

Nursery Advisory Board (NAB) Meeting
California Department of Food and Agriculture (CDFA)

1220 N Street, Room 133
Sacramento, CA 95814

Wednesday, September 14, 2016
10:00 a.m. – 2:00 p.m.

Voting Members

Michael Babineau
David Cox
Robert Crudup
Don Dillon
Jay Jensen
Janet Silva Kister
Thomas Lucas
Steve McShane
Scott Nicholson
Elizabeth Elwood Ponce
Ernest J. Rodriguez

Non-Voting Members

James A. Bethke
Ha Dang
Eric Larson
Karen Suslow
Chris Zanobini

CDFA & Guests

Vince Arellano
Stephen Brown
Sean Dayyani
Kathy Kosta
Joshua Kress
Phuong Lao
Amber Morris
Dayna Napolillo
Keith Okasaki
Karli Quinn
Karen Ross
Roger Spencer
Kristina Weber

1. Call to Order and Roll Call

Meeting was called to order at 10:06 a.m. by Steve McShane, Board Chair.

2. Opening Remarks and Housekeeping

Steve McShane and Joshua Kress welcomed Board Members and guests, and reviewed housekeeping and agenda items. McShane thanked the California Association of Nurseries and Garden Center for providing lunch for the meeting.

Kress mentioned that Erin Lovig, Board Manager, was not present because she was on maternity leave. She had a baby boy named Elliott in August. Cathy Vue, who generally assists with setting up the meetings, was also out for maternity leave, and she also had a baby boy in August.

Kress mentioned that Jay Jensen had been appointed to replace Steve Maniaci on the Board. Steve was no longer working in the nursery industry, and therefore was no longer eligible for the position. Kress provided Jensen with an Oath of Office form (Std. 688), which Jensen signed and returned.

One change had been made to the agenda: the PD/GWSS agenda item was moved up one spot to accommodate the speaker's schedule.

Payee Data Record Form for Travel Reimbursement

Each voting Board Member was provided with a copy of a memo from Kress, a corresponding Budget Letter, and a new form (Std. 204). (Attachments 1-3) A signed copy of this form must be filed by Board Members in order to be reimbursed for travel expenses. A copy of the memo, letter, and form were also provided to these Members by e-mail prior to the meeting.

3. Review of Minutes from March 2, 2016 Board meetings

Robert Crudup moved to approve the Minutes for the March 2, 2016 Board Meeting with one correction on page 4 to remove an extra word "until". Thomas Lucas seconded. David Cox and Michael Babineau were not present for the vote. The Board voted as follows:

Yes: Robert Crudup, Don Dillon, Jay Jensen, Janet Silva Kister, Thomas Lucas, Steve McShane, Scott Nicholson, Elizabeth Elwood Ponce, Ernest Rodriguez

No: None

Absent: Michael Babineau, David Cox, Daniel Waterhouse

Motion carried.

4. CDFA Cannabis Update

Amber Morris, Branch Chief, CalCannabis Cultivation Licensing, provided an update on the status of the cannabis program. Signed into law in fall of 2015, the Medical Cannabis Regulation and Safety Act (MCRSA) established a regulatory framework for the medical cannabis industry. The law took effect January 1, 2016, and set licensing responsibilities for three agencies: CDFA for cultivators; the Department of Consumer Affairs for transporters, distributors, dispensers and testing labs; and the Department of Public Health for manufacturers. All activities would be overseen by the Bureau of Medical Cannabis Regulation within the Department of Consumer Affairs.

As directed in MCRSA, CDFA established the CalCannabis Cultivation Licensing program (initially known as the Medical Cannabis Cultivation Program) and began the process of developing regulations for licensing and track-and-trace systems. Morris noted that the program was in the final stages of developing the medical cannabis regulations. <https://www.cdfa.ca.gov/is/calcannabis>

The program had identified several major goals, and was reaching out to industry for comments. Morris also discussed the development of definitions for terms used but not defined in the law, seed cultivation, and nursery research needs. She noted that CDFA was conducting public scoping workshops throughout September 2016, and that the public comment period was September 1, 2016, through September 30, 2016 (Attachment 4).

CDFA was also preparing a Programmatic Environmental Impact Report (PEIR) for the CalCannabis program to provide the public, state and local agencies, and permitting agencies information about the potential environmental effects associated with the adoption and implementation of statewide cannabis cultivation regulations. Morris further discussed the program's expected timeline for the PEIR and the regulations.

