



**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)
CALIFORNIA ORGANIC PRODUCTS ADVISORY COMMITTEE (COPAC)**

Meeting Minutes

560 J Street, Sacramento, CA 95814

November 10, 2010

MEMBERS PRESENT

John Ashby, Chair
John Foster
Sean Swezey
Michelle Dennis
Patrick Kennelly
Stacy Carlsen
Thomas Chapman
(Voting for Steve DeMuri)
Sandra Schmaier
(Voting for Aaron Turner)
Steven Sherman
Jenny Lester Moffitt
(Voting for Melody Meyer)
Blake Alexandre
Garff Hathcock
Dave Martinelli
Karen Klonsky
Thomas Azwell
(Voting for Ann King Filmer)

MEMBERS ABSENT

Aaron Turner
Melody Meyer
Lauree Bradley
Ann King Filmer
David Will
Larry Hirahara
Steve DeMuri

CDFA

David Carlson
Paul Collins
Brian Cote
Scott Renteria
Maria Hicks
Rick Jensen

INTERESTED PARTIES

Claudia Reid, CCOF
Brandy Gamoning, Hidden Villa Ranch
Shayla Nevfeld, Monterey County
Jaclyn Bowen, QAI

ITEM 1: INTRODUCTIONS AND WELCOME OF NEW COMMITTEE MEMBERS

The committee was called to order at 10:08 a.m. by Mr. John Ashby, Chairperson. Roll was called and a quorum was established. Self introductions were made and new members were welcomed. During this meeting, Ms. Jenny Lester Moffitt will be voting for Ms. Melody Meyer and Ms. Sandra Schmaier will be voting for Mr. Aaron Turner. Mr. Thomas Azwell arrived at 10:25 a.m., and will be voting for Dr. Ann King Filmer. Mr. Thomas Chapman arrived at 11:05 a.m. and will be a voting member for Mr. Steve DeMuri.

ITEM 2: ELECTION OF OFFICERS

The floor was opened for nominations.

MOTION: Dr. Sean Swezey moved to re-elect Mr. Ashby as Chair for his second term and moved to re-elect Mr. Turner to serve his second term as Vice Chair. Mr. Blake Alexandre seconded. The motion passed unanimously.

ITEM 3: PUBLIC COMMENTS

Ms. Claudia Reid, CCOF provided the committee with handouts for an upcoming Sustainable Pest Management conference, and encouraged COPAC members to

attend. Ms. Reid acknowledged CDFA staff on the regulations that were sent out by Mr. Brian Cote and the State Organic Program (SOP) working together with the National Organic Program (NOP). Ms. Reid also acknowledged the work that is being done with the Certified Farmers' Market listening sessions and the Fertilizer Inspection Advisory Board Assembly Bill (AB) 856 Subcommittee.

Dr. Karen Klonsky asked what AB 856 is. Mr. Ashby stated that it is the issue of the scope of organic input materials (OIM). Ms. Reid stated that a small working group has been working on the definition of the scope. Mr. Ashby stated that as chair of the COPAC and as an interested party of the Fertilizer Inspection Advisory AB 856 Subcommittee, the concern is that this legislation defines anything that is used on an organic farm, with the exception of pesticides. Mr. Ashby stated that it includes compost, manures, gypsum, among other items. Mr. Ashby iterated that the issue is that the implementation of the legislation could place a burden on any person who supplies anything that gets used on an organic farm. Ms. Reid stated that the legislation states "inputs that were intended to be sold as organic."

ITEM 4: REVIEW AND APPROVAL OF AUGUST 25, 2010 MEETING MINUTES

Ms. Reid noted that on page seven, item eight, Ms. Pat Matteson's last name was misspelled. Mr. John Foster clarified that in the last paragraph on page seven, what he had intended to say was that "the rationale is that animals should be able to express their natural behavior; however their behavior is not natural once a fence is put up." "The question is how much to let animals express their natural behavior."

MOTION: Mr. Dave Martinelli moved to approve the August 25, 2010 meeting minutes with the changes as discussed. Dr. Swezey seconded. The motion passed unanimously.

ITEM 5: ORIENTATION SUBCOMMITTEE FOR NEW MEMBERS

Mr. Ashby stated that he will be sending out the previous meeting minutes and a welcome packet for new members. Mr. Ashby explained to the committee that Ms. Meyer is out of the country and will be working with him in orientating the new committee members when she returns.

