



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
STANDARDIZATION ADVISORY COMMITTEE (STDZ)
March 21, 2018 Meeting Minutes
1031 South Mount Vernon Avenue, Bakersfield, CA 93307**

MEMBERS PRESENT

David Silva
Derek Vaughn
Jeff Simonian
Ruben Arroyo

MEMBERS ABSENT

Tom Casas

INTERESTED PARTIES

Steve Schweizer, Kings County
Dinna Morris, San Diego County
Robert Pelletier, San Joaquin
County
Christopher Greer, Tulare County
Raymond Valles, Kern County
Ed Williams, Los Angeles County
Eddy Greynolds, Kern County
Jonathan Bixler, Tulare County
Delia Cioc, Riverside County
Nikolas Montori, The Nunes
Company / Foxy Fresh Produce

CDFA

Steve Patton
Marcee Yount
Stacey Hughes
Karrie Batchelor
Thomas Osborn
Andrea Todd

ITEM 1: ROLL CALL

The committee was called to order at 10:01 a.m. by Mr. Steve Patton, Branch Chief of the California Department of Food and Agriculture (CDFA) Inspection and Compliance Branch. It was decided that self-introductions would be made in lieu of a roll call.

ITEM 2: INTRODUCTIONS

Self-introductions were made, and a quorum was established. Mr. Patton asked the committee members if they would prefer to nominate a Chair and Vice-Chair to lead this meeting, or have himself lead the meeting. The committee decided to table election of new officers until the next meeting, and have Mr. Patton lead the meeting.

ITEM 3: PUBLIC COMMENT

There were no public comments.

ITEM 4: COMMITTEE VACANCIES AND TERMS UPDATE

Mr. Patton asked committee members and county officials in attendance to reach out to members of industry to help fill the current committee vacancies. Ms. Stacey Hughes stated that a press release containing information on committee vacancies has been published on the CDFA website as well as Morning Ag Clips, an agricultural news website. Ms. Hughes encouraged those in attendance to share copies of the press release with potential new members.

Mr. Thomas Osborn discussed the committee vacancies and terms. Current vacancies include: one fresh fruit member from table grapes, one fresh fruit members from oranges, table grapes, and other citrus fruit; one other fresh fruit member from cantaloupe and melon; three fresh vegetable members from broccoli, tomatoes, and/or lettuce; two other fresh vegetable members from any fresh vegetable commodity subject to standardization assessments; and one member from any other commodity. Mr. Osborn also reminded the committee that there are no reappointments until August of 2019.

ITEM 5: APPROVAL OF OCTOBER 18, 2017 MEETING MINUTES

Mr. Patton asked for a motion to approve the October 18, 2017 Meeting Minutes as submitted.

Ms. Hughes had a few amendments to the Meeting Minutes. Under Agenda Item 5, the text should be amended to read "approval of February 23, 2017 Meeting Minutes", as well as in the paragraph below. Under Agenda Item 7, the Fiscal Year (FY) should read 16/17, rather than 15/16.

Ms. Hughes also informed the committee that approval of the February 23, 2017 Meeting Minutes will be included as an agenda item for the next committee meeting.

Mr. Patton asked for a motion to approve the October 18, 2017 Meeting Minutes as amended.

MOTION: Mr. Derek Vaughn moved to approve the October 18, 2017 Meeting Minutes as amended. Mr. David Silva seconded the motion. The motion passed unanimously with no abstentions.

ITEM 6: FY 2018/19 PROPOSED COUNTY COOPERATIVE AGREEMENTS

Ms. Hughes discussed the 2018/19 FY County Agreements. Ms. Hughes explained to the committee that the proposed funding represents a reduction of 10% for each county for the 2018/19 FY.

County representatives in attendance reported on current enforcement activities and their proposed 2018/19 FY cooperative agreement work plans. The total proposed funding for the 2018/19 FY County Cooperative Agreements is \$875,504.

There was a discussion regarding enforcement actions which may be taken by agricultural inspectors. Ms. Hughes explained that CDFA and County Agricultural Commissioners (CACs) are granted authority in statute to take administrative civil penalty action in response to violations. Ms. Hughes also explained that the California Code of Regulations (CCR) outlines the different levels of fines for corresponding violations, granting CDFA and CACs the authority to administer a Notice of Proposed Action (NOPA). Violations are categorized as Minor, Moderate, or Serious, with a range of fines associated with each category.

Ms. Hughes reminded the committee members and counties in attendance that when entering into a Cooperative Agreement, the Standardization Program (Program) requires each county to submit an application that includes both a work plan proposal and fiscal display.

Ms. Hughes also informed the committee that CDFA has been working to increase inspection activities in Northern California counties, such as Alameda, San Francisco, and San Mateo, while working cooperatively with county staff.

Ms. Hughes asked the committee members and counties in attendance if they had any questions pertaining to reports of counties not present at the meeting.

Mr. Christopher Greer asked if the 10 percent funding reduction is mandatory or contingent upon advisory committee approval. Mr. Patton clarified that the reduction is mandatory.

Mr. Patton thanked all counties present for taking the time to attend the advisory committee meeting, and for the high-quality inspection, enforcement, and standardization work that they perform. Mr. Patton encouraged the counties in attendance to work on educating growers on current agricultural regulations.

