

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
FEED INSPECTION ADVISORY BOARD MEETING (FIAB)
Stanislaus County Agriculture Center
3800 Cornucopia Way
Harvest Hall
Modesto, CA 95355**

**February 23, 2011
MINUTES**

MEMBERS

Thomas Geary
Thomas Daly
Frederick Frost
Richard Hoch, Chair
Michael Koewler
Thomas Prokop

CDFA

Frank Delgado
Asif Maan
Nirmal Saini
Kent Kitade
Mike Davidson
Dale Rice
Elaine Wong
Jenna Areias
Cyril Huisman
Kileen Sanders
Maria Hicks
Chris Hansen

INTERESTED PARTIES

Chris Zanobini
Kelly Covello
Dennis Albiani
Tim Riordan
Andy Riordan
Paul Parreira
Scott Sickler
John Kauffman

INTRODUCTIONS AND ANNOUNCEMENTS

Chairman Richard Hoch called the meeting to order at 9:07 a.m. and a quorum was established. Mr. Robert Gilbert, Mr. Jon Tollenaar, and Mr. John Walth were unable to attend. Chairman Hoch welcomed the group and self introductions were made.

MINUTES OF THE LAST BOARD MEETING

Mr. Hoch asked the Feed Inspection Advisory Board members to review the minutes of the September 14, 2010 meeting.

MOTION: A motion was made by Mr. Thomas Prokop to accept the minutes as presented. Mr. Thomas Geary seconded the motion. The motion passed unanimously.

DEPARTMENT / DIVISION / BRANCH UPDATE

Dr. Asif Maan informed the board that Karen Ross has been appointed as Secretary of the California Department of Food and Agriculture (CDFA). Secretary Ross is planning to meet with the division directors to discuss current events and issues. Dr. Maan stated that Mr. Nate Dechoretz will continue to serve as Deputy Secretary for CDFA, and the Inspection Services Division Director vacancy will be announced shortly. Dr.

Maan iterated that there is still a hiring freeze; however exception requests can be made to the governor's office to fill critical positions. He further stated that Secretary Ross is working to obtain exemption from hiring freeze to fill the Branch Chief I vacancy in the Feed Program. He informed the board that the scientists and the investigators are still required to take three furlough days per month, and that has an impact on the workload. Dr. Maan announced that the Feed, Fertilizer, Livestock Drugs, and Egg Regulatory Services branch (FFLDERS) has a new staff member; Ms. Maria Hicks. Ms. Avnee Jivabhai has left CDFA due to moving out of state and getting married.

PROGRAM UPDATE

Mr. Mike Davidson thanked the board for attending today's meeting and for serving on the board. Mr. Davidson stated that there are currently several damaged feed commodities due to environmental exposure. The heavy rain totals during harvest and storage is the main cause, affecting primarily almond hulls. Mr. Davidson stated the industry has been notified that if moisture exceeds 13 percent it needs to be labeled "high moisture;" however if the feed is damaged and wet the product needs to be labeled "damaged and wet." Mr. Davidson highlighted that the tissue residue contract exceeded the goal of 75 investigations in 2010. There have been two major feed recalls within the past year which include; milk replacer containing hexamethylene tetramine and horse feed adulterated with rumensin. Mr. Davidson stated that a citation for unauthorized movement of quarantine was issued in San Diego County; a premix containing toxic levels of selenium was moved without authorization. The case is pending with the district attorney's office at this time.

Mr. Davidson highlighted that there were 1,216 feed samples taken in 2010 and there were 61 complaints. In 2010, all Feed staff attended a tissue residue training course that was held by the Food and Drug Administration (FDA).

Mr. Davidson stated that there have not been any new issues regarding the new bovine spongiform encephalopathy (BSE) regulations that affect tallow are defined as fat rendered from cattle. Discussion ensued regarding BSE.

SAFE ANIMAL FEED EDUCATION UPDATE

Ms. Jenna Areias highlighted the Safe Animal Feed Education (SAFE) program's accomplishments in 2010 and provided the Board with an overview of goals for 2011. Ms. Areias informed the Board of the criterion for the high violating firm binders; a mill must have an annual violation rate of over 30%, etc. Ms. Areias provided the Board with an update regarding the new database stating that the initial development of the database is complete. The Inspection portion which will be used by field staff is being modified in several areas. Ms. Areias stated that the SAFE program has a database training scheduled for May 2011. Planned outreach activities and goals for 2011 include university outreach, ongoing SAFE audits and mixer studies-profiles, and a supplemental SAFE audit checklist. There is a Food Safety Modernization Act (FSMA) and Feed labeling workshop which will be in the summer of 2011 which will consist of

two sessions, a morning session which will define FSMA its criterion, and the afternoon session will be feed labeling.

Dr. Asif Maan commended Ms. Areias on her tenure as Acting Branch Chief for the Feed Program when Ms. Natalie Krout-Greenberg left the Feed Program and went to work for the Division of Inspection Services, as well as all of the staff at CDFA who have been working extremely hard due to the many vacant positions that are impacted by the hiring freeze. Mr. Richard Hoch commended CDFA staff on their work ethics as well.

