



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
STANDARDIZATION ADVISORY COMMITTEE (STDZ)
October 26, 2021 Meeting Minutes
Teleconference**

MEMBERS PRESENT

Marko Zaninovich – Chair
Jeff Simonian
David Silva – Vice Chair
Ed Williams
Louis Pandol
Scott Deardorff

MEMBERS ABSENT

None

INTERESTED PARTIES

Cathy Roache – Alameda Co.
Amanda Zito - Fresno Co.
Arnold Johnson – San Bernardino Co.
Brady Gergovich – San Bernardino Co.
Denise Crowley – San Bernardino Co.
Eddy Greynolds – Kern Co.
Monica Winters – San Diego Co.
Richard Ordonez – Monterey Co.
Misael Martinez – Riverside Co.
Jeremy Wagner – San Mateo Co.
Jatinder Gill – San Joaquin Co.
Greta Shutler – Alameda Co.
Julian Lopez – Imperial Co.
Glenn Fankhauser – Kern Co.
Angel Gibson – Fresno Co.
Victor Rabinovich – San Francisco Co.
Christopher Greer – Tulare Co.
Steve Schweizer – Kings Co.
Milton O’Haire – Stanislaus Co.
Carrie Mitchell – Merced Co.

CDFA

Steve Patton
Marcee Yount
Stacey Hughes
Karrie Batchelor
Anna Carrasquillo
Thomas Osborn

ITEM 1: CALL TO ORDER

The meeting was called to order by Chair Marko Zaninovich at 10:05 a.m.

ITEM 2: ROLL CALL/INTRODUCTIONS

Roll was called by Thomas Osborn. A quorum was established, and self-introductions were made.

ITEM 3: ELECTION OF OFFICERS

Stacey Hughes opened the floor to nominations for Chair and Vice Chair.

MOTION: Jeff Simonian nominated Marko Zaninovich for Chair. Louis Pandol seconded the motion. A vote by roll call was taken. The motion passed unanimously, with no abstentions.

MOTION: Marko Zaninovich nominated David Silva for Vice Chair. Jeff Simonian seconded the motion. A vote by roll call was taken. The motion passed unanimously, with no abstentions.

ITEM 4: PUBLIC COMMENTS

There were no public comments.

ITEM 5: REVIEW OF MARCH 11, 2021 MEETING MINUTES

Chair Zaninovich requested a motion to approve the March 11, 2021 Meeting Minutes as presented.

MOTION: Jeff Simonian moved to approve the March 11, 2021 Meeting Minutes as presented. Chair Zaninovich seconded the motion. A vote by roll call was taken. The motion passed unanimously, with Scott Deardorff abstaining.

ITEM 6: COMMITTEE VACANCY AND TERMS REPORT

Osborn provided the Committee Vacancy and Terms Report. Current vacancies include: two Fresh Fruit Members; five Fresh Vegetable Members; and one Member representing other commodities subject to Standardization assessments. Osborn also provided the names of members who will be eligible for reappointment as of September 1, 2022.

ITEM 7: FUND CONDITION UPDATE

Hughes provided the Fund Condition Update. As of June 30, 2021, the beginning fund balance for Fiscal Year (FY) 2021/22 was \$1,358,210. Total revenue was \$1,934,617, and available cash was \$3,292,827. Total expenditures were \$1,863,463. There were Cash Adjustments of \$92,918, for a total ending balance of \$1,336,446. Hughes went on to explain that as of July 1, 2021, the new assessment fee levels approved by the Committee are now in effect. Hughes continued to provide background information regarding the Standardization Program's financial history and assessment fee structure to the new members in attendance.

Hughes also explained that while total revenue for FY 2021/22 is anticipated to be higher than previous years, due to the newly effective assessment fee levels, revenue is

nevertheless expected to be lower than initial projections. These decreased revenue amounts are due to labor and water shortages throughout California, as well as ongoing logistical delays caused by the COVID-19 pandemic.

