CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (Department) FERTILIZER INSPECTION ADVISORY BOARD (FIAB) CALIFORNIA FARM BUREAU SACRAMENTO / HYBRID

September 13, 2022 9:00 AM – 12:00 PM

MINUTES

<u>MEMBERS</u>

CDFA STAFF

Chris Gallo David McEuen Gary Silveria Greg Cunningham Gus Olson Jake Evans Melissa McQueen Timothy Howard William Oglesby Adriana Avalos Amadou Ba Angelia Johnson Barzin Moradi Brittnie Williams Carla Sanchez Dale Rice Elizabeth Moseby Emad Jahanzad Evelyne Ndiave Justin Petty Kristopher Gulliver Leo Campos Luz Roa Maria Tenorio Alfred Mark Cady Martin Burger Maryam Khosravifard Minal Patel Nick Young Nicole Smith Sadia Naseem Stacy Aylesworth Wei Wu Yanhong Li

INTERESTED PARTIES

David Isen John Bailey John Harrison Justin Comages Khaled Bali Michele Jay-Russell Mike Menes Rachel Shellabarger Rick Geise Samuel Sandoval Solis Tad Bell

INTRODUCTIONS AND ANNOUNCEMENTS

Melissa McQueen, Chair, called the meeting to order at 9:02 AM and self-introductions were made.

ROLL CALL - ESTABLISH QUORUM

Roll was taken and a quorum was established.

APPROVE JUNE 21, 2022, MEETING MINUTES

Chair McQueen requested the board review the minutes from the June 21, 2022, FIAB meeting.

MOTION: Greg Cunningham moved to approve the minutes as presented; Gary Silveria seconded. The motion passed unanimously by all board members present with a vote of 8 to 0.

DEPARTMENT / DIVISION / BRANCH UPDATES

Dr. Amadou Ba announced that the Bagley-Keene requirement to list the locations of members participating in the meeting from a different site be available for the public to attend is not mandatory at this time. The hybrid meeting option allows for remote participation without listing a member's location on the meeting notice was extended through July 1, 2023.

Dr. Ba informed the FIAB that Secretary Karen Ross requested the FIAB submit a recommendation that includes more than one name, with rank, for future board member appointments. The Department's Legal Office is currently reviewing the Food and Agricultural Code surrounding board appointments and will provide guidance upon review. Dr. Ba reminded the FIAB the importance of filing an annual Form 700 in a timely manner.

The Department's Executive Office held a statewide public forum for input on the Farm Bill. The passing of the Inflation Reduction Act (IRA) delivers \$19.5 billion to the United States Department of Agriculture (USDA) in new conservation funding to support climate-smart agriculture. Since the IRA promotes nutrient management, the Fertilizer Research and Education Program (FREP) is working to leverage these federal funds to address issues in California. More information will be released in 2023 that may potentially lead to request for proposals.

The Department's Animal Health Division has been involved in the detection of the Highly Pathogenic Avian Influenza (HPAI) found in California commercial flock. The infected locations were quarantined. USDA has worked with the Department to address HPAI.

Dr. Ba announced potential threats of a railroad strike this week will affect not only the Feed and Fertilizer Programs, but current inflation rates may also increase and there is a potential daily loss of \$2 billion. Discussion ensured regarding the potential strike and Dr. Ba informed the FIAB that the Department has been participating in this space.

The Department's Office of Farm to Fork (F2F) received \$60 million in General Fund dollars to expand the California Farm to School Incubator Grant Program, with \$30 million allocated for fiscal year (FY) 2021/22 and \$30 million allocated for FY 2022/23. F2F received a large volume of grant applications and is in a technical review process. F2F is also in the process of implementing a new advisory board.

Dr. Ba gave Branch updates. Marilyn Boehnke, the Branch's legislative expert, retired at the end of August. Dr. Martin Burger, Fertilizing Materials Inspection Program's (FMIP) Senior Environmental Scientist (SES) (Supervisory), hired two Environmental Scientists (ES) on a limited term basis to assist with product registration.