The Board discussed the timeline associated with the recreational cannabis initiative. Morris reported that the proposition had the same timeline as MCRSA. The Board further discussed program funding, pesticide use, and the different challenges associated working with both conventional nurseries and previously underground cultivators of cannabis.

Karen Ross, Secretary

The Board paused the agenda briefly for comments and discussion with Secretary Karen Ross. The Board Members and visitors introduced themselves to the Secretary.

The Secretary shared her thoughts on the drought, water conservation, and the impacts on agriculture. She expressed concerns about the future of agriculture and the importance of sustainability. The Secretary further discussed the eradication of the European gypsy moth, and the status of the federal and general funds for the Department.

The Board discussed with the Secretary the challenges with doing business in California, exporting quality products and the value of agriculture, water restrictions and the aging conveyer system, and program funding issues.

5. PD/GWSS Nursery Subcommittee and Program Update

The Board resumed the agenda, and Roger Spencer, Branch Chief, Pierce's Disease Control Program, provided an update on the activities regarding Pierce's disease and glassy-winged

sharpshooter (GWSS). Between January 1 and July 31, 2016, there were 23,243 shipments of certified nursery stock from known GWSS-infested areas in Southern California to non-infested areas elsewhere in California. During that time, eight notices of rejection (NORs) were issued in destination counties for shipments that contained viable life stages of GWSS.

During the same time period, there were 6,496 Nursery Stock Approved Treatment Program (ATP) shipments, with one NOR issued. In June, Imperial County intercepted and sleeved a GWSS egg mass on a plant in an ATP certified shipment nursery stock, which emerged and was viable. The plant material was tested for pesticide residue, and it was determined that it did not meet the treatment standards. The program was continuing to investigate the incident.

Spencer also reported GWSS finds in Alameda, Contra Coast, and Madera counties. Delimitation trapping was performed, with no additional detections.

The Board further discussed the incident regarding the ATP shipment. Spencer noted that the pesticide may not have been applied correctly, and that the nursery was suspended from shipping under the ATP until they were back in compliance.

6. State Interior Quarantines Update

Keith Okasaki, Environmental Scientist, Emergency Quarantine Response Program, provided an update on the Asian Citrus Psyllid (ACP) and Huanglongbing (HLB) quarantines. The program received a request to review and update the regulations for these quarantines, including a request to use a 'regional concept' to regulate the movement of material for the ACP quarantine, and a proposal for changes to the HLB quarantine to allow citrus nursery stock to be sold outdoors in a HLB quarantine area at retail. The program held a series of scoping meetings throughout the state to for comments, feedback, and questions from the public and industry concerning the proposed changes. The Citrus Pest and Disease Prevention Committee (CPDPC) was reviewing the responses. More information was posted on CDFA's ACP/HLB website: <https://www.cdfa.ca.gov/plant/acp/#ScopingMtg>

Vince Arellano, Senior Environmental Scientist, Emergency Quarantine Response Program, provided an update on current emergency quarantines in the state. At the time, there were no ongoing fruit fly quarantines, and there had been no expansions of the HLB quarantine area since the previous meeting.

Since February 2016, the ACP quarantine had added three new quarantine areas and 33 quarantine expansions, which resulted in an additional 2,330 square miles. The new total area under quarantine in California for ACP was 55,647 square miles. The new quarantine areas included Kings, Monterey, and Merced counties, which were previously not regulated for ACP. At the time, a new find in Placer County was pending for quarantine action (Attachment 5).

The Board further discussed that the find in Placer County was at a residence. Arellano reported that five containerized citrus nursery plants were destroyed at the site, and that an investigation was still underway to determine the pathway of the pest but that the plants may have been transported from Southern California.

The Board discussed what CDFA/USDA's role with HLB in Mexicali. Stephen Brown commented that CDFA does not have jurisdiction in Mexicali. Brown also reported that the HLB find in Mexicali consisted of one tree in an unmanaged grove that the tree had been removed, and that Mexico was performing surveys using equivalent protocols to California's in the surrounding residential areas.

The Board further discussed the proposed update to the HLB quarantine and the timeframe for when the regulation could be released for public comment.

