



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

September 23, 2021

Meeting Minutes

Teleconference

MEMBERS PRESENT

Jeremy Johnson – Chair
Blake Alexandre – Vice Chair
David Will
Kaley Grimland
Phillip LaRocca
Rosalie Burkett
Jamie Nessel
Jaclyn Bowen
Michelle Perro
Wendy Reynolds
Sean Feder
John McKeon
Benjamin Diesl

MEMBERS ABSENT

Karen Archipley
Andrew Smith

INTERESTED PARTIES

Jane Sooby, California Certified
Organic Farmers (CCOF)
Jessy Beckett Parr, CCOF
Nick Woodrum, California
Department of Public Health
(CDPH)
Daniel Karavan, CDPH
Jane Reick, CDPH
June Nakagawa
Brenda Lanni
Joji Muramoto
Christina Weber
Trevor Findley
Gregg Gibbs

CDFA

Marcee Yount
Scott Renteria
Mayze Fowler-Riggs
Danny Lee
Pam Rodriguez
Andrea Cano
Leslie Fernandez
Steve Patton
Carla Sanchez
Thomas Osborn
Thea Rittenhouse
Bernadette Miller

ITEM 1: CALL TO ORDER-INTRODUCTIONS/ROLL CALL

The meeting was called to order at 10:01 a.m. by Jeremy Johnson, Chair. Roll was called by Thomas Osborn, a quorum was established, and introductions were made.

ITEM 2: PUBLIC COMMENTS

There were no public comments.

ITEM 3: REVIEW OF MAY 19, 2021 MEETING MINUTES

Chair Johnson requested a Motion to approve the May 19, 2021 Meeting Minutes as presented.

MOTION: Jamie Nessel moved to approve the May 19, 2021 Meeting Minutes as presented. Blake Alexandre seconded the Motion. A vote by roll call was taken. The Motion passed unanimously, with Philip LaRocca abstaining.

ITEM 4: CALIFORNIA DEPARTMENT OF PUBLIC HEALTH UPDATES

Wendy Reynolds, California Department of Public Health (CDPH), provided informational updates to the committee.

Reynolds provided an Organic Program Overview to those in attendance. From April 9, 2018 to August 23, 2021, there are 19 open complaints. The majority of the complaints allege that an operation is uncertified and unregistered. So far, the CDPH Organic Program has generated 1,967 licenses for organic processors.

Reynolds also noted that the CDPH OCal Program has officially begun its operations. The OCal Program was developed for manufactured cannabis products that is comparable to the National Organic Program (NOP). OCal enforces regulations for cannabis products that are sold, labeled, or represented as OCal. The OCal regulations are comparable to NOP regulations and the California Organic Food and Farming Act.

Since July 1, 2021, the CDPH Food and Drug Safety Branch has been registering OCal cannabis manufacturers and certifiers who are accredited by the NOP and want to provide OCal certification services. The CDFA OCal Program is responsible for certifying cannabis growers and distributors.

Nick Woodrum, CDPH, presented the CDPH Organic Program's budget information. For Fiscal Year (FY) 2021/22, total projected salaries and benefits are \$758,756. Total direct costs are \$109,390. Total indirect costs are \$285,473, bringing the total projected program cost to \$1,153,620. Total projected revenue is \$1,286,200. Woodrum also noted that CDPH has been working with an external IT contractor to enable online applications and payment for organic registration.

Woodrum also provided an overview of the CDPH Organic Program's revenue reports. From July 2020 – June 2021, the program collected \$1,286,200.

ITEM 5: FARM EQUITY REPORT

Thea Rittenhouse, CDFA, provided an overview on the Farm Equity Report. Rittenhouse explained that the 2020 Report to the California Legislature on the Farmer Equity Act was published in June 2020, and outlined several challenges facing disadvantaged farmers and ranchers in California. These challenges include land tenure, language barriers, a lack of engagement with agricultural industry groups and CDFA state boards and commissioners, and a lack of knowledge regarding available resources and programs.

Rittenhouse described several ongoing initiatives and grants administered by CDFA to benefit underserved farmers, such as the California Underserved and Small Producers Program. Rittenhouse also described the benefits of translating outreach and educational documents into multiple languages, in order to better reach farmers of color statewide. Rittenhouse went on to recommend that surplus State Organic Program (SOP) funds be directed to a program, whether new or existing, which serves to benefit socially disadvantaged farmers.

Jamie Nessel asked whether the SOP could fund technical assistance programs for organic farmers. Steve Patton responded that a grant of this nature is likely to be relatively straightforward, as the University of California (UC) and UC Cooperative Extensions are exempt from bidding processes to which other organizations are subject. Additionally, the SOP's governing statute gives the program authority to engage in education and outreach activities. Patton and Danny Lee stated that expanding the range of languages into which SOP webpages and documents are translated would coincide with the SOP's authority to spend money on education and outreach, while also improving access for disadvantaged organic farmers.

