Jeremy Banducci. Two new candidates also applied (Robert Donnelly from Central California Almond Growers Association and Alejandro Hernandez from Penny Newman Grain Company).

MOTION: Michael Koewler moved to recommend the Board reappointments of Kate Horstmann and Jeremy Banducci to the Secretary; Jed Asmus seconded. The motion passed unanimously by all present with a vote of 8 – 0.

MOTION: Paul Parreira moved to recommend Alejandro Hernandez to the Secretary for appointment; Michael Koewler seconded. The motion passed unanimously by all present with a vote of 8 – 0.

Meeker thanked the Board and all in attendance for the opportunity to serve and commented that Alejandro Hernandez would be a good addition to the Board. Chair Arana thanked Meeker for time served on the Board.

FUND CONDITION / TONNAGE REPORTING

Jenna Leal reported as of July 1, 2021, the beginning balance for Feed was \$3,386,124 and the Safe Animal Feed Education Program (SAFE) was \$797,111. Total combined beginning funds for Feed and SAFE totaled \$4,183,235, Revenue was \$1,964,767 for Feed and \$183,208 for SAFE with a combined revenue for Feed and SAFE of \$2,147,975. Expenditures totaled \$2,143,429 for Feed and \$295,295 for SAFE with a combined total of \$2,438,724. Encumbrances totaled \$1,640,725 for Feed and \$86,727 for SAFE with a combined total of \$1,727,452. The ending balance for Feed was \$1,566,737. The ending balance for SAFE was \$598,297. Total adjusted ending balance as of January 31, 2022, for Feed and SAFE totaled \$2,165,034. Recoveries from Animal Feed Regulatory Program Standards (AFRPS) to date totaled \$189,868.

Leal pointed out that encumbrances were higher than previous budgets because the funds for the new laboratory agreements were encumbered, which included a new piece of equipment. Federal money is coming through the AFRPS cooperative agreement, and so it is possible that not all the money encumbered for the laboratory costs will be used.

Feed tonnage revenue rates and tons were reported. The tonnage revenue for this fiscal year (FY) at a \$0.10 per ton to-date was \$1,289,547, for a reported tonnage of 12,895,470. Future reports for byproducts tonnage will show the breakdown of incentivized products. Incentivized tonnage reports will be far more accurate because of the detailed nature of the reporting categories. This will result in more accurate reporting of diversion tonnage to the Department. The next FIAB meeting will include a presentation of those detailed incentivized byproducts and reporting data.

SAFE AND TECHNICAL ADVISORY SUBCOMMITTEE (TASC) UPDATES

Leal and Erika Lewis, the Feed/Antimicrobial Use and Stewardship Program (AUS) Program's Research Data Specialist, presented how the SAFE Program's work is guided and directed by using AFRPS. Specific examples were given for each of the 11 elements. The standards that were summarized included:

- Regulatory Foundation: On March 29, 2022, regulations for human byproduct diversion were approved by the Office of Administrative Law (OAL). Incorporation of FSMA regulations is circulating and pending approval. The administrative penalty process is pending approval from the Department's Legal Office.
- Training: New hires are continuing to be trained on standard operating procedures, as there is continuing education for all employees. Training to conduct FDA inspections is also being completed by staff.
- Inspections: There is a process to prioritize firms based on risk and firm type. The Feed Program conducts contact visits, follows up on sampling and violations, and completes the necessary documentation to ensure compliance with the Department's regulations. The FDA contract for inspections for food safety were delayed but the total contract number is now 24, which includes preventive controls and good manufacturing practices. Newly hired FDA staff are now conducting feed facility inspections; the Department has been asked to meet with FDA staff and share information to ensure work is not being duplicated and to ensure the feed industry is not being overtasked with multiple and repetitive inspections.
- Auditing: Annual field and sampling collections are occurring. Audits could include almond hull probes, sterile sampling, or aseptic sampling to ensure consistency from the Oregon border to the Imperial Valley. There is also inspection report auditing that incorporates auditing random inspections to ensure consistency.
- Feed Related Illnesses, Death, and Emergency Response: Current concerns include rail issues and delays getting feed from the Midwest to feed facilities in California. Concerns are being elevated to the Office of Emergency Services within the Governor's Office as the rolling shutdowns of feed mills continue. On March 29, 2022, approximately 50 participants in government and industry stakeholders met to address rail issues. On March 30, 2022, the USDA Secretary Vilsack released a letter regarding the severity of the results of rail transportation issues. The Department has also drafted a letter to the Surface Transportation Board, and it is in the Executive Office to finalize. The letter will be sent to the Service Transportation Board prior to the April 26 and April 27, 2022, hearings.