Arellano also provided an update for the Light Brown Apple Moth (LBAM) quarantine. CDFA had stopped using pheromone-infused twist ties in the environment for eradication efforts due to a lawsuit pertaining to the LBAM EIR, however nurseries could still use them on their properties. The program's main focus had shifted to preventing the movement of infested plants. In 2016 there was a decrease in finds in nurseries, which may have been due to the drought as LBAM populations moved to wetter areas (Attachment 6).

The Board discussed the recommendations developed by the LBAM nursery working group and presented to USDA, which included a request for a new risk assessment. Arellano commented that LBAM had been found on blueberries, which was currently an exempted commodity, and that USDA may reevaluate this exemption.

The Board discussed the Sweet Orange Scab (SOS) quarantine requirements, changes to the quarantine regulations, and recent SOS finds.

Stephan Brown, Assistant Director, Plant Health Division, provided an update on the Japanese Beetle eradication efforts in the Sunnydale and Carmichael areas. CDFA had received a petition from 200 residents in the Carmichael area with concerns about the eradication efforts, including the use of pesticides in their area. Brown further discussed the national Japanese Beetle Harmonization Plan, and the impact on nurseries if California were to become infested with the pest.

The Board discussed public outreach concerning Japanese Beetle, and the impact of the pest on nurseries in eastern states.

7. Systems Approach to Nursery Certification (SANC)

David Cox provided an overview and update on the National Plant Board's Systems Approach to Nursery Certification (SANC) effort (Attachment 7). SANC had begun a pilot project to test the concepts in a sample certification program. The pilot included eight participating nurseries, two from each Plant Board region. Cox reported that two pilot participants, McKay Nursery Company Inc. in Wisconsin and Star Roses and Conard-Pyle in Pennsylvania, had become the first two facilities to be complete the certification process and begin shipping under the pilot (Attachment 8). Cox also noted that more information on SANC was available online at: <http://sanc.nationalplantboard.org>.

Cox discussed the National Plant Board's request to have a California nursery participate in the next phase of the pilot, and the recruiting process to identify participants.

The Board discussed how SANC would affect county activities at nurseries, possible effects on international shipments, and funding concerns.

The Board expressed concerns about how SANC would meet existing quarantine requirements, and the return on investment for nurseries participating in the program. Kress commented that using a systems approach would be a paradigm shift from the current methods used to meet quarantine requirements. A shipping point inspection is required for many existing quarantines, whereas SANC emphasizes tracking, inspections, and audits throughout the production system. Kress and Brown further discussed the possible benefits to using a systems approach, and similarities with existing concepts such as compliance agreements and master certificate programs.

Thomas Lucas moved to recommend that CDFA pursues participation in the National Plant Board's Systems Approach to Nursery Certification (SANC) pilot project. Janet Silva Kister seconded. The Board voted as follows:

Yes: Robert Crudup, Don Dillon, Jay Jensen, Janet Silva Kister, Thomas Lucas, Steve McShane, Scott Nicholson, Elizabeth Elwood Ponce, Ernest Rodriguez, Michael Babineau, David Cox

No: None
Absent: Daniel Waterhouse

Motion carried.

8. Nursery Services Fiscal Update and Proposed Budget

Out of State Travel Proposal

Joshua Kress presented the Out-of-State Travel Proposal for FY 2017-18, which consisted of \$2,000 for program staff to attend the 2017 Annual Meeting and Education Seminar of the Western Chapter of the Horticulture Inspection Society (WHIS) (Attachment 9). Kress noted that the previous year the Board had discussed allocating \$2,000 for Out of State Travel by one staff member to the 2016 WHIS Annual Meeting, but that a motion was not made at that time.

David Cox moved to recommend Nursery Services allocate \$2,000 from existing in-state travel funds for FY 2016-17 for out-of-state travel for attendance by program staff at the Western Chapter of the Horticultural Inspection Society's Annual Meeting and Education Seminar in October 2016. Thomas Lucas seconded. The Board voted as follows:

Yes: Robert Crudup, Don Dillon, Jay Jensen, Janet Silva Kister, Thomas Lucas, Steve McShane, Scott Nicholson, Elizabeth Elwood Ponce, Ernest Rodriguez, Michael Babineau, David Cox

No: None

Absent: Daniel Waterhouse

Motion carried.