Patton went on to explain that any grant planning would require a scope of work, outline of which languages would be included, a set of measurable deliverables, and other key components in order to meet CDFA's criteria for approval. Rittenhouse added that the UC Cooperative Extension Small Farm Program is already on the ground working to provide technical assistance to small farmers.

ITEM 6: FUND CONDITION SUBCOMMITTEE UPDATE

- i. Investing State Organic Program Resources to Support Organic Outreach and Education in California

Jessy Beckett Parr, CCOF, presented a spending proposal to those in attendance. CCOF's proposal contained two recommendations: support for the UC Cooperative Extension Organic Production Specialist, and to establish a permanent organic research endowment within the UC Organic Agriculture Institute. The proposal also outlined a scope of work for the UC Cooperative Extension Organic Production Specialist and the Center for Agroecology and Food Systems, UC Santa Cruz, as well as a summary of deliverables for FY 2023/24.

A period of discussion ensued regarding CCOF's proposal.

MOTION: Phillip LaRocca moved to recommend to the Secretary of CDFA that the SOP spends \$1 million of the program's reserve funds as proposed in CCOF's proposal, integrating socially disadvantaged farmers and non-fruit and vegetable farmers, and work with the University of California Agriculture and Natural Resources and University of California Organic Agriculture Institute. Michelle Perro seconded the motion. A vote was taken by roll call. The motion passed, with Benjamin Diesl, Phillip LaRocca, Jeremy Johnson, Jamie Nessel, Michelle Perro, and Sean Feder voting in favor of the motion. David Will voted in opposition to the motion. Kaley Grimland, Blake Alexandre, and Rosalie Burkett abstained from voting.

- ii. Budget and Contract Information

Chair Johnson explained that the SOP's current reserve levels are in excess of the program's annual operational costs. COPAC had previously established a Fund Condition Subcommittee to explore opportunities in which this money could be spent in ways that benefit the California organic industry.

Marcee Yount reminded those in attendees that the SOP is 100% funded through organic registration fees. Yount went on to explain that all State programs have a

spending authority, which is set in the Governor's annual budget. The spending authority determines how much money a program is permitted to spend in a given fiscal year. Yount explained that the SOP's spending authority for FY 2021/22 is \$2.2 million.

Yount informed those in attendance that a Budget Change Proposal (BCP) has been submitted to the California Department of Finance for review and approval, which would increase the SOP's spending authority for FY 2022/23. Patton explained that this BCP will help to ensure that the SOP has the spending authority necessary to accommodate the additional expenditures involved in a project to spend down the Program's excess reserve funds.

A discussion ensued regarding CDFA contracting procedures. Lee reiterated that contracts with the UC and UC Extension Centers are exempt from typical competitive bid requirements. Lee shared two STD213 Model Agreement Template documents with those in attendance, in order to illustrate the scope of work, budget outline, and other requirements necessary for a contract. Patton also noted that contracts are usually limited to a maximum of two years at a time, and cannot fund a permanent position or endowment.

David Will requested clarification on the process for lowering organic registration fees, noting that this would benefit all those who pay into the SOP. Patton responded that the SOP's registration fee amounts are set in statute, which would require a legislative change to revise. As such, Patton explained CDFA lacks the legal authority to raise or lower fees, and that the organic industry would need to work with the California State Legislature to introduce a bill revising the statute. Lee noted that the process would be similar to what occurred in 2016, the last time that the SOP's fee schedule was revised.

MOTION: Blake Alexander moved to recommend to the Secretary of CDFA that CDFA explore steps necessary to create a sliding scale fee schedule or an annual adjustment, via a legislative or regulatory change. David Will seconded the motion. A vote by roll call was conducted. The motion passed unanimously, with no abstentions.

ITEM 7: STATE ORGANIC PROGRAM UPDATES

i. Vacancies and Terms

Osborn provided the Vacancies and Terms report. Current vacancies include: one wholesale distributor representative; two technical representatives; six producer alternates; one wholesale distributor alternate; one retail representative alternate; one environmental representative alternate; two technical representative alternates; one consumer representative alternate; and one accredited certifier representative alternate. Osborn also provided the names of members who will be eligible for reappointment as of October 31, 2021.