ITEM 6: CALIFORNIA DEPARTMENT OF PUBLIC HEALTH (CDPH) UPDATE

Mr. Patrick Kennelly provided the committee with CDPH's updates highlighting that there are currently 1,700 registrants; the registrants are staying steady. Mr. Kennelly provided the committee with a hand out of organic complaints ranging from August 2, 2010 to September 23, 2010 highlighting that there were a total of four complaints. Mr. Kennelly provided the committee with an overview of the complaints. Discussion ensued regarding the complaints.

Dr. Klonsky asked how these complaints were received. Mr. Kennelly stated that two of the complaints were received from CDFA. Mr. Kennelly stated the other complaints may have been submitted via a 1-800-complaint line. Mr. Kennelly stated that he also receives complaints directly from the industry.

ITEM 7: STATE ORGANIC PROGRAM UPDATE

Mr. David Carlson clarified that CDPH handles processing industry complaints and CDFA handles the majority of all other complaints. Mr. Carlson stated that the regulations have been filed with the Secretary of State; the SOP will be working towards incorporating them into the Quality Systems Manual (QSM). Mr. Carlson stated that on December 1, 2010, counties will resume spot inspections; a letter will be sent to the counties notifying them of such. Mr. Carlson stated that the SOP has inspected a few Certified Farmers' Markets for violations and have audited a few counties for compliance to ensure they are up-to-date on their QSM and other forms; auditing of the counties was one of the recommendations from the NOP audit. Mr. Carlson highlighted that the SOP's Cost Share Program has distributed about \$750,000 for Fiscal Year (FY) 2009/2010. There is still some money left; applicants can still submit their paperwork. Mr. Carlson stated that about 300 applications have been received for FY 2010/2011. Mr. Carlson stated that the Request For Proposal (RFP) has been signed for the database project, and the project will go out for bidding in the near future.

Ms. Claudia Reid stated that since the legislation has been signed into law, when does the department anticipate the new registration forms will be available. Mr. Carlson stated that the SOP will start adjusting the forms soon, but they can not be utilized until January 1, 2011.

Ms. Klonsky asked if it would be possible for the cost share money to be used for state registrations since that is part of being certified. Mr. Jensen stated that that recommendation was denied by the NOP. Ms. Reid stated that it would take federal legislation to allow that to happen.

Ms. Jenny Lester Moffitt asked if spot inspections have stopped. Mr. Carlson stated the spot inspections had stopped because regulations were necessary; there are now regulations in place. Mr. Ashby stated that putting the regulations in place was a two or three year process. Dr. Swezey stated that COPAC absolutely supports spot inspections.

i. Revenue from Registration –

Mr. Carlson provided the committee with an overview of registration by month and year stating that July is the start of the fiscal year. The first three months of FY 2010/2011, revenue increased to \$257,000 compared to the prior year's revenue of \$220,000.

Mr. Dave Martinelli asked why this trend is occurring. Mr. Carlson stated that it may have to do with the cost share. Mr. Jensen stated that the requirement on certifiers is to ensure that their customers are fully compliant with the state law; it is an additional requirement for doing business in California. Mr. Jensen stated that we believe some people that were certified weren't registered. Now a certifier is risking their accreditation if they don't ensure that the operation is registered. Mr. Foster stated he doubts that there is any one reason; it is probably many reasons.

ii. New Registrations

Mr. Carlson stated that new registrants were pretty comparable to the prior year; farm producers continue to be the most registered group.

Dr. Swezey asked for an update on the searchable database, including if it is going out for bid at this time and the scope of work that is being done. Mr. Jensen iterated that the RFP was approved; it will be out by the end of the week. Mr. Jensen stated that the document is going to be extremely detailed, and the total cost is believed to be around \$300,000, including staff time. Dr. Swezey requested that this be a standing agenda item.

iii. Complaint Report

Mr. Collins provided the committee with a brief overview of the complaints listed on attachment D.