Analysis of Expenditures and Collection Related to Program Activities

Kress provided the Board with an analysis (Attachment 10) of the program expenditures and revenues related to the registration and certification programs. Estimated expenditures included direct program costs, such as personal services, travel expenses, and field supplies. Estimated expenditures also included calculations for proportionate costs related to staff and program administration, including: supervision and program oversight, facilities and utilities, vehicles, equipment purchases, and departmental and statewide indirect costs.

The Nursery Services Program administered voluntary registration and certification (R&C) programs for six types of nursery stock: avocado trees, deciduous fruit and nut trees (DF&N), grapevines, pome fruit trees, seed garlic, and strawberry plants. Expenditures related to the DF&N and pome programs were offset by through a recovery from the California Fruit Tree, and Nut Tree and Grapevine Improvement Advisory Board (IAB) assessment fund. The remaining R&C programs each had its own fee structure for participants.

Kress reviewed the estimated expenditures and revenue for each of the R&C programs, as well as for nursery license revenue and general nursery stock inspection and enforcement activities. Kress noted that the two programs were estimated to have significant shortfalls: strawberry (about \$200,000) and grapevine (about \$100,000). Kress stated that the program would meet with working groups for each of the two programs to revise the fee structures in order to address the deficit.

The Board discussed the purpose of these programs, different funding sources, and possible causes of shortfalls.

Program Fund Condition and 2017/18 Proposed Budget

Kress presented the Budget Summary and Fund Condition Statement for the Nursery Services Program (Attachments 11-12). Kress noted that most of the figures in the reports had slight changed since the prior meeting. The budget information for the current fiscal year (FY 2016/17)

had been updated based on the program's mid-year projections, with a projected recovery of \$20,000 less than the projection presented to the Board at the previous meeting.

Kress provided the Board with an Overview of Indirect Cost handout. (Attachment 13) The handout included supplemental information on interdepartmental charges, statewide indirect costs, and the Agricultural Trust Fund. Kress further discussed the purpose of the Ag Trust Fund, its specific uses, and the repayment of used funds.

Kress noted that the revenue figures on the Fund Condition Statement contained only minor adjustments from the previous meeting. The program projected a deficit of \$300,000 for the current fiscal year, with similar deficits for the following two years. Kress noted that an increase in revenue was not anticipated without raising fees. Kress also noted that recent contract negotiations with the California Association of Professional Scientists, the union representing state scientists including the program's field staff, had resulted in a five percent raise for all rank-and-file scientific staff each year for the next two years. The corresponding increase in expenditures was not yet included in the presented projections, and would contribute to additional deficits for the program.

Kress reminded the Board that the recommended reserve level for the program was between one-third and one-half of the program's total budget, or approximately \$1 - 1.5 million. Since FY 2007/08, the program had built the reserves back to an acceptable level above \$1 million, partially due to decreased personnel costs during the furloughs under the Schwarzenegger administration. The program estimated reserves falling below the recommended threshold by the end of the next fiscal year (FY 2016/17).

The Board postponed further discussion and motions regarding the program's budget until final projections for expenditures in FY 2017/18 were available, and agreed to meet via conference call at such time.

9. Recommendation for Nursery License Fee Structure

Joshua Kress presented the Board with the current fee structure for the California License to Sell Nursery Stock (Attachment 14).

The Board agreed to not recommend any changes to the license fee structure at that time. The Board recommended that the program meet with the working groups for the strawberry and grapevine R&C programs to revise the fee structures to address those deficits.

10. Nursery Services Program Update

Joshua Kress presented Nursery Advisory 04-2016, which notified counties of revisions to the Nursery Inspection Procedures Manual (NIPM) (Attachment 15). NIPM 5 was revised to include the laws for labeling, grades, and standards found in California Food and Agriculture Code, Division 18, Chapter 5. NIPM 6.1 was added, containing the nematode cleanliness requirements for nursery stock for farm planting found in California Code of Regulations (CCR), Title 3, Section 3640. The full NIPM was available online at: <https://www.cdfa.ca.gov/plant/pe/nsc/nursery/nipm.html>

Kress also presented a proposed update of 3 CCR § 3061 regarding plant labeling that was discussed at the previous meeting (Attachment 16). The proposed update would correct an apparent discrepancy between the regulation and its authorizing statute.

11. County Agricultural Commissioner's Update

Ha Dang, Deputy Agricultural Commissioner, San Diego County, provided an update on LBAM in San Diego County, including recent finds. Dang also discussed issues with shipments of cut flowers to Canada from San Diego County.

