



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

September 26, 2019

Meeting Minutes

3589 Westwind Blvd. Santa Rosa, CA

MEMBERS PRESENT

Karen Archipley – Chair
Jeremy Johnson – Vice-Chair
Garff Hathcock
Mindee Jeffery
Jackie Bowen
Michael Menes
Jane Reick
Kaley Grimland
Phillip LaRocca
John McKeon
Alexis Randolph
Stacey Carlsen

MEMBERS ABSENT

Randy Skidgel
David Will
Steve Beck
Jennifer Shawgo
Benjamin Diesl
Chad Sokol
Vernon Peterson

INTERESTED PARTIES

Peter Nell – California Certified
Organic Farmers (CCOF)
Jennifer Barretta – Western
Organic Dairy Producers
Alliance (WODPA)
Wendy Reynolds, California
Dept. of Public Health (CDPH)
Priscilla Yeany, Solano County
Courtney McQuilkin, Guayaki

CDFA

Natalie Krout-Greenberg
Thomas Osborn
Rick Jensen
Marcee Yount
Scott Renteria
Mayze Fowler-Riggs
Danny Lee
Leslie Fernandez
Steve Patton

ITEM 1: CALL TO ORDER-INTRODUCTIONS/ROLL CALL

The meeting was called to order at 10:05 a.m. by Karen Archipley, Chair, and self-introductions were made. Roll was called by Thomas Osborn and a quorum was established.

ITEM 2: GARFF HATHCOCK AND DAVID WILL RESOLUTIONS

Chair Archipley asked that Garff Hathcock and David Will be recognized for their service to the Committee. Marcee Yount read Hathcock's resolution and expressed thanks for Hathcock's focus and years of service to the Committee. Will was not present.

ITEM 3: PUBLIC COMMENTS

Chair Archipley opened the floor for public comments. Phillip LaRocca spoke on behalf of Vernon Peterson as Peterson was absent. LaRocca said that Peterson wants California Certified Organic Farmers (CCOF) to investigate what the state is doing regarding changes to the status of independent contractors resulting from Assembly Bill

5. LaRocca expressed concern that eliminating independent contractors is harmful to farmers, particularly small farmers.

There were no other public comments.

ITEM 4: REVIEW AND APPROVAL OF MAY 7, 2019 MEETING MINUTES

Chair Archipley requested a Motion to approve of the May 7, 2019 Meeting Minutes as submitted.

MOTION: Michael Menes moved to approve the May 7, 2019 Meeting Minutes as submitted. Jackie Bowen seconded the Motion. The Motion passed unanimously with no abstentions.

ITEM 5: NATIONAL ORGANIC PROGRAM UPDATES

Jenny Tucker, Deputy Administrator for the National Organic Program (NOP), provided NOP updates and presented slides as an overview of the NOP's priorities to the Committee. NOP priorities include Strong Organic Control Systems, Farm to Market Traceability, Robust Enforcement, Support the Standards, and Collaborate with the Community.

Tucker said enforcement is a primary concern. NOP has in recent years developed a stronger enforcement capability as a result of their increased budget. This increased capacity has allowed for more investigation, market surveillance in imports and dairy, and stronger connections with other Federal agencies. NOP is moving to a more risk-based approach to their work, particularly in the international market. Their efforts have included farm-level yield analysis, trade data trend analysis, country commodity studies, and ship-specific surveillance. With risk-based oversight being a concern, NOP has expanded their surveillance capabilities to better monitor the supply chain as it becomes progressively more complex. Tucker explained that there are many additional actors that they work with including foreign governments, the USDA Foreign Agricultural Service (FAS), the USDA Inspector General, Customs and Border Protection, and many others such as the State Organic Program (SOP).

NOP is working on a proposed rule that is expected to be published in late Fall 2019. Tucker explained that this is a transformative rule that will emphasize new areas in standards development to increase accountability in the evolving market. The three key areas of this proposed rule are: closing loopholes on uncertified handlers; the creation of electronic import certificates for organic products; and accreditation and certification practices. NOP will use unannounced inspections, create foundational requirements for inspector training, tighten the rules on non-retail labeling, standardize organic certificates, and other measures as part of this new rule. The public comment period for this rule will be 60 days.

Tucker also brought attention to NOP's new Organic Integrity Learning Center. This Learning Center provides many beneficial courses for certifiers. The Center was launched in April of 2019. Courses are available now with more in development. Tucker noted that the NOP is currently working to expand their staff to allow more available resources for these new initiatives.

