



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
CALIFORNIA ORGANIC PRODUCTS ADVISORY COMMITTEE (COPAC)
Meeting Minutes
Asilomar Conference Grounds, 800 Asilomar Blvd., Pacific Grove, CA
February 2, 2012**

MEMBERS PRESENT

Melody Meyer, Chair
Garff Hathcock, Vice Chair
Sean Swezey
Michelle Dennis
Patrick Kennelly
Stacy Carlsen
John Foster
Karen Klonsky
John Ashby
Steve DeMuri
Sandra Schmaier
Martin Guarena
Blake Alexandre
Larry Hirahara
Ione Conlan
Thomas Chapman
Lauree Bradley
Mary Anne Hanthorn
Steven Sherman

MEMBERS ABSENT

Janice Woodhouse
Michael Sencer
Thomas Azwell
David Will
Ann King Filmer
Jenny Lester Moffitt
Emma Laskey

CDFA

Steve Patton
David Carlson
Brian Cote
Scott Renteria
Sarah Cardoni

INTERESTED PARTIES

Brandy Gamoning, Hidden Villa Ranch
Ray Green

ITEM 1: INTRODUCTIONS

The Committee was called to order at 1:05 p.m. by Mr. John Ashby, Chairperson. Roll was called, a quorum was established, and introductions were made.

ITEM 2: ELECTION OF OFFICERS

The floor opened for nominations.

MOTION: Mr. Garff Hathcock moved to elect Ms. Melody Meyer to serve as Chairperson. Mr. Sean Swezey seconded. The motion passed unanimously and Ms. Meyer was appointed Chairperson of the COPAC.

Mr. Ashby was thanked for his service as Chairperson.

MOTION: Mr. John Foster moved to elect Mr. Hathcock to serve as Vice-Chair. Mr. Swezey seconded. The motion passed unanimously and Mr. Hathcock was appointed Vice-Chair of the COPAC.

ITEM 3: PUBLIC COMMENTS

There were no public comments.

ITEM 4: REVIEW AND APPROVAL OF MAY 10, 2011 MEETING MINUTES

MOTION: Mr. Foster moved to approve the May 10, 2011 Meeting Minutes as submitted. Mr. Blake Alexandre seconded. The motion passed unanimously.

ITEM 5: REVIEW AND APPROVAL OF SEPTEMBER 28, 2011 MEETING MINUTES

MOTION: Mr. Alexandre moved to approve the September 28, 2011 Meeting Minutes as submitted. Mr. Hathcock seconded. The motion passed unanimously.

ITEM 6: CALIFORNIA DEPARTMENT OF PUBLIC HEALTH UPDATE

Mr. Patrick Kennelly provided the California Department of Public Health (CDPH) Report. Mr. Kennelly explained that CDPH and CDFA work in tandem to enforce the California Organic Products Act of 2003; CDFA being the official recognized entity under the United States Department of Agriculture (USDA) as the State Organic Program (SOP). In addition, information is communicated between the two departments, which is ultimately reported to the USDA National Organic Program (NOP).

Mr. Kennelly gave an overview of CDPH's Organic Processed Product Registration Program Annual Report for 2011. According to Mr. Kennelly, a total of 1,873 organic operations were registered with CDPH in 2011. The median annual gross sales revenue for CDPH organic registrants was \$131,121 dollars, which is down approximately \$21,000 dollars from the previous year. The total annual gross sales revenue reported was \$3,495,054,452 dollars, which has increased by approximately \$96 million dollars from the previous year.

Mr. Kennelly gave an overview of the CDPH Organic Complaint Log for 2011. He stated that CDPH investigated a total of 18 complaints, 11 of which were substantiated and generally were related to uncertified/unregistered operations.

Mr. Foster questioned the timeline for the complaint process. Mr. Kennelly stated that there was an average duration of 66 days from the point of receiving the complaint to closing the complaint.

ITEM 7: STATE ORGANIC PROGRAM UPDATE

Mr. David Carlson stated that the SOP has been working on the development of the new database that will include features such as online registration, up to date registration information for counties to quickly access, and the ability to produce a variety of reports.

Mr. Carlson provided an update on the Federal Organic Certification Cost Share Program. He stated that the application period is from October 1, 2011, through September 31, 2012. The Program received \$1,050,000 dollars to be distributed to operations that have been certified organic by a USDA accredited certifier. In 2011, the Program disbursed \$881,000 dollars to 1,304 certified operations.

I. Revenue From Registration

Mr. Carlson provided the Revenue From Registration Report. From July 1, 2011, through December 31, 2011, the SOP received \$82,804 dollars in revenue. The Program is projecting \$1,073,264 dollars in revenue for this fiscal year (FY).

Mr. Swezey asked if there is a possibility of department budget cuts that the Organic Program would have to absorb with Program funds. Mr. Steve Patton stated the Organic Program is a one hundred percent special funded program with no general funds associated; consequently, budget cuts to the SOP are minimal.

II. New Registrations

Mr. Carlson provided the New Registrations Report. The SOP had a total of 201 new registrations from July 2011 through December 2011, a decrease of 13 registrations from the same time period last year. The increase in revenue and the decrease in the number of registrations is the result of larger operations registering and paying higher registration fees versus the previous trend of smaller operations that paid smaller registration fees.

III. Complaint Report

Mr. Brian Cote provided the Complaint Report. The reporting period is from July 1, 2011, through December 31, 2011. The SOP received 18 complaints. There are nine active complaints. Six of the nine closed complaints resulted in a notice of noncompliance or some type of adverse action.