Dang also discussed CDFA's South American Palm Weevil (SAPW) Working Group activities. A workshop was scheduled for October 2016 to discuss the biology of the pest and next steps. SAPW

had been in San Diego for several years, but recently was found in Bonita, and there was concern that it may move further north.

12. Terms of Office and Election of Officers

Kress noted that the following Board Members on the roster had terms ending on January 31, 2017: Robert Crudup, Janet Silva Kister, Steve McShane, Scott Nicholson, Elizabeth Elwood Ponce, and Daniel Waterhouse. Kress presented a draft vacancy memo for posting for the open positions (Attachment 17), and Kress also provided a memo to each of the listed Board Members to indicate whether or not they wished to be reappointed.

Robert Crudup moved to nominate Steve McShane to serve as Chair for 2017. McShane would be serving for a third consecutive year, in a one-time exception to the board procedures. Elizabeth Elwood Ponce seconded. The Board voted as follows:

Yes: Robert Crudup, Don Dillon, Jay Jensen, Janet Silva Kister, Thomas Lucas, Steve McShane, Scott Nicholson, Elizabeth Elwood Ponce, Ernest Rodriguez, Michael Babineau, David Cox
No: None
Absent: Daniel Waterhouse

Motion carried.

Steve McShane moved to nominate Thomas Lucas to serve as Vice Chair for 2017. Lucas would be serving for a third consecutive year, in a one-time exception to the board procedures. David Cox seconded. The Board voted as follows:

Yes: Robert Crudup, Don Dillon, Jay Jensen, Janet Silva Kister, Thomas Lucas, Steve McShane, Scott Nicholson, Elizabeth Elwood Ponce, Ernest Rodriguez, Michael Babineau, David Cox
No: None
Absent: Daniel Waterhouse

Motion carried.

13. Public Comments

None.

14. Next Meeting/Agenda Items

Chris Zanobini mentioned that California nursery stock was being prohibited from shipment into Texas, despite USDA certification regarding ACP.

Thomas Lucas noted concerns regarding GWSS trapping, and suggested further discussion at the next meeting.

Chris Zanobini recommended for the Chair to write a letter to the Secretary to thank her for establishing this non-statutory board to involve the industry in the decision making on program activities and issues of concern to the nursery industry.

The next meeting will be in February or March 2017. A Doodle poll will be sent out by Joshua Kress around December 1, 2017 to determine the best date available.

15. Adjournment

Meeting was adjourned at 2:15 pm.

Respectfully submitted by:

Erin Lovig
Senior Environmental Scientist
CDFA Nursery, Seed, & Cotton Program

Approved by Board Motion on March 1, 2017

Memorandum

To : Nursery Advisory Board Members

Date: September 14, 2016

Place: Sacramento

Phone: (916) 654-0435

From : Department of Food and Agriculture -

Joshua Kress, Program Manager
Nursery, Seed, and Cotton Program

Subject : **Payee Data Record (STD. 204)**

California State Departments are currently required to collect a Payee Data Record Form (STD. 204) from any non-governmental entity or individual providing goods and/or services that will lead to a payment from the state.

Budget Letter 16-11 Payee Data Record (STD. 204) Requirements, issued July 5, 2016, clarifies that a completed STD. 204 form is required from non-state employees authorized to receive travel reimbursements from state departments. This includes the following individuals: Non-CDFA Traveling Employees, Statutory Board Members, Non-Statutory Board Members, Salaried Consultants, Non-Salaried Consultants, Civil Service Consultants, and Volunteers.

The purpose of the STD. 204 form is to obtain payee data for information reporting to ensure tax compliance with the Internal Revenue Service and/or Franchise Tax Board. Therefore, a completed STD. 204 form must be on file with the state before payments are disbursed.

If you intend to submit a claim for Board-related travel expenses, please mail your completed STD. 204 form to me at the following address:

CDFA Nursery Services Program
Attn.: Joshua Kress
1220 N Street, Room 344
Sacramento, CA 95814

A copy of the STD. 204 form is attached, and can also be found online at:
<https://main.cdfa.ca.gov/Documents/std204.pdf>.

If you have any questions or need additional information regarding this matter, please contact Cynthia Le, Travel Liaison at (916) 403-6995 or by email at Cynthia.Le@cdfa.ca.gov.