A discussion ensued regarding NOP programs, procedures, and objectives.

ITEM 6: CALIFORNIA DEPARTMENT OF PUBLIC HEALTH UPDATES

Jane Reick provided the California Department of Public Health (CDPH) updates.

Reick shared that CDPH has hired Wendy Reynolds to oversee the Department's Organic Program. Reynolds has been with CDPH since 2001, and will be working with CDPH and CDFA staff to oversee the Organic Program's complaints, investigations, and perform gap analysis on CDPH enforcement. CDPH has also hired a new budget analyst.

Reick explained that the 2018 Annual Organic Report was still being developed at the time of the Committee meeting. CDPH is working with a contractor to improve database functionality. The Report was near completion at the time of the Committee meeting but still requires internal review before release.

ITEM 7: STATE ORGANIC PROGRAM UPDATES

i. Vacancies and Terms

Thomas Osborn provided the Committee Vacancy and Terms Report. Current vacancies include three voting member positions: one processor representative; one technical representative; and one consumer representative. There are also ten alternate vacancies including: two producer alternates; one wholesale distributor alternate; two processor alternates; one consumer representative alternate; one environmental representative alternate; two technical representative alternates; and one accredited certifier representative alternate. Osborn also provided the names of members whose terms will be expiring and members who will be terming out as of October 31, 2019.

ii. Communications Update

Danny Lee provided the Communications Update. Lee presented three handouts which were educational information on the Committee and its work. These handouts covered topics on what COPAC is, how to apply for membership, the responsibilities of members, and how to determine if a person should register their product with CDPH or the CDFA.

Lee also presented the new State Organic Program (SOP) website, including a new COPAC webpage with biographies of members. The new SOP website also has resources, links, and documents for the organic industry.

Lee discussed the SOPs goals and objectives on Organic Integrity. The SOP is to supplement and support the NOP's surveillance and enforcement activities where applicable. Lee noted that imported products and dairies are two areas of enforcement the SOP wants to focus on. SOP will also work to share data with other relevant agencies, and work to maintain the integrity of the supply chain by investigating fraud.

iii. Compliance and Enforcement/Appeals Summary

Scott Renteria provided the Compliance and Enforcement/Appeals Summary. Renteria emphasized that reports do not always capture the entire story, and that facilitating training for county staff leads to more effective enforcement. Two thirds of counties had staff attend training sessions. Renteria expects that as enforcement focuses on exempt operations, handlers and retailers, there will be an increase in enforcement numbers as efforts are more focused in what are felt to be the most appropriate areas.

A discussion ensued regarding the use of surveillance inspections for retailers. Renteria clarified that although retailers are exempt from registration, that did not change any of CDFA's surveillance approaches to retailers. These approaches include the use of unannounced inspections as well as standard inspections. If there are found to be violations, a letter of information or a Notice of Noncompliance can be sent to retailers. Peter Nell of California Certified Organic Farmers (CCOF) asked Renteria to clarify the information labeled "other" in the Enforcement/Appeals Summary. Renteria explained that this would be inspections of packing sheds, production sites, restaurants, brokers, and ports of entry, and serves as a way for CDFA to capture data on inspections that are not otherwise defined. Renteria was asked by John McKeon to clarify how CDFA picks their area of focus for inspections. Renteria stated that much of this is from industry feedback.

iv. Revenue from Registration/New Registrations

Renteria provided information on revenue from registrations. Renteria highlighted that the 2017 legislation changes led to a slight loss in registration fees in the 17/18 FY, but those have since gone up and there is steady growth in the registration fees collected.

v. Fund Condition Update

Lee provided the Fund Condition Update. Lee stated that as of June 30, 2019 the beginning fund balance for the 2018/19 FY was \$3,357,945. Total revenue was \$1,620,028, and available cash was \$4,977,973. Total expenditures were \$1,621,940, with an ending balance of \$3,306,173.

Lee noted that with an increase in staff and inspection activities, the SOP is looking to spend more of their budget going forward to decrease the amount of reserve. Jeremy Johnson asked Lee how the SOP will react to an increase in organic production in California. Johnson would like to see the organic industry in California grow, but would also like to know how the funds can be used in compliance with the law. Johnson would

like to see that the money being brought in from the organic industry be appropriately used to benefit that industry through organic cost share or other means like education and outreach.