BOARD VACANCIES

Chair McQueen announced upcoming FIAB terms expiring October 14, 2022 for two board member positions, Chris Gallo and William Oglesby; and one public member position, David McEuen. Chair McQueen requested the board make recommendations to the Secretary for the next board term cycle. Five applicants are seeking membership on the FIAB: Chris Gallo from Yara North America, David Isen from Imperial Western Products, David McEuen from JG Boswell Company, John Chapman from Bovatein, LLC, and William Oglesby from Brandt Consolidated. David Isen and David McEuen are seeking membership as a public member on the board.

Jake Evans commented on McEuen's years of experience and involvement with FREP, which brings perspective and value to the FIAB. Evans recommended that David McEuen be recommended to the Secretary for reappointed as a public member on the FIAB. Timothy Howard agreed, recommending that McEuen is the first rank to be appointed and David Isen is the second rank for the public member position on the FIAB.

• David McEuen arrived at 9:33 AM.

MOTION: Jake Evans moved to recommend David McEuen for reappointment to serve as a public member on the FIAB; Timothy Howard seconded. The motion passed with a vote of 8 to 0, with one abstention.

Vice Chair Gary Silveria recommended William Oglesby be reappointed to serve as a board member since his appointment to fill the remaining term did not allow participation on a full term of three years. Chair McQueen commented on Oglesby's value to the FIAB being a formulator, another sector represented by industry. Evans agreed stating the FIAB is well rounded and qualified to have Oglesby and Gallo serve another term as board members. Howard commented on Oglesby and Gallo being great assets stating unfamiliarity of FIAB applicant John Chapman, General Manager of Bovatein, LLC, Division of Sacramento Rendering Company.

MOTION: Timothy Howard moved to recommend William Oglesby and Chris Gallo for reappointment to serve as board members on the FIAB; Gus Olson seconded. The motion passed with a vote of 7 to 0; with two abstentions.

FOOD SAFETY CONCERNS IN RETAIL ORGANIC FERTILIZERS

Michael Menes, Ph.D., Vice President (VP) of Food Safety and Technology for TRUE Organic Products, Inc., and Justin Comages, Senior VP of Retail for TRUE Organic, presented their findings to the FIAB after conducting a Retail Landscape Survey related to consumer-packaged goods in the home and garden sector. In January 2022, TRUE

Organic purchased 413 retail scale samples, which spanned across four states (CA, AR, OR, WA), 20 different retailers, and 16 different organic fertilizer manufacturers. The goal was to look at macronutrients, micronutrients, biologicals, and pathogens. The products purchased were based on availability and location. The purchased samples were not opened, they were labeled with sample IDs and photographed to ensure they were traceable. The samples were then sent to an International Organization for Standardization (ISO) accredited lab with specific instructions to confirm via a note that the sample was sealed, whole, and unbroken. The presumptive positives were confirmed and speciated, if applicable. The results were recorded and analyzed; two different laboratories were used – Eurofins and Midwest.

There were about five or six samples that were damaged in transit. The lab notified TRUE Organic, and those products were not tested. Out of the 413 samples that were pulled, 56 were confirmed positive, which was spread out over 35 different products. Out of 16 manufacturers tested, eight of them had a positive salmonella on a shelf somewhere; that is a 13.5% positivity rate. TRUE Organic believes that 413 samples are a pretty good data set, which represents four states. Eurofins used a polymerase chain reaction (PCR) test because it is a very fast and due to the turnaround time and its sensitivity. The PCR test does have an AOAC-RI number associated with it, and they are ISO 17025 accredited lab. Midwest used a PCR-ELISA method of testing, which is a similar testing process with the Food and Drug Administration (FDA) as a follow-up before their confirmation.

There were several serotypes, including Salmonella Schwarzengrund, Salmonella Senftenberg, and Salmonella Infantis. The standard approach was to send it out for serotype. The Salmonella Senftenberg was the type that was recently involved in a peanut butter outbreak, and in 2008 there was a pet food recall due to Salmonella Schwarzengrund. There was also a pet food outbreak with Salmonella Infantis many years ago.