Dr. Klonsky asked if complaints are posted on the CDFA website once they are resolved. Mr. Collins stated that they are not posted on the CDFA website at this time; they are on the NOP's monthly reports, listed by final actions, not by state. Mr. Garff Hathcock asked if the committee should strive to send out or post some type of notice of resolutions. Mr. Jensen stated that it is important information; it shows that enforcement activities are occurring; the SOP is trying to be as transparent as possible. Discussion ensued regarding posting complaint resolutions.

iv. Appeals Report

Mr. Collins stated that there has been one new appeal added since the last report. Mr. Collins stated the appeal is currently with CDFA's legal office; two appeals are currently being reviewed by the attorney general.

Mr. Ashby asked if it is under appeal, would it show up as a complaint also. Mr. Collins stated that it depends on if it was reported as a complaint. Mr. Jensen commented that the investigation would be closed.

Ms. Michelle Dennis asked how long a consumer could unknowingly continue purchasing a product that may be mislabeled as organic, if there was a pending complaint. Mr. Collins stated that CDFA would issue a cease and desist order if the investigation identifies illegal activity. Mr. Carlson stated that the SOP does not have recall authority. Mr. Ashby stated that retail stores would remove the product; they do not want to sell a product that is mislabeled.

v. Regulation/Legislative Update

Mr. Brian Cote highlighted that Assembly Bill (AB) 2612 was signed by the governor and will go into effect on January 1, 2011. Mr. Cote stated that regulations were filed with

the Secretary of State on November 5, 2010; a notice will be going out soon notifying county agricultural commissioners to resume spot inspections.

Mr. Cote stated that the AB 856 regulations working group is meeting today and the AB 856 subcommittee is meeting on Friday, November 16, 2010. The Fertilizer Inspection Advisory Board will meet and vote on the recommendation from the subcommittee. In mid-December; the Feed, Fertilizer, Livestock Drug, and Egg Regulatory Services will commence the regulatory process including the 45-day comment period and waiting period.

vi. 2009/10 Fund Condition

Mr. Carlson stated that there was \$586,194 in expenditures. When spot inspections commence, expenditures will increase. Mr. Martinelli asked if there are any outstanding encumbrances. Mr. Jensen stated that the database and the county contracts amounts will be disencumbered. This is for FY 2009/2010 and that FY is now closed.

Ms. Reid asked if the issue about how much every program has to have in reserve could be explained. Mr. Jensen stated that the department is bound to have a minimum of 25 percent of their budget amount in reserves. Mr. Jensen stated that this is not a realistic number in terms of trying to close a program down and move or lay off staff from civil service. Mr. Jensen stated that it is a very lengthy process and that a fifty percent reserve is more fiscally appropriate. However, this program still has a significant reserve going forward; the Program will be watching closely.

Mr. Foster asked what the basic plan is for the SOP's pesticide residue program. Will this be a function of the Office of Inspector General (OIG) audit? Mr. Carlson stated that the SOP was doing residue sampling previously. Mr. Foster asked if there is an opportunity to use that information to coincide with NOP's focus that is coming next year in order to not duplicate expensive tests.

Dr. Swezey stated that in the next fiscal planning period, more expenditure's should go toward pesticide residue testing.

ITEM 8: PREVIOUS BUSINESS

Mr. Foster provided the committee with a National Organic Standards Board (NOSB) update highlighting that the biggest issue relevant to the NOSB is corn steep liquor. The NOP asked the NOSB to decide whether it is considered synthetic or non-synthetic. There was a great deal of debate around the crops committee; the majority voted to withdraw the recommendation to consider it synthetic. Mr. Foster stated that the April 2011 meeting will be in Seattle. Another issue regards certain yeasts that are now considered to be agricultural; this issue has been worked on for approximately six years. Discussion ensued regarding NOSB updates.

ITEM 9: NEW ITEMS

Mr. Ashby stated that the NOP came out with new guidance documents; if you want to view them, email him and he will send them to you.

ITEM 10: NEXT MEETING/AGENDA ITEMS

The next meeting will be on January 27, 2010 at the Asilomar Conference Grounds in Pacific Grove from 1:00 p.m. - 3:00 p.m.

Future agenda items include: coordinating/combining the various residue testing protocols that will be in California, database updates, posting of complaint resolutions discussion, and NOSB updates.

ITEM 11: ADJOURNMENT

The meeting was adjourned at 12:07 p.m. by Mr. Ashby, Chair.

Respectfully submitted by:



David Carlson, Senior Special Investigator
California State Organic Program
Inspection Services