ii. Compliance and Enforcement/Appeals Summary

Scott Renteria provided the Compliance and Enforcement/Appeals Summary. For FY 2020/21, as of June 30, 2021, there were 129 total complaints, 79 were investigated by SOP, CDFA, or county agricultural commissioner staff; 19 were referred to accredited certifying agents; 29 were referred to CDPH; two were referred to the NOP; and none

were referred to the Organic Input Materials Program. There were 1,571 total inspections: 1,081 of these were conducted at Certified Farmers' Markets; 263 were conducted at production sites; 78 at a handling facility; three at a processing facility; 143 at a retailer; and three at a location not within the above categories. A total of 514 samples were collected: 457 were surveillance samples; 31 of these contained residues below tolerance levels and 19 contained residues above tolerance levels. There were also 57 investigative samples: 14 of these contained residues below tolerance levels and nine contained residues above tolerance levels. Six appeals were received, all of which are closed.

iii. Complaints Activity Report

Renteria provided the Complaint Activity report for the period of July 1, 2020 to June 30, 2021. A total of 42 open complaints were active. 22 complaints were open for more than 120 days; seven were open for between 90 and 120 days; four were open for between 60 and 90 days; seven were open for between 30 and 60 days; two were open for less than 30 days. An additional 87 complaints had been closed.

iv. Complaint Summary Log

Renteria presented the Complaint Summary Log, detailing complaints and investigations that were assigned and closed from July 2020 through June 2021.

v. Revenue from Registration/New Registrations

Mayze Fowler-Riggs presented information on organic registration fees collected by month and year. As of June 2021, \$1,628,362 has been collected in registration fees. A total of 557 new operations registered with the SOP during FY 2020/21; of these 440 are producers, 140 are handlers, and 25 are processors. The total number of registrants is 4,935; the majority of which are producers.

vi. Fund Condition Update

Lee provided the Fund Condition Update. Lee stated that as of June 30, 2021 the beginning fund balance for FY 2020/21 was \$3,223,551. Total revenue was \$1,709,455, and available cash was \$4,933,006. Total expenditures were \$1,770,488, cash adjustments were \$91,489, with an ending balance of \$3,071,029.

vii. Pesticide Residue Updates

Renteria provided the Pesticide Residue Updates, detailing the results of samples collected by the SOP during routine and investigative efforts.

viii. Impacts of COVID-19 and Wildfires

Fowler-Riggs provided Impacts of COVID-19 and Wildfires updates. The SOP has received correspondence from three operations that have chosen not to renew their registration due to COVID-19. One operation has chosen not to renew their registration due to effects of California wildfires.

ix. Cost Share Program

Renteria provided an update on the Cost Share Program. Renteria explained that the maximum percentage of certification fees eligible for reimbursement under the Cost Share Program has been reduced from 75% to 50%. To date, 1,100 applications have

been reviewed and approved. Renteria reminded those in attendance that November 1, 2021 is the deadline by which Cost Share Program applications may be submitted.

ITEM 8: UNIVERSITY OF CALIFORNIA ORGANIC AGRICULTURE INSTITUTE DATA

The individual assigned to present on this topic was not present. Therefore, it was determined by Chair Johnson to proceed with the meeting agenda.

ITEM 9: IRRIGATED LANDS REGULATORY PROGRAM

Lee presented in the place of Karen Archipley, who was unable to attend. Archipley expressed concerns regarding the regulatory and financial burden that the Irrigated Lands Regulatory Program places on small organic farms. Archipley also stressed that additional research is needed to exempt small organic farmers from this program.

Blake Alexandre stated that he has also heard similar concerns expressed by organic farmers.

Chair Johnson asked that the SOP investigate ways in which the SOP or COPAC could have an impact on the Irrigated Lands Regulatory Program, and present this information at a future COPAC meeting.

ITEM 10: NEXT MEETING/AGENDA ITEMS

The next meeting will take place in January of 2022. Osborn explained that traditionally, this meeting has been held to coincide with the annual EcoFarm conference, which is scheduled to be held in-person this year. Osborn explained that COVID-19 vaccinations and face masks are mandatory for attendance at EcoFarm, which CDFA's Legal Office has determined would constitute a restriction of public access to the COPAC meeting, and a violation of the Bagley-Keene Open Meeting Act. As such, CDFA is exploring the possibility of including a virtual option, for attendees who are unable to attend the meeting in-person.

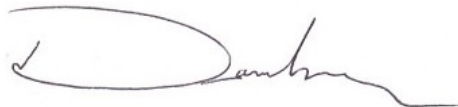
If adding a virtual option to an in-person meeting is unfeasible, the next COPAC meeting will be held during the week of January 24th via Zoom. A Doodle Poll will be conducted to determine the meeting date.

Chair Johnson asked that a follow-up discussion of both motions pertaining to the SOP's excess reserve funds be included on the next meeting agenda.

ITEM 11: ADJOURNMENT

The meeting was adjourned at 1:03 p.m. by Chair Johnson.

Respectfully submitted by:

A handwritten signature in black ink, appearing to read "Danny Lee", with a long horizontal flourish extending to the right.

Danny Lee, Supervising Special Investigator
State Organic Program