The Department requested ongoing updates from industry to keep the Department apprised of impactful delays. Huge surcharges are going to be levied against private users on microsites who use the rail system to get feed shipped.

- **Enforcement:** There were five complaints regarding various feed sources. Indications from a trace back investigation resulted in Sudan Hay being quarantined due to nitrate toxicity. It was advised that anyone who wanted to use it should do so at their own risk and the case was closed out. Pima cottonseed from Arizona was quarantined for aflatoxins and the complaint was eventually resolved. Almond hull complaints were found within normal feed quality. Baled foxtail proved injurious to goats and the user was cautioned of risks. Compliance policies were revised per feedback from the Department's Legal Office with an emphasis on consistency with the Food and Agricultural Code, as well as adding language that specifies determinations are made at the program's discretion, rather than an inspector's discretion. Notice of Warning language will now be used as the first step in due process rather than just informational. The Veterinary Feed Directive (VFD) inspections included 13 firms. Compliance was attained for 85 percent by adding "not for CA" to their product links. The other 15 percent will require follow up by the Feed Program.
- **Outreach:** This standard, through the SAFE Program, included outreach to licensees, food facility visits, VFD visits to ensure accuracy of filling out forms, updating the Feed, SAFE, and AUS Program websites, labeling medicated feed and making the 2022-2023 compliance policy available.
- **Laboratory Services and sampling** were shared later in this meeting.

Details for AFRPS Standard 8, Planning and Research, and Standard 9, Assessment and Improvement, were mentioned but not relevant to this board meeting.

As stated above, human byproduct diversion regulations were approved on March 29, 2022, by OAL. Updated manuals with laws and regulations would be available soon.

KC Gutenberger, the Feed/AUS Program's Environmental Scientist (ES), presented on the topic of collaboration with Food Animal Residue Avoidance Databank and training information. Modules regarding VFDs specific to species was also discussed. At the conclusion of training, the public, Department staff, and the regulated industry will have access to an Excel calculator that can do the math on the specific species on which they were trained.

Outreach was conducted at 87 food facilities. Of the 87 open facilities, 52 were diverting waste for the reduced tonnage tax rate. The others were not eligible for the reduced tonnage.

The SAFE Program's website was reorganized and now includes a new tab for the Quarterly Feed newsletter. There is an added program updates bar and a two-page summary of regulation changes. There are links to the database and how to apply for a license, and medicated feed and VFD pages with resources. There is a label guide, and

the links to the FDA and FSMA websites are more organized. For firms that do not have a food safety plan there is a “How to Start” page.

Tad Bell, California Grain and Feed Association (CGFA) asked if there were updates on helping with the secure food supply. Leal responded stating that a feed mill map is being created. The Feed Program was asked for an aerial map of a feed mill but for security reasons was unable to provide that. Rachelle Kennedy said the Feed Program’s representatives participated in a call with secure food supply staff and discussed the topic. Previously, the Feed Program took a group on a tour at Chair Arana’s facility and that seemed to help clarify and address issues. There should be a guidance document available in the future.

The TASC research project status of goat hemp byproduct trials and the adipose tissue results were delayed. The grants for the cattle hemp byproduct feed, California byproducts capacity, and diversion strategies were executed.

Paul Parreira asked how many acres are delegated for hemp production. The answer was approximately 8,000 acres. Krout-Greenberg said hemp microgreen and leafy green research is still being looked at and when that research is available it will be helpful. There are still questions about handling import and export amongst the states.

