



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
CERTIFIED FARMERS' MARKET ADVISORY COMMITTEE (CFMAC)**

**March 20, 2023
Teleconference
Meeting Minutes**

MEMBERS PRESENT

Ben Palazzolo – Chair
Karen Wetzel Schott
Kurt Floren
James Murez
Phillip Rhodes
Tyler Thayer
Ed Williams
Portia Bramble
Emma Burke

MEMBERS ABSENT

Oscar De Leon - Vice Chair
Cynthia Ojeda

INTERESTED PARTIES

Monica Winters, San Diego Co.
Nina Zlatkov, Los Angeles Co.
Kimberly Richartz, Los Angeles Co.
Max Regis, Los Angeles Co.
Cree Morgan, San Francisco Co.
Victor Rabinovich, San Francisco Co.
Carrie Mitchell, Merced Co.
Greta Shutler, Alameda Co.
Kayla Martain, Placer Co.
Rosio Almaguer Andrade, Ecology
Center
Diana Rodgers

CDFA

Marcee Yount
Jennifer Leidolf
Rene Mendoza
Thomas Osborn
Sarah Cardoni
DeLisa Fracchia
Brittany Hernandez
Jose Aguayo

ITEM 1: CALL TO ORDER-INTRODUCTIONS/ROLL CALL

The meeting was called to order at 10:02 a.m. by Chair Ben Palazzolo. Roll was called, a quorum was established, and self-introductions were made.

ITEM 2: PUBLIC COMMENTS

There were no public comments.

ITEM 3: REVIEW OF SEPTEMBER 12, 2022 MEETING MINUTES

Chair Palazzolo asked for a motion to approve the September 12, 2022 Meeting Minutes, as presented.

MOTION: James Murez moved to approve the September 12, 2022 Meeting Minutes as presented. Karen Wetzel Schott seconded the motion. A vote by roll call was taken. The motion passed unanimously, with no abstentions.

ITEM 4: PROPOSITION 12; ANIMAL CONFINEMENT REGULATIONS FOR CERTIFIED PRODUCERS – DELISA FRACCHIA, CDFA ANIMAL CARE PROGRAM

DeLisa Fracchia, CDFA Animal Care Program, provided an overview of Proposition 12: Farm Animal Confinement Initiative; a law that amended the Health and Safety Code to require that egg-laying hens, veal calves, and breeding pigs be housed in systems that meet specific standards for freedom of movement, enclosure design, and minimum

floorspace. Covered products include liquid and shell eggs, whole veal meat, and whole pork meat. Registration for distributors began January 1, 2023, and will be required by January 1, 2024. There are three ways to obtain certification: through CDFA; another governmental agency; or an accredited certifying agent. Application forms, guidance documents, and a system with which to subscribe for updates can be found on the Animal Care Program webpage.

ITEM 5: PROGRAM UPDATES

Jennifer Leidolf provided a program update stating that the program's Staff Services Analyst accepted a position in another program, leaving the position vacant. Emails will be monitored while the program works to fill the position.

ITEM 6: DATABASE UPDATE

Leidolf provided the database update, sharing that the database website is now live. County training sessions were conducted. During those trainings, one defect was discovered and is now being corrected. The website will be updated so that the public can start accessing phase one functionalities. All renewals will be entered as a new certificate.

James Murez asked how many counties have opted in. Leidolf responded that all but two counties used the training sessions. San Diego County and San Luis Obispo County will use their own websites.

ITEM 7: FISCAL YEAR 2023/24 PROPOSED BUDGET

Thomas Osborn presented the Fiscal Year (FY) 2023/24 Proposed Budget. Total proposed expenses include: \$636,817 for Personal Services; \$646,820 for Operating Expenses and Equipment; and \$394,058 in Departmental Services, for a total program cost of \$1,677,695, with a Gas Tax credit of \$42,646. The total Proposed Budget for the FY 2023/24 was \$1,635,049 with projected revenue of \$1,442,726. Included in the proposed budget is a line item for the Pesticide Pilot Project with \$20,000 for proposed expenditures.

Chair Palazzolo asked for a motion to approve the FY 2023/24 Proposed Budget as presented.

MOTION: James Murez moved to approve of the FY 2023/24 Proposed Budget as presented. Karen Wetzel Schott seconded the motion. A vote by roll call was taken. The motion passed unanimously, with no abstentions.

ITEM 8: SUBCOMMITTEE UPDATES

i. Regulations Subcommittee

Tyler Thayer, Regulations Subcommittee Chair, provided an update on the subcommittee's progress. The subcommittee met on February 6, 2023, and discussed value added products and how verification could be achieved. Thayer stated that the subcommittee has not identified recommendations and questioned whether the subcommittee should continue its work.

