



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
STANDARDIZATION ADVISORY COMMITTEE (STDZ)
October 18, 2017 Meeting Minutes
Monterey Government Center, Saffron Room
1441 Schilling Place, Salinas, CA 93901**

MEMBERS PRESENT

David Silva
Derek Vaughn

MEMBERS ABSENT

Ruben Arroyo
Tom Casas
Jeff Simonian

INTERESTED PARTIES

Karen Melvin, San Diego Co.
Yvonne Perez, Monterey Co.
Shayla Neufeld, Monterey Co.
Jordan Key, Riverside Co.
Delia Cioc, Riverside Co.
Graham Hunting, Monterey Co.
Jonathan Bixler, Tulare Co.
Robert Pelletier, San Joaquin Co.
Robert Roach, Monterey Co.
Rob Milner, Monterey Co.
Ed Williams, Los Angeles Co.

CDFA

Steve Patton
Marcee Yount
Stacey Hughes
Karrie Batchelor
Laurel Rudolph
Thomas Osborn

ITEM 1: ROLL CALL

The Committee was called to order at 10:02 a.m. by Mr. Steve Patton, Branch Chief of Inspection & Compliance. Roll was called and a quorum was established.

ITEM 2: INTRODUCTIONS:

Mr. Patton asked that everyone introduce themselves.

ITEM 3: COMMITTEE VACANCIES AND TERM UPDATE

Ms. Laurel Rudolph provided an overview of the Committee vacancies. Member vacancies include: one fresh fruit member representing oranges, other fresh fruit, or table grapes; one fresh fruit member representing table grapes, and one fresh fruit member representing cantaloupe or melon; three fresh vegetable members representing broccoli, lettuce, or tomatoes; and two other fresh vegetable members who represent any fresh vegetable commodity subject to standardization assessments; and one other commodity member representing any commodity subject to standardization.

Mr. Patton went on to add that industry participation is greatly needed as there are currently only 4 members on this 13 member committee. He asked everyone in attendance for their assistance with filling the vacant positions.

ITEM 4: ELECTION OF OFFICERS

Mr. Patton asked the two members present, Derek Vaughn and David Silva, how they would like to proceed with elections.

It was the consensus of the Committee members that were in attendance, that Mr. Patton run the meeting and that election of officers be postponed until the next meeting.

ITEM 5: APPROVAL OF FEBRUARY 23, 2017 MEETING MINUTES

Mr. Patton suggested that the committee members postpone approval of the February 23, 2017 meeting minutes until next meeting, as Mr. Vaughn had not been present at the last meeting. Mr. Silva and Mr. Vaughn agreed to postpone approval of the minutes until the next committee meeting.

ITEM 6: STATE REPORTS/UPDATES

a. Fund Condition

Ms. Stacey Hughes provided an overview of the program's funds condition. Total revenue received for Fiscal Year (FY) 16/17 was \$1,741,698. Expenses for FY 17/18 are estimated to be \$2,055,175 which is approximately \$150,000 less than what was projected. The fund balance as of July 1, 2017, was \$2,492,882, the total revenue received in July was \$158,908 and total expenses were \$92,061, leaving the fund balance at \$2,559,728 as of July 31, 2017.

Mr. Patton noted that the state has caps on how much money can be spent, which can result in money continuing to accumulate in reserves. In the future, if reserves continue to grow, he suggests that the CDFA potentially request additional spending authority.

b. Regulation Update

Ms. Hughes started with an update regarding a change to current avocado regulations. Existing regulations allow avocados that are effected by extreme winds "Windfall Fruit", to be picked up from the ground in a designated period and upon meeting maturity requirements, released for fresh market use. The Food Safety Modernization Act (FSMA) prohibits this practice so regulations allowing the harvest of windfall avocados must be repealed to make California law consistent with Federal law. This regulatory modification has gone through the 45 day comment period, and CDFA did not receive any public comments. The regulatory modification is expected to be effective by the end of the year.

Mr. Patton also discussed the effects of Assembly Bill (AB) 1826 on the California State Organic Program (SOP). AB 1826 mandated changes to registration requirements, including commodity-specific products, gross sales by commodity, and gross sales per acreage. The new requirements will now have commodities listed in more general categories, instead of itemized individually.