IV. Appeals Report

Mr. Cote provided the Appeals Report. These records are from 2007 when the appeals regulations were promulgated until present. As of December 31, 2011, the SOP logged 17 appeals. Of the 17 appeals received, 15 have been resolved. Consequently, the

SOP has two active appeals. One active appeal has been referred to the Department of Justice and one is currently under review by the CDFA hearing officer.

V. Spot Inspection Report

Mr. Cote provided the Organic Spot Inspection Program Report. The Spot Inspection Program was reauthorized in November 2010. For the reporting period July 1, 2011, until December 31, 2011, approximately 201 spot inspections were conducted. In order to ensure consistency throughout the counties, the SOP conducted 21 harmonized spot inspections with county agricultural commissioners.

Ms. Michelle Dennis inquired on what the most common violations were. Mr. Cote responded that the most common violations were found at certified farmers' markets (CFMs). Violations were primarily not having a registration posted and/or available. Initially, counties were asked to focus on uncertified operations with gross sales under \$5,000 dollars. In addition, counties are instructed to focus on CFM inspections. For that reason, there has been an increase in organic violations found at CFMs.

Ms. Meyer inquired if the spot inspections have had any fiscal impact on the SOP. Mr. Cote stated that the Organic Spot Inspection Program was budgeted for in the past. The Program was not authorized prior to November 2010, but it was always included in the budget.

Mr. Foster questioned what the formal mechanism being utilized by the SOP was to communicate with other agencies investigative findings or violations that are not in the SOP scope i.e., labor issues and environmental concerns. Mr. Cote stated that if issues are found that are not in the scope of the SOP during the course of an investigation, they are referred to the respective agency.

Mr. Swezey asked if the SOP was going to switch back to conducting more producer inspections. Mr. Cote stated that the majority of the spot inspections have been at the producer level. In addition, the SOP has developed checklists for retailers, handlers, and processors. Uncertified operations and organic operations operating at CFMs will remain the primary focus of the spot inspection program.

Mr. Cote brought to the Committee's attention that the SOP is continuing to conduct county audits and training on an individualized basis. The SOP has audited approximately half of the counties thus far. Furthermore, ten additional counties have requested and were provided training during the current fiscal year. The curriculum varied based upon the request of the counties and included topics such as registration, spot inspections, residue sampling, and enforcement procedures. In addition, the SOP has participated at various venues with the California Association of Pest Control Advisors and continues to remain a resource for the organic industry.

Mr. Scott Renteria provided a Sampling Program update. Since July 1, 2011, 64 samples were taken from the following types of operations: 19 retail operations; 14

production sites; 14 CFMs; 9 chain distributors; and 8 wholesale operations. There were three samples that tested positive for prohibited substances, one that was directly related to an ongoing investigation.

Ms. Dennis questioned if the positive samples were investigated, aside from the one that was part of an ongoing investigation. Mr. Renteria stated that the two positive samples were at levels significantly lower than the Environmental Protection Agency's tolerance for that particular residue, as provided in the NOP regulations. Therefore, no further action was taken.

ITEM 8: NATIONAL ORGANIC STANDARDS BOARD (NOSB) UPDATE

Mr. Steve DeMuri provided the NOSB Report for the Handling Committee. He stated that the make up of the Board has recently changed. There were five new members that were appointed: Harold Austin, Handler Representative; Carmela Beck, Producer; Tracy Farve, Environmentalist; Jean Richardson, Consumer/Public Interest; and Zea Sonnabend, Scientist. Furthermore, Berry Flamm is the new Chairperson, Robert Stone is the new Vice-Chair, and Wendy Fulwider has remained the Secretary.

Mr. DeMuri provided an update of the NOSB Handling Committee. The new Chairperson for the Handling Committee is Mr. Foster. Mr. DeMuri stated that sunset items Docosahexaenoic Acid (DHA) and Arachidonic Acid (ARA), which are additives for infant formula, were recommended to be allowed. A petition to remove Silicon Dioxide from the National List of Approved and Prohibited Substances (National List) resulted in the modification of its annotation. A petition to allow Sulfur Dioxide in organic wine was not approved. Finally, recommendations were made that both sunset items Animal Enzymes and Tartaric Acid remain on the National List; Tartaric Acid made from malic acid not on the National List section §205.605(b) was recommended not to be relisted on the National List.

Mr. Foster provided an update of the NOSB Crops Committee. He stated that a petition to add Odorized Propane to the National List did not pass as allowed material to the National List. He stated that looking toward the future, there is going to be a lot of interest in inert ingredients in pesticides. The old system that the United States Environmental Protection Agency (EPA) used to identify inert ingredients allowed for use in pesticides has phased out. Consequently, the organic regulations reference an EPA listing that no longer exists. In response to that, a lot of the petitions in front of the Crops Committee are inert ingredients.

ITEM 9: NEW ITEMS

There were no new items discussed.

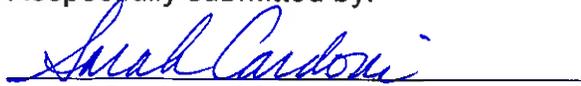
ITEM 10: NEXT MEETING/AGENDA ITEMS

The next meeting will be held May 9, 2012. Agenda items to be included are committee vacancies, the budget, and a database presentation.

ITEM 11: ADJOURNMENT

The meeting was adjourned at 2:19 p.m. by Ms. Meyer, Chairperson.

Respectfully submitted by:



Sarah Cardoni, Office Technician
California State Organic Program
Inspection Services