Portia Bramble would like the subcommittee to continue, stating that the subcommittee meetings are a good place to have longer discussions and to work with the other members and get their perspectives. Discussions have been a powerful means of looking at the future of this industry and how it can move forward.

The Committee agreed that the subcommittee should continue its work. The next subcommittee meeting is scheduled for May 15, 2023.

ii. Legislation Subcommittee

Leidolf shared that the subcommittee met on February 27, 2023, and elected Portia Bramble as Chair. One motion was made; a proposal to move forward with a legislative concept to change the fee structure in legislation.

Kurt Floren discussed Assembly Bill (AB) 1871, wherein fees were set at \$2.00. The discussion in 2014 was to set the fee at \$7.00, to cover what was needed in terms of enforcement and investigations. However, because fees were set at \$0.60 at that time, a fee increase of that magnitude created pushback from industry. A subcommittee to reexamine the fee structure set in statute would research data and provide a report back to the CFMAC with an adequate fee range.

Karen Wetzel Schott explained that the legislative process requires significant time and with this change, the industry can make necessary changes quickly if needed. Murez supported an adjustable fee structure and questioned what the maximum fee would be.

Chair Palazzolo asked how the decision would be made to change the fee after the legislative change, with the fee adjustable through regulation. Marcee Yount explained that each program within the Inspection and Compliance Branch is slightly different when setting their fees. For the Standardization Program, the Standardization Advisory Committee makes a fee recommendation to the CDFA Secretary by March 1st. Most changes come into effect at the beginning of the fiscal year, July 1st. The CFMAC would make their recommendation at the March meeting during the review of the program budget. The proposed rulemaking submitted to the Office of Administrative Law (OAL) would include meeting minutes with the motion made from the CFMAC. With a file and print rulemaking, OAL has 30 working days to review. The process from start to finish could be as little as four months to implement a change.

MOTION: James Murez moved to authorize and direct the Legislative Subcommittee to study the issue of potential increases to participant fees and to return to the CFMAC with a draft proposal for consideration by the fall CFMAC meeting. Karen Wetzel Schott seconded the motion. A vote by roll call was taken. The motion passed by majority vote, with Tyler Thayer voting in opposition to the motion.

iii. Database Subcommittee

Murez, Database Subcommittee Chair, provided an update on the subcommittee's progress. The subcommittee met on January 23, 2023, and discussed the next steps in the development and implementation of the database. The next meeting will cover phase two, which includes paying remittances online and the renewal system set up. A subcommittee meeting will be scheduled at a later date.

ITEM 9: MUSHROOMS

Wetzel Schott brought up the topic of mushrooms as the subject came up during a Los Angeles County Agricultural Commissioners' meeting. It was stated that mushrooms were under review to determine the definition on agricultural growing practices. Wetzel Schott requested direction from CDFA about mushroom guidelines.

Floren stated that the producers are not inoculating the blocks, but merely harvesting the mushrooms. Food and Agricultural Code Section 47000.5 (b) states "practice of the agricultural arts means the undertaking of being predominantly responsible for the decisions and actions encompassing the various phases of producing an agricultural product." As a regulator, a directive in writing that defines timeframes of how long the producer needs to be in control of the product is needed for County Agricultural Commissioners to achieve uniform enforcement. Furthermore, there should be clear guidance for whether certified producer certificates should be issued for mushrooms.

MOTION: James Murez moved to send to the CDFA Secretary a request to have regulations developed for the production of mushrooms in California. Chair Ben Palazzolo seconded the motion. A vote by roll call was taken. The motion passed unanimously, with no abstentions.

ITEM 10: PROGRAM DATA PROVIDED QUARTERLY TO CFMAC

Chair Palazzolo discussed how CDFA could regularly share more information about the Direct Marketing Program. For example, it would be helpful to have CDFA share key metrics such as dollar amount of remittance fees collected, number of certified farmers' markets making these payments, and number of vendors participants, on a quarterly basis. This would help the public, including market operators and farmers, better understand how the Direct Marketing Program and industry at large are performing.

MOTION: Chair Ben Palazzolo moved for CDFA to publish the number of certified farmers' markets, agricultural and nonagricultural producers, and fees collected on a quarterly basis. James Murez seconded the motion. A vote by roll call was taken. The motion passed unanimously, with no abstentions.

ITEM 11: NEXT MEETING/AGENDA ITEMS

The next meeting will be held September 18, 2023, and will be held via Zoom.

ITEM 12: ADJOURNMENT

The meeting was adjourned at 1:38 p.m. by Chair Palazzolo.

Respectfully submitted by:

Jennifer Leidolf, Program Supervisor
Direct Marketing Program