There has been concern amongst industry about the change in AB 1826 regarding the decrease in commodity information collected by the SOP. The amount of data that the SOP collects is extremely helpful to producers, giving insight into what types of commodities are being produced per acre, and what the gross sales are per commodity. Mr. Patton stated that the CDFA is working to reintegrate more specific commodity information in the registration process.

Ms. Marcee Yount discussed the proposed timelines for the direct marketing program. She explained that the CDFA has shifted its timeline in submitting new regulations on Certified Farmers' Markets to the Office of Administrative Law (OAL). The expected date is late 2017. The rulemaking process is expected to be complete by early 2018.

Ms. Hughes also noted that the Program is anticipating a petition requesting modifications to current regulations from the Citrus industry. Numerous mandarin/tangerine shippers have been experimenting with new containers and numerical sizes that are used primarily for export shipments.

Mr. Rob Milner discussed proposed modifications to the Federal Uniform Packaging and Labeling Regulations (UPLR) regarding the Quantity Declaration Statement on multi-unit packages. The current language in the UPLR states multi-unit packages are required to be labeled with the number of individual units, the quantity of each unit, and the total quantity of the contents of the multi-unit package. This has become very difficult for produce industry members to comply with especially since the enactment of the Produce Traceability Initiative (PTI). PTI stickers have limited space, making compliance with this requirement difficult. Mr. Milner went on to say the proposal for modifications to the UPLR was withdrawn at the National Conference for Weights and Measures, meaning that current regulations still stand as written. There was some opposition to the proposed modifications primarily because the UPLR effects all packages in commerce not just produce. The National Institute of Standards and Technology (NIST) who is responsible for the UPLR, did however request clarification from the Food and Drug Administration (FDA), and as a result, provided a written interpretation of the UPLR section that addresses multi-units packages.

Mr. Patton summarized NIST's published response. The FDA stated that regulations require multi-unit packages intended for retail sale to be labeled with the number of each unit, the quantity of each unit and total quantity of content of the multi-unit package. Multi-unit packages that are intended for institutional or wholesale channels may be labeled with the quantity of contents only, provided it is not being sold at retail. Mr. Patton also reiterated the industries continued challenges to accommodate all required labeling information on the PTI stickers.

Ms. Hughes brought up another issue related to the quantity declaration statements on nonconsumer packages of produce. The lack of a unit of measure statement is becoming a wide spread problem. Preprinted grids are being used without an accompanying unit of measure statement. Various produce containers are also being found marked with a number alone or in conjunction with another number with no way of identifying if it's a quantity statement, size, or some type of industry code. The UPLR

requires the declaration of quantity to be clearly identifiable on each nonconsumer package. The program plans to send out a letter to address these labeling issues.

c. Program Updates

Ms. Hughes started the program updates by reviewing the prior year Standardization handler audits that were performed by the Marketing Branch. She explained that the Programs funding source comes from assessment fees collected from handlers of commodities that are subject to Standardization laws. She went on to explain that three audits were done, resulting in \$4,530 in assessments that were underreported.

Ms. Hughes also shared the recent review of the Produce Blue Book by program staff, in order to identify potential new handlers. Staff contacted 316 members of the produce industry, resulting in 13 new registered handlers. Handler audits are performed annually in an effort to ensure costs to maintain the Program are shared equally.

Ms. Hughes also mentioned that Program staff, along with Riverside County staff, performed inspections on imported table grapes, at the port of Los Angeles. Together, over 5.9 million containers were inspected, and 109 noncompliance notices written. Inspectors rejected 117,342 containers for labeling violations, and 25,985 containers were put off sale for failing to meet the State's maturity standards.

Ms. Hughes also shared information regarding the Standardization enforcement inspections, performed at the Otay Mesa border crossing, by the Shipping Point Inspection (SPI) program. Last year, SPI wrote 62 noncompliance notices, on 21 different imported commodities. Of those noncompliances: 44 were for markings, 8 for quality, 3 for re-use of containers, and 6 for mislabeling.

Ms. Karrie Batchelor gave a brief update on the start of the citrus season. Some loads of citrus were rejected in San Diego County for failing to meet maturity standards, but there have not been any other reports of citrus rejections by counties. Although the soluble solids were high, there were some issues with color. Ms. Batchelor went on to say, based on what's being reported so far, the upcoming season looks good for maturity and crop size. She also noted that the current citrus harvest has commenced about one week later than last year.