TRUE Organic believes these recalls are avoidable and preventable. The consumerpackaged goods space is a friendly environment that preventative controls can be put in place. About a half dozen compost products on the bags stated, "Create a compost tea out of these products." The levels become irrelevant when the consumer is being directed to put it in a 90-degree five-gallon bucket of water for a day, to create a huge microbial bloom and then spray that directly on the edible portions of a plant. The separation nature gives to keep soil borne pathogens from getting to plants, TRUE Organic is taking out of the equation when turning a lot of these into compost teas, which is a common practice in gardening. In exploring how this issue can be addressed, TRUE Organic reviewed Food and Agricultural Code Section 14682(d) which stipulates this is a threat to public safety. This is all about protecting the consumer and food safety.

TRUE Organic's ask is that what is required on the agricultural side in preventative controls also be required on the retail side. TRUE Organic requested that the FIAB approve a pilot project to further study this issue in home and garden sector products.

The pilot project would consist of the Department's Fertilizer Materials Inspection Program (FMIP) inspection staff obtain a sample size of 400-500 utilizing the program's sampling process and referring to the data provided by TRUE Organics as a resource. If necessary, the Department take regulatory action to address positive findings. TRUE Organic is seeking to provide preventative controls and requests the FIAB consider draft regulatory concepts to address regular testing, manufacturers certificates of analysis and traceability.

Nick Young stated the FMIP has not tested for home and garden products but is open to FIAB guidance. California would be the first state to conduct this type of analysis for home and garden products. Young stated that Canada is the only entity in North America performing any analysis of this category of fertilizing materials. Young mentioned three things for the FIAB to consider: 1) the threshold of National Organic Program (NOP) Standards of three Most Probable Number (MPN) per gram with limitations of products of animal origin; 2) the potential of requiring a new statute pertaining to pathogen thresholds for home and garden products. FMIP adheres to USDA NOP standards but there is no specific level of enforcement indicated by the NOP. There is law for adulteration that is threat to public safety; however, the challenge with this is that it must show it clearly affects public safety; and 3) FMIP would need to test liquid home and garden products, as well as commercial fertilizers. Home and garden product samples versus commercial fertilizers would have different sample turnaround times. The testing would require contract by an external lab.

Dr. Ba stated an independent third-party entity would complete the validation process for accuracy.

Discussion ensued, and the FIAB asked the FMIP to provide a recommendation at the next meeting as a suggested path forward for analysis to see if validation or substantiation of the findings can be identified.

MOTION: Gus Olson moved to request the FMIP draft a proposal to the FIAB which includes the costs and the regulatory need to establish a pilot program to assess the concern of salmonella detection in home and garden products.; Timothy Howard seconded. The motion passed with a vote of 8 to 0; with one abstention.

• Break was taken from 11:10 to 11:20 AM.

FUND CONDITION / MILL ASSESSMENT REVIEW / BUDGETS

Young reported FMIP's beginning fund condition balance for FY 2021/22 was \$10,978,628. Revenue was \$5,384,435. Expenditures were \$5,508,172 and encumbrances were \$464,362. The adjusted ending balance for FMIP was \$10,390,529. The Organic Input Material (OIM) Program had a beginning balance of \$3,022,078. Revenue was \$2,001,720. Expenditures were \$1,023,720 and encumbrances were \$382,689. The adjusted ending balance for OIM was \$3,617,389. The combined beginning balance for both programs was \$14,000,706. Revenue was

\$7,386,155. Expenditures of \$6,531,892 and encumbrances of \$847,051. The adjusted combined balance for both programs was \$14,007,918.

FREP's beginning balance was \$7,134,043. Revenue was \$3,342,592. Expenditures were \$2,306,386 and contractual encumbrances through June 30, 2022, were \$2,002,815. The adjusted ending balance for FREP was \$6,167,434.