ITEM 7: PROGRAM BUDGET

a. FY 2017/18 FY Fund Condition

The 2017/18 FY Fund Condition was presented. As of December 31, 2017, the beginning fund balance was \$2,492,882, and the total revenue was \$1,018,469. The total expenditures were \$961,920, with an ending balance of \$2,549,431.

b. FY 2018/19 FY Proposed Budget

The 2018/19 FY Proposed Budget was presented. The total proposed Program cost for the 2018/19 FY is \$2,317,460. The projected revenue for the 2017/18 FY is \$1,751,859. With projected gas tax credit, the total projected program budget is \$2,288,460.

Mr. Patton gave a brief overview of Standardization Program history. Mr. Patton explained that the Program previously received funding from the California General Fund, before transferring to an industry-funded model. He noted that the assessment rate fee paid by industry has remained constant since 1992, while providing benefits to California agriculture, counties, and consumers.

Mr. Patton also reminded the committee that the Standardization Program is on a five-year sunset provision, which is set to expire in the year 2020. He explained that industry will need to work together with a member of the California State Legislature to draft a bill reauthorizing the Program. This will preserve the enforcement activities and regulations provided by the Standardization Program.

Mr. Patton asked the committee if they would like a discussion regarding how assessment rate monies are allocated to be included as an agenda item for the next meeting. The committee confirmed that they would like additional information included as an agenda item for the next meeting.

Mr. Patton asked for a motion to approve the 2018/19 FY Budget.

MOTION: Mr. David Silva moved to approve the proposed 2018/19 Fiscal Year budget as presented. Mr. Derek Vaughn seconded the motion. The motion passed unanimously, with no abstentions.

c. Assessment Rates/Proposed Changes

Mr. Patton explained that assessment rates are set by statute, and can be changed by regulatory action. He went on to state that the Standardization Program must have committee approval by March in order to change the assessment rates for the next FY. The statutes also specify that changes to assessment rates are not required to undergo the full Office of Administrative Law (OAL) regulatory review process. They are eligible for File and Print status, making them effective immediately upon signing by the California Secretary of State.

ITEM 8: PROGRAM UPDATES

Ms. Karrie Batchelor provided an update on changes to citrus regulations. Ms. Batchelor informed the committee that a rulemaking packet regarding mandarin container regulations has been published by the OAL as of March 2, 2018. These regulatory changes propose a new standard container, modify existing standard container requirements, amend container weight and size count requirements, and amend labeling requirements. The proposed regulations are open to public comment until April 16, 2018.

Ms. Batchelor also explained to the committee that freeze temperatures were recorded from February 19-23, 2018. CDFA instructed CACs to record temperatures and conduct assessments for freeze damage on citrus fruit. Ms. Batchelor also noted that the Program will soon begin inspection training in anticipation of the beginning of the California cherry season.

Mr. Steve Patton gave an update on the Food Safety Modernization Act (FSMA) Produce Safety Rule (PSR). He explained that the PSR went into effect for large farms on January 26, 2018. However, enforcement of the PSR has been delayed until Spring of 2019. The State of California has authorized a new Produce Safety Program, which will conduct inspections of California farms on behalf of the United States Food and Drug Administration (FDA). The State has hired new staff, who are undergoing training programs in preparation of PSR enforcement. CDFA and FDA have been working to conduct On-Site Readiness Reviews to assist farmers in preparing for PSR standards. Mr. Patton went on to explain that due to the large number of farms operating in California, CDFA is working with industry organizations to conduct group educational

sessions. Mr. Patton clarified that the Department will not be contracting with counties to conduct enforcement of the PSR, since all enforcement staff must be commissioned and credentialed by the FDA.

Mr. Patton also informed the committee that CDFA has contracted with trainers to provide Produce Safety Alliance (PSA) Grower Training sessions. These sessions will satisfy the FSMA PSR requirement that at least one supervisor or representative from each farm complete a produce safety training course. These PSA Grower Training Sessions will be conducted at various locations throughout the state.

Ms. Marcee Yount provided an update on the California Organic Program. Ms. Yount explained that in 2016, Assembly Bill (AB) 1826 amended the process by which producers register as organic with CDFA. Ms. Yount went on to explain that the Department is currently working to streamline the online registration process for growers, by grouping commodities together and reducing the number of pages that must be completed by applicants. The new online registration system is currently undergoing testing, and is scheduled for release in Spring of 2018.

Ms. Yount also stated that the CDFA Organic Program is in the process of hiring additional investigative staff in southern California, to increase Department enforcement capabilities.

Ms. Yount went on to provide an update on the Certified Farmers' Market Program. Ms. Yount gave an overview of a rulemaking packet concerning Direct Marketing proposed regulations. She explained that the rulemaking packet, which incorporates clarifying language to definitions, amendments to the administrative civil penalties, and additional clean up language is currently being reviewed by Inspection Services Division staff. Ms. Yount also noted that the Department will notify stakeholders once the proposed regulations are published in the OAL California Regulatory Notice Register.

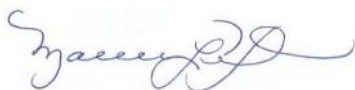
ITEM 9: NEXT MEETING/AGENDA ITEMS

The next meeting will be held on October 17, 2018 at 10:00 a.m. in Tulare County, at the Tulare County Agricultural Commissioner's Office.

ITEM 9: ADJOURNMENT

The meeting was adjourned at 11:52 a.m. by Mr. Patton.

Respectfully submitted by:



Stacey Hughes, Program Supervisor
Standardization Program