Chair Zaninovich requested that CDFA provide quarterly revenue report updates to the Committee, pending availability of these reports. Louis Pandol requested that the Standardization Program review their reports to determine if the decreased revenue is centered on a few specific commodities or is more universal across the industry.

ITEM 8: FY 2020/21 COUNTY ENFORCEMENT ACTIVITY REPORTS

Hughes and County Agricultural Commissioner staff in attendance presented the FY 2020/21 County Enforcement Activity Reports.

Alameda County inspected 15,840 lots, 103,550 containers, issued two Notices of Noncompliance (NNCs), and rejected 117 containers.

Fresno County inspected 2,799 lots, 532,403 containers, issued 6 NNCs, and rejected 1,969 containers.

Imperial County inspected 69 lots, 9,134 containers, issued 2 NNCs, and rejected 336 containers.

Kern County inspected 1,534 lots, 668,710 containers, issued 43 NNCs, and rejected 17,317 containers.

Kings County inspected 715 lots, 77,246 containers, and did not issue any NNCs or reject any containers.

Los Angeles County inspected 17,238 lots, 1,634,331 containers, issued 417 NNCs, and rejected 55,754 containers. The County also issued 130 Administrative Penalties.

Merced County inspected 20 lots, 4,405 containers, issued two NNCs, and rejected 51 containers.

Monterey County inspected 393 lots, 392,927 containers, and did not issue any NNCs or reject any containers.

Riverside County inspected 39,912 lots, 6,849,708 containers, issued 165 NNCs, and rejected 29,757 containers.

San Bernardino County inspected 13,107 lots, 253,115 containers, issued nine NNCs, and rejected 1,168 containers.

San Diego County inspected 2,857 lots, 311,176 containers, issued 21 NNCs, and rejected 949 containers. The County also issues one Administrative Penalty.

San Francisco County inspected 137 lots, 8,954 containers, issued 21 NNCs, and rejected 688 containers.

San Joaquin County inspected 468 lots, 50,304 containers, issued 40 NNCs, and rejected 1,691 containers.

San Mateo County inspected 35,239 lots, 2,200,297 containers, issued 64 NNCs, and rejected 4,807 containers.

Stanislaus County inspected 368 lots, 123,806 containers, and issued one NNC.

Tulare County inspected 1,881 lots, 895,239 containers, issued four NNCs, and rejected 3,179 containers.

Ventura County inspected 1,711 lots, 29,279 containers, issued four NNCs, and rejected 46 containers.

Yolo County inspected 3,543 lots, 86,035 containers, and did not issue any NNCs or reject any containers.

Hughes noted that County Agreement funds to be utilized in retail enforcement had been cut in recent years. Counties have been directed to investigate retail locations and roadside stands on a complaint basis, rather than as part of routine enforcement.

ITEM 9: COUNTY WHOLESALER REGISTRATION STATUTE CACASA UPDATE

Ed Williams provided an update on the wholesale registration fee for fresh fruit and vegetable dealers and presented a proposal to revise sections of the California Food and Agricultural Code (FAC). Williams explained that the Standardization Advisory Committee has previously expressed concern that fruits and vegetables imported from foreign countries and other states compete on the market with California products, without paying an assessment fee to provide for Standardization inspections on those products.

FAC Section 43061 provides for a county's Board of Supervisors to establish a registration process and annual fee of \$250 for wholesalers of fresh fruits and vegetables. Williams noted that this provision does not apply to retail merchants. FAC Section 43062 restricts the fee to counties with a population of more than six million, effectively limiting the fee to Los Angeles County.

Williams explained that there are three options contained in the proposal: to consider increasing the current \$250 annual registration fee to \$500; to remove the provision limiting the fee to counties with a population of six million or more; and to eliminate the requirement that the registration fee shall not pay more than one third of a county's Standardization Program costs.