Young presented the mill assessment trends, reporting the highlighted areas in orange reflect the mill reduction from 3 to 2.5 mill rate for FY 2020/21. The mill assessment fee reduction to 2.5 mill rate brought a total mill assessment revenue of \$9.0 million for FY 2021/22.

Young presented the FMIP and OIM budgets, reporting \$4.5 million of personnel services for the approved budget FY 2022/23 and \$4.9 million for proposed budget FY 2023/24. The increase in personnel services costs is due to the FIAB approval of two additional ES limited term positions to support FMIP's product registration staff, including salaries, wages and benefit costs. Young reported a reduction in operating expenses from approved budget FY 2022/23 to proposed budget FY 2023/24 from \$1.16 to \$1.12 million. Distributed costs for indirect administrative/executive are nonnegotiable costs distributed to all programs increased from \$423,572 to a proposed budget FY 2023/24 of \$525,000. Total distributed costs increased from \$2.6 to \$2.9 million. Total net program costs for approved budget FY 2022/23 were \$8.1 to a proposed budget FY 2023/24 of \$8.8 million.

MOTION: Jake Evans moved to approve the FMIP and OIM programs proposed budgets FY 2023/24; Gary Silveria seconded. The motion passed unanimously by all board members present with a vote of 9 to 0.

Young reported FREP's approved budget FY 2022/23 for personnel services was \$887,048 with a proposed budget FY 2023/24 of \$982,403. Total operating expenses remain slightly unchanged for proposed budget FY 2023/24 of \$3.0 million. Total distributed costs were \$149,312 to proposed budget FY 2023/24 of \$222,612. An overall slight increase in total net program from approved budget FY 2022/23 of \$3.9 to proposed budget FY 2023/24 of \$4.1 million.

MOTION: Gary Silveria moved to approve the FREP's proposed budgets FY 2023/24; David McEuen seconded. The motion passed unanimously by all board members present with a vote of 9 to 0.

Maryam Khosravifard, Environmental Program Manager I for the Department's Center for Analytical Chemistry (CAC) Lab, reported CAC's proposed budget FY 2023/24. The FIAB approved budget FY 2022/23 for total personnel services was \$1.02 million with a revised a budget of \$1.07 and proposed budget FY 2023/24 of \$1.13 million. The FIAB approved budget FY 2022/23 for total operating expenses was \$185,395 with a revised budget of \$194,665 and proposed budget FY 2023/24 of \$204,398. Khosravifard reported an increase in total equipment and supplies from FY 2022/23 of \$225,000 with a revised budget of \$260,000 and proposed budget FY 2023/24 of \$276,500. The overall increase in total program costs include a 5% merit salary adjustment, inflation, and adjustment of distributed costs to reflect CAC's proposed budget FY 2023/24 of \$1.89 million.

Young presented a legislative proposal regarding mill assessment rate changes. In the past the FIAB had flexibility with mill assessment changes that would allow the board to vote on the change and FMIP would implement the change accordingly. However, mill assessment changes must go through a rulemaking process. The new statutory language would allow more flexibility from the direction of the FIAB and Secretary.

MOTION: Timothy Howard moved to support the legislative proposal presented by the FMIP to add new statutory language that would allow flexibility of changing the mill assessment from the direction of the FIAB and secretary; Gus Olson seconded. The motion passed unanimously by all board members present with a vote of 9 to 0.

The Association of American Plant Food Control Officials (AAPFCO) Biostimulant Committee is further in development of the Beneficial Substances model bill. The model bill encompasses scope, including definitions, uniform labeling, registration, inspection, sampling and analysis, and unlawful acts. Lab methods are being further discussed and the Federal Bill (H.R. 7752) mentioned at the last FIAB meeting will be reintroduced in 2023.

AAPFCO's plant biostimulant definition remains "tentative" with no objections. A new definition for "Nutritional Chemicals" will likely be omitted from the model bill. The inclusion of soil amendments within the model bill. Packaged soil amendments are defined differently in California as amending soil through physical means. California's term for auxiliary soil and plant substance is equivalent to the Department's definition. The labeling requirement of "contains beneficial substances" remains "tentative" with no objections.