Lee said that there are things that can be explored for spending more of the available funds. Johnson would like to see ideas brought forward in a future meeting. Patton informed Johnson that there are things that can be done, such as hiring new staff, but they do require further approval from both CDFA and the office of the Governor. A brief discussion followed regarding the ways that the committee can provide more services to the organic industry.

vi. Complaints Detailed Report

Renteria referred those in attendance to the complaints detailed report handout.

vii. Pesticide Residue Report/Update

Renteria presented information on the investigation of pesticide residue in organics. Renteria stressed that all positive tests for prohibited substances are investigated even when within tolerable limits. Cease and Desist orders are issued if the residue of prohibited pesticides exceeds the 5% limit. A brief discussion ensued explaining the methods of sampling. All sampling activities take place in the field and are very labor intensive. The collection of samples includes staff from CDFA as well as from the Counties. Chair Archipley also voiced concern over the current \$250 fine for selling uncertified products at farmers' markets. Renteria explained that this fine is not under the purview of the State Organic Program.

ITEM 8: GMO TEST PILOT PROGRAM UPDATE

Lee provided information on GMO Testing. The CDFA chemical lab will be able to start GMO testing in January of 2020. Testing will be conducted by the CDFA Center of Analytical Chemistry. The last 3 tests conducted with the previous contractor were negative. Most of the positive results that were seen were from grains and feed products.

MOTION: Mindee Jeffery moved to recommend that the State Organic Program continue to work with Feed, Fertilizer and Livestock Drugs Regulatory Services Branch of CDFA to test for GMOs. Phil LaRocca seconded the Motion. The Motion passed unanimously with no abstentions.

i. Synthetic Biology/Emerging Technologies

Jeffery discussed the history of challenges that organic producers have faced due to GMO contamination and the difficulty of maintaining organic integrity with the proliferation of GMOs. Jeffery voiced concern about GMOs in the food supply chain as new products come to the market as a result of synthetic biology. Jeffery also noted that

there are many emergent technologies in synthetic biology that can affect the organic industry.

Jeffery recommended that the Secretary pay close attention to emergent synthetic biology technologies and be aware of how these technologies may impact California's agricultural system in the future in order to protect organic integrity. Jeffery is concerned that the organic industry will be unable to control the effects of these new technologies like GMO mosquitos and new agricultural sprays designed to affect the DNA of microbes in soil as it cannot be guaranteed that these will not have effects outside of their immediate area of application. During the discussion, a question of whether new regulations can be created and applied to these new technologies.

ITEM 9: BREAK:

ITEM 10: PROCESSOR SUBCOMMITTEE UPDATE

Jeremy Johnson provided the Processor Subcommittee update. The subcommittee recommends that there be more interaction with the organic community both out of state and at conferences like Expo West, as well as more reporting, similar to what is provided to handlers and growers. Also mentioned was an effort to streamline processes for enforcement. Johnson also said the subcommittee would like to see much of the registration process moved from paper to an online format with allowance for digital signatures, as well as more training for the processing industry from CDPH. Johnson would like to see funds contributed to the CDPH general fund by the organic industry separated out and devoted to organics rather than remain a part of the larger fund.

Reick clarified that it is true that money from the organic industry does go into the fund mentioned above, but also noted that these funds from the organic industry are not subsidizing other activities. Reick stated that CDPH will need to identify how much of that fund is attributable to organics as they are not currently able to differentiate this amount from that contributed by other industries.

ITEM 11: CALCANNABIS SUBCOMMITTEE UPDATE

Phil LaRocca provided the report for the CalCannabis Subcommittee. Interested parties voiced that they wanted to see the standards lowered to allow more people to participate in the cannabis industry. LaRocca wants to generally follow NOP standards within the Cannabis industry. NOP has a \$5,000 exemption, which the CalCannabis subcommittee would like to eliminate. LaRocca noted that there are many organizations that are certifying cannabis as organic. LaRocca and the subcommittee urged that an accreditation program for these certifiers be created. LaRocca hopes to see standards implemented by the state by 2020.

ITEM 12: INDUSTRIAL HEMP UPDATE

Lee and Chair Archipley provided the Industrial Hemp update. NOP will certify and register research facilities for industrial hemp. CDFA will register certified research facilities. Lee stated only industrial hemp produced in accordance with the 2014 Farm Bill, as articulated in the Statement of Principles on Industrial Hemp, issued August 12, 2016 by USDA may be certified organic. This policy is in place until the NOP issues a guidance in 2020. Tucker concurred.

