CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA) FERTILIZER INSPECTION ADVISORY BOARD MEETING (FIAB) Sacramento, California March 4, 2010 MINUTES

MEMBERS Jay Yost Brad Baltzer Tom Beardsley David McEuen Tim McGahey John Peterson John Salmonson Sandy Simon Steve Spangler

CDFA Asif Maan Rick Jensen Nirmal Saini Elaine Wong Dale Rice Kristopher Gulliver Marshall Stoddard Justin Petty Mike Gingles Amadou Ba Nick Young Rolf Frankenbach

INTERESTED PARTIES

Steve Beckley Tad Bell Ray Green Renee Pinel Tim Stemwedel Tom Tomich – UC Davis

CALL TO ORDER

Chairman Jay Yost called the meeting to order at 8:31 a.m. A quorum was established.

INTRODUCTIONS AND ANNOUNCEMENTS

Chairman Yost welcomed everyone to the meeting. Self-introductions were made.

MINUTES OF THE LAST BOARD MEETING

Chairman Yost asked the Fertilizer Inspection Advisory Board members to review the minutes of the October 29, 2010 meeting

MOTION: A motion was made by Mr. John Salmonson to accept the minutes as presented. Mr. Steve Spangler seconded the motion. The motion passed unanimously.

DEPARTMENT / DIVISION / BRANCH UPDATE

Dr. Asif Maan informed the group that Mr. Nate Dechoretz has been appointed as Deputy Secretary of the department, and for the time being, the three branch chiefs of the division will be rotating as Acting Director. Currently Mr. Rick Jensen is acting director and he will be followed by Mr. Nirmal Saini and Dr. Asif Maan respectively. Dr. Maan then introduced Mr. Rick Jensen to the board.

Mr. Jensen noted that there has been a proposal from the Governor's office that furloughs will end in June and it currently looks as though it will be implemented. There is no indication that furloughs will be any different for programs that are not general fund. Budget cuts will apply to all programs. Currently, 5% of the mandatory staff cut was absorbed by eliminating vacant positions and cutting temporary help within the department. Mr. Spangler questioned if staffing will become an issue considering the already overwhelming workload. Mr. Jensen noted that there is no reason to be concerned at this time.

Dr. Maan noted that the program is fully staffed, the only vacancies will be in the upcoming Organic Input Materials (OIM) Program, but those will not be in effect until FY 10/11

PROGRAM UPDATE

Dr. Amadou Ba presented the status of the fertilizing materials label registration backlog to the board and noted that there are a total of 815 labels remaining to be reviewed. Approximately 264 of these are past the 90 days statutory requirement. He noted that this is an improvement from the 400 that were in the past 90 day category in September of 2009. Dr. Ba informed the board that the delays in decreasing the backlog included the training period for staff, furloughs, and database development. Discussion ensued about the status of the backlog.

Dr. Ba presented an overview of the issues requiring corrections that are presented during the product label review process. These issues include claims and descriptions, guarantees, heavy metals and derivation statements. Chairman Yost noted that there are labels in addition to this that are approved without issues. Discussion ensued regarding the number of issues versus the number of labels submitted. Mr. Salmonson questioned how long a label submitted with no issues would take to be approved. Dr. Ba replied that currently, it would take greater than 90 days. Dr. Maan noted that the problem labels are taking more staff time resulting in an increased backlog, which includes labels that require no changes. Mr. Sandy Simon suggested having a clerk who initially reviews the label and fast-tracks those that are more thorough. Dr. Maan noted that the staff is doing everything they can, including improving workflow and additional staff hours to continue progress.

Dr. Ba informed the FIAB that program staff has collected a total of 1,300 samples, of which 1,299 have been completed. Of those, 82% were completed in 28 days.

Assembly Bill 2137 has been submitted to amend Section 14681 of the Food and Agriculture code that states "Providing a certified lab analysis showing the nutrient contents of compost, cocompost, or mulch, as defined in subdivision (c) of Section 12207 of the Public Contract Code, does not constitute a label claim for purposes of this chapter." Mr. Salmonson questioned why the program has not taken a stand against this bill. It was noted that there is a process that must be completed before the program can make a public stand. Mr. Jensen noted that the board has the option to make a stand as individuals. Chairman Yost expressed a need to make a stand in order to prevent the issue of dishonesty from arising. Discussion ensued about various products and how they would or would not be affected by this bill.

Dr. Ba informed the board that field staff was asked by the industry to sample aqua ammonia products. The staff is currently in training and underwent medical tests to determine if they are healthy enough to sample these products. Safety equipment has been acquired and the program is in the process of fitting the respiratory equipment.

FUND CONDITION

Dr. Ba noted a Fertilizing Materials Inspection Program beginning balance of \$1,188,893 as of July 1, 2009. After expenses and revenue, there was an ending balance of \$1,754,501, with total program funds, including money in CDs, equaling \$6,428,477 as of December 31, 2009. The Fertilizer Research and Education Program (FREP) had a beginning balance of \$1,036.028 as of July 1, 2009. After expenses, encumbrances and revenue, there was an adjusted ending balance of \$2,009,391 as of December 31, 2009.