A Notice to Industry was released announcing the revised definition for the term Seabird Guano, "Seabird guano is the fecal excrement from marine birds. Seabird guano has an organic matter content greater than 40%, is a source of nitrogen and available phosphoric acid (P_2O_5)."

Dr. Burger gave FMIP's product registration status update as of August 18, 2022, reporting 10,323 conventional fertilizer and 3,192 OIM label registrations were received. Of the conventional fertilizer registrations, 7,949 approved, 427 provisional status, 548 pending review, 458 re-submittal status and 653 data/revisions required. Of the OIM registrations, 1,585 approved, 398 provisional status, 211 pending review, 445 re-submittal status and 553 data/revisions required. Dr. Burger will present years of data for trends of new conventional fertilizer and OIM registrations at the next FIAB meeting.

Nicole Smith, FMIP's SES (Supervisory), gave FMIP's inspections update. Interviews were conducted for the ES to backfill Smith's prior position in southern California;

however, the program did not find a candidate that best fit the position. Recruitment for the ES position was readvertised in hopes to fill the position within a couple of months. As of August 30, 2022, FMIP received 17 complaints; 13 resolved and 4 outstanding. FMIP took 750 samples, slightly less than average due to the field short-staffed one position.

Mark Cady, FREP's SES (Supervisory), presented FREP updates. Water Quality Coalition Members in the Central Valley and Ventura County can now self-certify their Irrigation and Nitrogen Management Plan worksheets through FREP's Grower Training Program. New Grower Training curriculum was released in August of 2022 to be provided at in-person workshops beginning in the fall. The new curriculum establishes a self-study training and testing platform.

FREP in collaboration with University of California Davis (UCD) and University of California Agriculture and Natural Resources (UCANR) hired three Staff Research Associate II's (SRA), one with each advisor and a Project Scientist at Kearney for the Nitrogen and Irrigation Initiative received through USDA grant. Staff will administer on-farm demonstrations and interactive trainings and workshops in nitrogen and irrigation management, collaborate with local grower coalitions to focus resources on high-priority areas, crops and growers based on nitrogen reporting data, and work with growers to gain perspective on irrigation and nutrient needs of individual operations and address those needs. FREP has the opportunity to work with Principal Investigators Doug Parker, Khaled Bali and Sam Sandoval Solis and several Corporative Extension Advisors and Specialists in the Central Coast and San Joaquin Valley. UCANR

FREP is working with UCD researchers who will assess effectiveness and impact of efforts in the San Joaquin Valley and Water Quality Coalitions to gather nitrogen use data from outreach and farm visit activities. Nitrogen and irrigation efficiencies will be compared for participating and non-participating growers.

Cady gave an update on the Nitrogen and Irrigation Initiative activities this year, reporting SRA Nitrogen Management training, Nitrogen, Irrigation and CropManage Workshop, Pistachio Irrigation Management meeting, and SRA training were held in the spring and summer. Monthly project and management meetings continue through the end of the year.

FREP's Technical Advisory Subcommittee (TASC) terms expire for Chairperson Jerome Pier, Lisa Hunt and FIAB member David McEuen. FREP reviewed the ten applicants and recommended three for TASC approval: Mike Almasri, Senior Agronomist for Simplot Grower Solutions, Charlotte Decock, Assistant Professor for the California Polytechnic State University in San Luis Obispo, and a third alternative Patrick Troy, Research Lead for Wilbur Ellis Company. Chair McQueen asked for FIAB approval of the FREP TASC applicant recommendations as presented and recommendation of a FIAB member to participate on TASC due to McEuen's TASC member term expires.

Evans commented on Almasri as a great recommendation and McEuen who has been a great liaison between the FIAB and TASC, supporting FREP's recommendations of the three TASC applicants mentioned above.

Chair McQueen commented on McEuen as an asset to the FIAB and TASC, asking the FIAB for voluntary participation on the FREP TASC.