ITEM 7: FISCAL YEAR 2016/17 COUNTY ENFORCEMENT ACTIVITY REPORTS

County personnel in attendance reported the following:

Mr. Ed Williams provided the report for Los Angeles County. During the 2016/17 FY, the County inspected 10,032 lots, 1,038,404 containers, issued 764 noncompliances, and rejected 86,923 containers. They also issued 167 civil penalty actions. Mr. Williams also noted that the Los Angeles Standardization program has been fully staffed since July 2017.

Ms. Karen Melvin provided the report for San Diego County. During the 2016/17 FY, the County inspected 3,292 lots, 275,552 containers, issued 156 noncompliances, rejected 8,580 containers, and issued 3 notices of proposed action. Ms. Melvin also went on to explain several in house activities they've been working on to improve enforcement of the Standardization laws in their respective county.

Mr. Rob Milner provided the report for Monterey County. During the 2016/17 FY, the County inspected 990 lots, 715,819 containers, issued 27 noncompliances, and rejected 18,757 containers.

Ms. Delia Cioc and Jordan Key provided the report for Riverside County. During the 2016/17 FY, the County inspected 10,504 lots, 7,993,510 containers, issued 339 noncompliances, and rejected 555,197 containers. Ms. Cioc noted that performance of the County Standardization program has significantly improved in the past year because of new hires.

Mr. Jonathan Bixler provided the report for Tulare County. During the 2016/17 FY, the County inspected 1,904 lots, 747,706 containers, issued 21 noncompliances, and rejected 3,538 containers.

Mr. Robert Pelletier provided the report for San Joaquin County. During the 2016/17 FY, the County inspected 808 lots, 138,296 containers, issued 71 noncompliances, and rejected 10,710 containers.

Those counties who were not in attendance reported via email the following activity during the 2016/17 FY:

Alameda County inspected 28,818 lots, 120,624 containers, issued 7 noncompliances, and rejected 148 containers.

Merced County inspected 63 lots, 9,926 containers, issued 0 noncompliance, and rejected 0 containers.

Kern County inspected 1,424 lots, 536,777 containers, issued 15 noncompliances, and rejected 6,334 containers.

Fresno County inspected 10,759 lots, 2,677,385 containers, issued 70 noncompliances, and rejected 8,404 containers.

San Mateo County inspected 43,112 lots, 2,531,450 containers, issued 139 noncompliances, and rejected 6,510 containers.

Stanislaus County inspected 8,042 lots, 251,552 containers, issued 4 noncompliances, and rejected 29 containers.

Sutter County inspected 282 lots, 1,719 containers, issued 12 noncompliances, and rejected 233 containers.

Ventura County inspected 1,239 lots, 182,199 containers, issued 3 noncompliances, and rejected 3,470 containers.

Yolo County inspected 364 lots, 247,960 containers, issued 5 noncompliances, and rejected 1,570 containers.

Kings County inspected 193 lots, 88,646 containers, issued 3 noncompliances, and rejected 2,555 containers.

San Bernardino County inspected 5,935 lots, 473,161 containers, issued 16 noncompliances, and rejected 4,137 containers.

San Francisco County inspected 340 lots, 19,756 containers, issued 6 noncompliances, and rejected 740 containers.

Following the County Enforcement Activity Reports, Ms. Hughes distributed a chart illustrating FY 16/17 county funding levels, and gave a corresponding presentation detailing the various types of enforcement activities. She reported that enforcement activities at production locations still remain the focus with counties using 39% of the funding while wholesale activities are a close second at 37%. Funding used for enforcement at retail was 15% and the remaining 9% of the county funding was used for outreach/education, port inspections and to offset administrative civil penalty hearing costs. She also noted that as the program reserve decreases, a review of the current assessment levels may be necessary to avoid reducing county contract funding.

ITEM 8: PUBLIC COMMENTS

There were no public comments

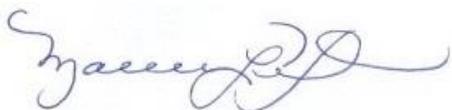
ITEM 9: NEXT MEETING/AGENDA ITEMS

The next meeting will be in Bakersfield, March 21, 2018 at 10:00 a.m.

ITEM 10: ADJOURNMENT

The meeting was adjourned at 11:45 a.m. by Mr. Patton.

Respectfully submitted by:



Stacey Hughes, Program Supervisor
Standardization Program