Williams clarified that these proposal changes would not affect retail chain stores that have their own distribution plants. Each county's Board of Supervisors would need to vote to establish this registration fee in their county.

The proposed statutory changes are as follows:

Food and Agricultural Code, Division 17, Chapter 2, Article 15,

Section 43061. The board of supervisors of a county may require registration and establish a schedule of annual registration fees to be paid by any person who acts as

a wholesaler of fresh fruit and vegetables under any license required under Chapter 7 (commencing with Section 56101) of Division 20, and who maintains an office or salesroom or conducts that business in the county. ~~The schedule shall be designed to pay not more than one-third of the costs of the county for the administration and enforcement of this division or any regulations adopted pursuant to this division.~~ Any funds derived under this section shall be used only for the enforcement of wholesale inspections of fruits and vegetables pursuant to this division. The maximum fee that may be established pursuant to this section shall not exceed two hundred fifty (five hundred) dollars \$250 (\$500).

43062. Section 43061 does not apply to any of the following:

- (a) Any person acting as a retail merchant, as that term is described in Section 56161, or any person acting as a producer, as that term is defined in Section 56110.
- (b) Any person who only handles products other than fruits and vegetables, as defined in Section 42510.
- (c) Any person that is licensed only as a broker, as defined in Section 56103.
- (d) ~~Any county with a population of less than 6,000,000.~~

Motion: Jeff Simonian moved to recommend to the California Agricultural Commissioners and Sealers Association that the Standardization Advisory Committee expresses support for Ed Williams' proposal to revise Food and Agricultural Code, Division 17, Chapter 2, Article 15, Sections 43061 and 43062. Louis Pandol seconded the motion. A vote by roll call was taken. The motion passed unanimously, with no abstentions.

ITEM 10: PROGRAM UPDATES

Hughes explained that the Standardization Program contracts with the Department's Marketing Services Division, to perform audits on the commodity assessment amounts paid by handlers. Due to COVID-19 restrictions and staffing issues, these audits were unable to be performed in FY 2020/21. However, the Standardization Program anticipates that these audits will resume in FY 2021/22.

Hughes went on to state that CDFA Shipping Point Inspection Program staff perform inspection work on behalf of the Standardization Program at the Otay Mesa border crossing. Inspection staff reported dramatic improvements in compliance with labeling requirements on imported produce. Riverside County staff have been performing inspections on imported produce arriving at the Port of Long Beach.

Hughes also explained that the Avocado Inspection Program is moving forward with changes to regulations pertaining to labeling and maturity requirements for Gem variety avocados. Under the proposed changes, Gem variety avocados would be subject to container marking requirements. The Avocado Inspection Program is also in the process of finalizing a three-year study to determine suitable release dates for Gem variety avocados.

Navel orange harvesting has begun as of October 8th, 2021. Reports indicate that both color and soluble solid levels are satisfactory thus far.

Steve Patton informed those in attendance that the OCal Program joined the Inspection and Compliance Branch as of July 1, 2021. Patton went on to state that the Produce Safety Program has executed a new five-year agreement with the United States Food and Drug Administration to administer and enforce the Produce Safety Rule in California. The Produce Safety Program is also in the process of separating from Inspection and Compliance, to become its own Branch. The Technical Assistance Program has renewed a contract with the University of California Cooperative Extension to conduct outreach and education activities pertaining to the Food Safety Rule.

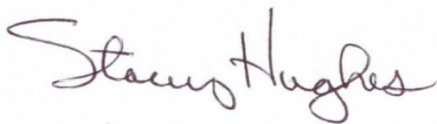
ITEM 11: NEXT MEETING/AGENDA ITEMS

The next meeting will be held on March 10, 2022 at 10:00 a.m.

ITEM 12: ADJOURNMENT

The meeting was adjourned at 11:14 a.m. by Chair Zaninovich.

Respectfully submitted by:



Stacey Hughes, Program Supervisor
Standardization Program