Vice Chair Silveria asked for McEuen's opinion on the type of skill set to have as a TASC member. McEuen responded, stating a TASC member with a grower's background and experience would be beneficial because majority of the TASC are technical in research. TASC members must be prepared to participate in quarterly meetings.

MOTION: Jake Evans moved to approve the TASC applicant recommendations presented by FREP; Timothy Howard seconded. The motion passed unanimously by all board members present with a vote of 9 to 0.

Timothy Howard asked FIAB to recommend McEuen as the first selection with a second alternative.

Dr. Ba asked Vice Chair Silveria's potential interest in serving as a TASC member. Dr. Ba stated Vice Chair Silveria may serve as an interim member during which TASC meetings are held while TASC recommendations are pending secretary review and approval. Vice Chair Silveria accepted with caveat of McEuen approval status of not being reappointed to TASC.

MOTION: Gus Olson moved to approve FIAB recommendation for FIAB member David McEuen to serve on the TASC with an alternative recommendation of FIAB Vice Chair Gary Silveria; Timothy Howard seconded. The motion passed unanimously by all board members present with a vote of 9 to 0.

The Western Plant Health Association (WPHA)/FREP Nutrient Management Conference is October 26 - 27, 2022 at the Wyndham in Visalia, California. Crop nitrogen removal coefficients, nitrogen management in wheat, irrigation and nitrogen management of onions and Asian vegetables, nitrogen management for cherries and walnuts, and in organic vegetable farms are topics to be presented at the conference.

CENTER FOR ANALYTICAL CHEMISTRY (CAC) LAB UPDATE

Khosravifard reported assays completed for samples received from May through July 31, 2022. Majority of assays were completed in less than 10 days. CAC completed a total of 1,340 assays with an average seven-day turnaround time. CAC received 309 samples with a 91.5% completion: 92.6% of routine samples, 4.9% of priority samples

and 2.6% of rush samples. CAC completed 1,497 assays with a 10.5% of rerun samples and an average of 5.3 assays completed per sample.

CAC presented another performance metrics table for the number of assays completed from January to July 31, 2022. The total number of assays completed were 2,779 with an average seven-day turnaround time. CAC received 612 samples with a 97% completion: 91.8% of routine samples, 6.7% of priority samples and 1.5% of rush samples. CAC completed 3,070 assays with a 9.5% of rerun samples and an average of 5.2 assays completed per sample.

With CAC staff absences, sample turnaround times have been consistent. CAC's ISO 17025 audit was completed for the sulfur analysis by combustion. Stacy Aylesworth, CAC's SES (Supervisor), actively participated in the summer AAPFCO meeting. The newly installed bulk nitrogen tank is supplying nitrogen to both lab buildings. CAC published an article in the Magruder newsletter discussing the significance of the Magruder program benefitting CAC with performance measures, staff training and standardized methods across the industry. CAC continues its focus on staff development and leadership. Four RA staff are currently participating in the Division of Inspection Services Coaching Program led by Dr. Barzin Moradi, CAC's Branch Chief.

PUBLIC COMMENT

Renee Pinel, President/Chief Executive Officer of WPHA, announced the passing of Assembly 157 which creates a \$75-million drought grant program to provide relief for small agricultural businesses. WPHA is working with California senators and congressional members to nuance language in the Farm Bill to open funding currently unavailable for agricultural businesses impacted by severe drought. WPHA anticipates a vote by November 2022 for appropriations.

AGENDA ITEMS FOR FUTURE MEETINGS

No additional agenda items were requested for the next FIAB meeting.

NEXT MEETING

The next FIAB hybrid meeting (in-person and online) will be on Tuesday, February 7, 2023 in Fresno, California.

MOTION: Jake Evans moved to adjourn the meeting; David McEuen seconded. The motion passed unanimously by all members present with a vote of 9 to 0.

ADJOURNMENT

Meeting adjourned at 12:41 PM.

ORIGINAL SIGNED BY NICK YOUNG

Nick Young, Environmental Program Manager I Fertilizing Materials Inspection Program <u>09/13/2022</u> Date