FUND CONDITION

Dr. Maan provided the committee with an overview of the fund condition stating that as of July 1, 2010, there was a beginning balance of \$2,320,722. The ending balance on December 31, 2010 was \$2,523,447. These are combined totals for the Feed and SAFE programs. The revenue was \$1.4 million and the expenditures were \$1.2 million. Expenditures increased slightly because of contracts for the new database, yet the reserves have continued to increase.

Mr. Chris Zanobini asked how much of the tonnage tax revenue actually decreased versus a lack of reporting. Dr. Maan stated that it may be both a tonnage tax decrease and a lack in reporting; audits were not conducted last year. Dr. Maan stated that CDFA will be reviewing their records to analyze trends and/or reasons for the decline.

Mr. Richard Hoch asked if the tonnage tax was decreased by a penny, how much of a difference that would make. Dr. Maan stated it would decrease by approximately \$185,000.

Discussion ensued regarding lowering the tonnage tax by \$0.01 to manage the increasing program reserve.

MOTION: Mr. Thomas Prokop moved to recommend to the Secretary to lower the tonnage tax to \$0.08 cents, effective July 1, 2011. Mr. Thomas Geary seconded. The motion passed unanimously.

LABORATORY UPDATE

Ms. Elaine Wong provided the Board with an update regarding feed samples that were received by The Center for Analytical Chemistry (CAC). Ms. Wong stated that there was a total of 1,216 samples received by CAC. The 21 day turn-around time continues to be met, even though CAC is furloughed three days monthly. Ms. Wong stated that there were approximately 300 less samples in 2010 than 2009. CAC received 786 routine samples, 69 priority samples, 104 partial rush samples, and 257 rush samples. There were 5,894 assays requested. There were 4,375 routine assays and 1,519 rush assays. Ms. Wong stated that the average number of assays per sample was 4.85 in 2010. Discussion ensued regarding samples that were analyzed at CAC. Ms. Wong stated that CAC encountered an issue with some feed samples; a request for selenium

interfered with manganese; corrective actions are now in place. Ms. Wong stated CAC is working to procure a new piece of equipment to address the selenium issue.

FEED TAG TRAINING WORKSHOP

Mr. Tom Daly informed the Board that issues have arisen on feed tags and suggested a feed tag training workshop. Mr. Daly asked Ms. Areias if the workshop in the summer of 2011 will address feed tag issues. Ms. Areias stated that feed tag issues will be addressed. Mr. Daly suggested that if there is a large quantity of attendees at the workshop, having trainings more frequently would be beneficial. Ms. Areias agreed with Mr. Daly's idea for more workshops.

LEGISLATIVE UPDATE

Mr. Chris Zanobini commented on the extensive legislative report in yesterday's Conveyer Currents. The focus of the article was on the new administration and the budget issues that CDFA is facing. Mr. Zanobini stated that there has been a lot of time and details going into CDFA's budget; the requirement is to cut \$15 million out of the next fiscal year and another \$15 million the following fiscal year. Mr. Zanobini stated that the Division of Fairs and Exposition received a cut of \$32 million; about half of the Division will not be able to operate without that money. A small group of individuals have been working very closely to look at options of making cuts without impacting programs. Mr. Zanobini stated that from the animal agricultural side, the reductions are minimal because there is not much to cut. Mr. Zanobini noted that the Feed Program is fee-based. Mr. Zanobini stated that the California Grain and Feed Association (CGFA) met last week, and recommended keeping the Feed Program in Inspection Services due to the amount of hard work and time that has been put in over the years.

Mr. Zanobini stated that all bills were due on Friday. A survey was disbursed regarding regulatory issues. The CGFA has three bills they are carrying including the revision of the Dairy Feed Lien, the Shell Egg Program enhanced enforcement, which would increase fees in order to provide more enforcement especially for salmonella, and rendering advisory board and enforcement fee extinction program.

Discussion ensued regarding the recent budget cuts, and assembly and senate bills.

* A break was taken from 10:32 a.m. to 10:48 a.m.

CLOSED SESSION

A closed session was called to order at 10:48 a.m.

OPEN SESSION

The closed session ended at 11:11 a.m.

FIAB RECOMMENDATION TO THE SECRETARY FOR APPOINTMENT

Mr. Richard Hoch informed the FIAB that there were three vacancies on the board; one was a public member vacancy. The board recommended that Mr. Timothy Riordan be appointed to the board as a public member and that Mr. Michael Koewler and Mr. Thomas Geary be reappointed.

ADDITIONAL ITEMS / NEXT MEETING

The next meeting is tentatively scheduled for September 14, 2011 in Sacramento at the new location of Gateway Oaks.

Mr. Dale Rice informed the board that Form 700's are due by April 1 and requested that the Board mail them in before the deadline. Mr. Rice stated that there will be two vacancies in 2012 and a vacancy notice will be posted in July 2011.

Chairman Hoch adjourned the meeting at 11:16 a.m.

Respectfully submitted by:



Asif A Maan, Ph.D., Branch Chief II
Feed, Fertilizer, Livestock Drugs and Egg Regulatory Services
Inspection Services

11/9/11
Date