Chair Archipley said that smaller growers need protection for growing hemp and cannabis, or they will face challenges. Chair Archipley would like to incentivize the growing of both hemp and cannabis. Stacey Carlsen noted that cannabis is not currently an agricultural commodity as defined under law and is thus not given the protections given other products. However, hemp is considered an agricultural commodity and is protected.

ITEM 13: CERTIFIERS REGISTERING ON BEHALF OF CLIENTS

Renteria and Lee informed the committee that certifying agencies can register on behalf of their clients. However, Renteria noted that there are challenges to be worked out with CDFA's Information Technology department including how payments and applications are submitted. Randolph asked if there can be an effort for the certifiers and CDFA to align their timelines for registration. Lee responded that there are opportunities to discuss this further. A brief discussion ensued regarding registration timelines and the need to clarify and align them.

ITEM 14: ORIGIN OF LIVESTOCK RULE

Randolph provided an update on the Origin of Livestock Rule. Randolph stated that the organic dairy industry in California is concerned about whether dairy products being brought into California are meeting the requirements of the Origin of Livestock Rule as currently written. Randolph asked if COPAC would like to discuss ways to support the dairy industry further. Johnson asked if there were any public comments regarding the Origin of Livestock Rule.

Jennifer Baretta of the Western Organic Dairy Producers Alliance (WODPA) said that it is important that COPAC support the Origin of Livestock Rule. Jeremy Johnson asked if CDFA can make a recommendation to support the Origin of Livestock Rule.

MOTION: Jeremy Johnson moved that COPAC recommend to the Secretary that CDFA comments in support of the Origin of Livestock Rule upon its publication in the Federal Register. Jaclyn Bowen seconded the Motion. The Motion passed unanimously, with no abstentions.

ITEM 15: BAILED HAY AS A PACKAGED COMMODITY

Stacey Carlsen briefly informed the Committee that bailed hay is considered a packaged commodity. NOP guidance document does not describe it as a packaged commodity, and thus is required to be certified. Carlsen said that this can create confusion. Carlsen would like to work with SOP and NOP to provide more clarity on this topic.

ITEM 16: ACCESS TO ORGANIC SLAUGHTER FACILITIES

Kaley Grimland informed the committee that there is limited to no access to organic slaughter facilities. Many slaughter facilities have shut down their organic lines, further limiting access. Grimland asked COPAC and SOP what can be done to reduce the bottleneck this has created. Grimland stressed that under current rules, organic poultry must be taken to a USDA slaughterhouse, but there are none currently certified organic. This disadvantages organic meat producers.

A discussion ensued in which Grimland asked what efforts the SOP and NOP can take to resolve the need for organic slaughter facilities as well as possible differentiation in labels for pasture vs. hen house organic etc. Grimland noted that among the challenges are the small volume of organic producers, as well as vertically integrated slaughterhouses that do not allow for private labels.

Dr. Fernando Umayam of CDFA's Animal Health and Food Safety Services Division discussed CDFA's work in regulating slaughter facilities and gave historical background to explain how the current situation came about and what CDFA does regarding slaughter facilities in the state.

Chair Archipley asked for a motion to extend the meeting by 10 minutes.

MOTION: Alexis Randolph moved to extend the meeting by 10 minutes. Jeremy Johnson seconded the Motion. The Motion passed unanimously, with no abstentions.

Randolph noted that COPAC can showcase opportunities in organics as well as showing the benefit of organics via the Committee's website and other means. Grimland noted that the ability to differentiate labels within organic would be another way to bring in new producers to the industry.

Patton suggested that there be a small working group put together to identify the types of information that can be gained about slaughterhouses in California. This working group could build a survey to collect this information. Natalie Krout-Greenberg agreed that this work could help to shed light on what is needed if someone wanted to enter the slaughterhouse business organically.

Chair Archipley asked if there was interest in creating a subcommittee to explore this potential working group. Kaley Grimland and Stacey Carlsen agreed to form an Ad Hoc Subcommittee toward this effort.

ITEM 17: PUBLIC COMMENT

There were no public comments.

ITEM 18: ADJOURNMENT

Osborn informed the Committee that the next COPAC meeting will be held during Eco-Farm 2020 on the 23rd of January.

The meeting was adjourned at 2:10 p.m. by Chair Archipley.

Respectfully submitted by:

A handwritten signature in black ink, appearing to read "Danny Lee", written over a horizontal line.

Danny Lee, Supervising Special Investigator
State Organic Program