Bell asked for updates on the red seaweed study by Strauss Farms and information of its use as a feed ingredient. Leal said Blue Ocean Barns in December presented a very lengthy and thorough self-determination of Generally Recognized as Safe (GRAS) for the ingredient *Asparagopsis taxiformis*. While the Feed Program did not determine that a GRAS approval as a feed additive was appropriate, there was a significant amount of data showing safety of the product. Furthermore, the TASC noted that there were elevated levels associated with iodine, and there were no bromoform issues reported and the product met Environmental Protection Agency’s levels for safe use in drinking water. Although the Association of American Feed Control Officials and FDA have not approved the product, the Department evaluated the product as a livestock drug through the Livestock Drugs Program and provisionally approved the labeling as a “digestive aid”.

Jed Asmus said European studies have validated this information as well. California creameries are being approached to use it. Albert Strauss had a desire to immediately roll out the livestock drug to all 12 dairies. It was proposed that those who are in the dairy industry should receive further education through the SAFE Program.

UNIVERSITY OF CALIFORNIA (UC) DAVIS LABORATORY UPDATES

Mike Filigenzi, Lab Manager at the California Animal Health and Food Safety (CAHFS) Lab reported the International Organization for Standardization reaccreditation of the CAHFS lab is complete. The lab was understaffed for about two years, and hiring new staff has been difficult. The lab is expected to be fully staffed by summer with two new lab assistants; a retiree is returning to help with method developments and Vitamin E, and a chemist is being hired.

Leal reported the 2021 sampling numbers. There were 672 samples taken which included almond hull samples, corn samples, and cottonseed samples. The samples were run for protein, fiber, and labeling accuracy. Samples indicated a shift totaling 70 percent for food safety and 30 percent for label compliance. Almond hull sampling was low, but this could be from the VELP® method development issues from the fall of 2021. Out of 672 samples taken, there were 202 violations. Leal stated the violations are not indicative of industry-wide outcomes but rather samples that were obtained.

Food safety analyses screened for heavy metals, mycotoxins, selenium, medicated feed, and other vitamins and minerals. Violations included label violations, no license, Monensin, selenium, calcium, phosphorous, sodium, ash, crude fiber in almond hulls, moisture, crude fat, protein, and other minerals. Samples came from California and various other states, as well as from Canada, Mexico, and Taiwan.

Work is being done to extend contracts for CAHFS and the Analytical Lab for the 2022-2023 FY.

Leal reported Valerie Brott, the Feed Program's ES Lab Coordinator, has been working with the Department's Office of Information Technology for byproduct changes in the database. There is a need for cross-training for both Brott and Mike Davidson, the Feed Program's Supervising Special Investigator. Davidson reviews and signs off on all lab reports prior to releasing to the regulated industry and consumers. Ted Bert, the Feed/AUS Program's SES (Specialist), will be looking at lab reports and acting as back up to Davidson. Minal Patel is Brott's back up but generally works with the Fertilizer Program so there is a need for a more dedicated position for backing up Brott.

CGFA UPDATES

Bell said Chris Zanobini, Chief Executive Officer of CGFA, thanked everyone for work on the rail issues and noted there is a long way to go. There is work in progress to get the message to legislature regarding Assembly Bill 2764 that is attempting to prohibit concentrated animal feeding operations. Bell said there is work being done with the UC Davis' Clarity and Leadership for Environmental Awareness and Research (CLEAR) Center to address the grain and feed industry concerns and encouraged collaboration between the Department and the CLEAR center in the future.

PUBLIC COMMENTS

There were no public comments.

AGENDA ITEMS FOR FUTURE MEETINGS

- Diversion Strategies
- CARB and Creation of a Standardized Calculator for Feed and Agriculture Reports
- Rail Pressures

NEXT MEETING

The FIAB meeting will be scheduled for August 10, 2022, in Modesto, California at the Stanislaus County Farm Bureau.

ADJOURNMENT

MOTION: Jed Asmus moved to adjourn the meeting; Dan Rice seconded. The motion was approved unanimously by all present with a vote of 8 - 0.

The meeting was adjourned at 11:36 a.m.

ORIGINAL SIGNED BY JENNA LEAL

Jenna Leal, Feed Program Manager
Feed, Fertilizer, and Livestock Drugs Regulatory Services

04/13/2022

Date