ORGANIC INPUT MATERIAL LABEL REVIEW AND REGISTRATION FEE RECOMMENDATION

Dr. Ba informed the board that in order to determine an appropriate OIM label registration fee, the Washington State Department of Agriculture and the Organic Materials Review Institute were contacted to obtain the number of labels currently being submitted. Based on the information the two entities provided, there could be anywhere between 450 and 800 labels. He noted that according to the Food and Agriculture Code, the registration fee for organic input materials should not exceed \$500 per product. Discussion ensued about the cost for the program to register a product label. Dr. Maan noted that this is a hard figure to calculate because it is not separately tracked. Mr. Steve Beckley reminded the board that organic producers will still be paying license fees. Dr. Maan noted that the program will be working very closely with the National Organic Program (NOP) to develop procedures and policies to approve labels.

MOTION: A motion was made by Mr. John Salmonson that the initial label registration fee for Organic Input Materials be set at \$500 for two years. Mr. John Peterson seconded the motion. The motion passed unanimously.

ORGANIC INPUT MATERIAL (AB 856) IMPLEMENTATION SCHEDULE

Dr. Maan noted that various processes have to be completed before full implementation can occur. Industry has been notified of the implementation date. In order to hire three new staff, the positions must be approved. Currently, the BCP is part of the Governor's budget proposal. Exams have been announced and the closing date is March 11, 2010. Regulations, policy and procedures must be established. The target date for implementation is January 1, 2011.

MINIMUM MICRONUTRIENTS REQUIREMENTS FOR HYDROPONICS

Mr. Nick Young noted that the program would like to set minimum micronutrient guarantee values for hydroponics. This will involve determining the micronutrient limits to detectable levels. The minimum quarantine levels for nitrogen and phosphorus will also need to be determined because there are none currently. Proposed nitrogen and phosphorus minimum levels will be presented at the next FIAB meeting for approval.

FERTILIZING MATERIALS SAMPLING SUMMARY 2009

Mr. Young provided the board with an overview of the fertilizer sampling summary for 2009. In 2009, 1,196 samples were taken with a 23% violation rate. This is a reduction from 28% last year. He noted that the violation rates will always be higher because samples are taken based on problems, not random sampling. Approximately 60% of all samples were commercial fertilizers with a 19% violation rate. Of the total samples, 393 samples were tested for heavy metals of which 9 were in violation from 4 firms. After an 18 month humic acid study, it was determined that there was a 46% violation rate. A notice to industry was sent setting a standard test to be used on humic acid samples, and compliance with these methods was mandatory by September 2009. Before September there was a 38% violation rate, after September there was a 4% violation rate. Last year there was a violation rate of 51% in hydroponic fertilizers, this year it is 40%, of that, 35% were from 2 firms alone. Mr. Young then presented the current standing of firms in high violation in the past.

FREP RESEARCH PROJECTS UPDATE

Mr. Rolf Frankenbach informed the group that the Western Plant and Health Association and FREP joint conference was a success with over 200 total attendees. The recap of the conference will be posted on the website. This year, all of the power points were sold on a CD at cost. However, a third of the presenters did not want to include their presentations, and only 20% of the attendees purchased a CD. The program is in the process of hiring an agricultural technician to assist with the review process. Twenty-five FREP project proposals were received and will be reviewed for FIAB funding recommendations.

HARTER RESEARCH PROPOSAL FOR BOARD RECOMMENDATION

Mr. Frankenbach reminded the board that one proposal was not approved for funding. The project is entitled "Nitrogen Fertilizer Loading to Groundwater in the Central Valley." Dr. Tom Tomich from UC Davis presented an overview of both the project and the Agricultural Sustainability and Nitrogen group.

MOTION: A motion was made by Mr. John Salmonson to appoint a subcommittee to meet with the individuals involved in this proposal from UC Davis, study this proposal and make a recommendation to the board for funding standing at the next meeting for a vote. Mr. Tim McGahey seconded the motion. The motion passed unanimously.

Mr. Peterson, Mr. Salmonson, Mr. Spangler and Mr. McEuen volunteered to serve on this subcommittee.

LABORATORY UPDATE

Ms. Elaine Wong reported that a total of 1,300 samples and 6,833 assays were completed in 2009. She noted with the increase in the number of field staff, there has been an increase in the number of samples as well as the number of rush samples which is possibly due to the hydroponic and humic acid issues. Mr. Nirmal Saini noted that they are open to adding staff and/or equipment.

CLOSED SESSION

A closed session was called to order at 11:12 a.m.

OPEN SESSION

The closed session ended at 11:33 a.m.

BOARD APPOINTMENT RECOMMENDATIONS FOR THE PUBLIC MEMBER VACANCY

The FIAB recommended and voted to appoint Mr. David McEuen to the board.

ADDITIONAL ITEMS / NEXT MEETING

The next board meeting will be August 19, 2010 in Sacramento, California. Dr. Maan noted an urgent meeting can always be called depending on the nature and urgency of the matter at hand.

MOTION: A motion was made by Mr. John Salmonson to adjourn the meeting. Mr. Sandy Simon seconded the motion. The motion passed unanimously. The meeting was adjourned at 11:38 p.m.

Respectfully submitted by:

hancon

<u>4/14/10</u>

Date

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