BUDGET LETTER

SUBJECT: PAYEE DATA RECORD (STD. 204) REQUIREMENTS	NUMBER: 16-11
REFERENCES: STATE ADMINISTRATIVE MANUAL SECTIONS 8422.19 ET SEQ.	DATE ISSUED: July 5, 2016 SUPERSEDES:

TO: Agency Secretaries
Department Directors
Departmental Budget and Accounting Officers
Department of Finance Budget and Accounting Staff

FROM: DEPARTMENT OF FINANCE

This Budget Letter (BL) reminds state departments of the Payee Data Record (STD. 204) reporting requirements and responsibilities. The purpose of the STD. 204 form is to obtain payee data for information reporting to ensure tax compliance with the Internal Revenue Service and/or Franchise Tax Board (FTB). Therefore, a completed STD. 204 must be on file with the state before payments are disbursed. Departments are responsible for collecting the completed STD. 204 from any non-governmental entity or individual entering into a business transaction which may lead to a payment from the state. Thus, the STD. 204 form is also required from non-state employees authorized to receive travel expense reimbursements from departments.

Furthermore, payments made to California non-residents may be subject to state income tax withholding. Departments are advised to review FTB Publication 1017 – Income Subject to Withholding and State Administrative Manual (SAM) sections 8422.195 and 8422.196 to ensure tax reporting requirements are met. Subject to the withholding criteria provided in FTB Publication 1017, there may be additional requirements and/or forms for non-resident payees to complete before payments are disbursed.

For more information on the STD. 204 form and reportable requirements, please refer to the SAM sections 8422.19 et seq. Departments should review these requirements and guidelines to ensure compliance with federal and state tax laws. As provided in SAM section 8422.19, the department's chief financial officer is the designated person responsible for ensuring compliance.

If you have questions regarding this BL, please contact the Fiscal Systems and Consulting Unit (FSCU) Hotline at (916) 324-0385 or e-mail: fscuhotline@dof.ca.gov.

/s/ Veronica Chung-Ng

Veronica Chung-Ng
Program Budget Manager

STD, 204 (Rev. 6-2003)

<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">1</div>	INSTRUCTIONS: Complete all information on this form. Sign, date, and return to the State agency (department/office) address shown at the bottom of this page. Prompt return of this fully completed form will prevent delays when processing payments. Information provided in this form will be used by State agencies to prepare Information Returns (1099). See reverse side for more information and Privacy Statement. NOTE: Governmental entities, federal, State, and local (including school districts), are not required to submit this form.					
<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">2</div>	PAYEE'S LEGAL BUSINESS NAME (Type or Print)					
	SOLE PROPRIETOR – ENTER NAME AS SHOWN ON SSN (Last, First, M.I.)				E-MAIL ADDRESS	
	MAILING ADDRESS			BUSINESS ADDRESS		
	CITY, STATE, ZIP CODE			CITY, STATE, ZIP CODE		
<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">3</div> <div>PAYEE ENTITY TYPE</div> <div>CHECK ONE BOX ONLY</div>	ENTER FEDERAL EMPLOYER IDENTIFICATION NUMBER (FEIN): [][] - [][][][][][][][][][]					NOTE: Payment will not be processed without an accompanying taxpayer I.D. number.
	<div><input type="checkbox"/> PARTNERSHIP CORPORATION: <input type="checkbox"/> ESTATE OR TRUST <input type="checkbox"/> MEDICAL (e.g., dentistry, psychotherapy, chiropractic, etc.) <input type="checkbox"/> LEGAL (e.g., attorney services) <input type="checkbox"/> EXEMPT (nonprofit) <input type="checkbox"/> ALL OTHERS</div> <div><input type="checkbox"/> INDIVIDUAL OR SOLE PROPRIETOR ENTER SOCIAL SECURITY NUMBER: [][][] - [][][][][][][][][][]</div> <div>(SSN required by authority of California Revenue and Tax Code Section 18646)</div>					
<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">4</div> <div>PAYEE RESIDENCY STATUS</div>	<div><input type="checkbox"/> California resident - Qualified to do business in California or maintains a permanent place of business in California.</div> <div><input type="checkbox"/> California nonresident (see reverse side) - Payments to nonresidents for services may be subject to State income tax withholding.<div><input type="checkbox"/> No services performed in California. <input type="checkbox"/> Copy of Franchise Tax Board waiver of State withholding attached.</div></div>					
<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">5</div>	I hereby certify under penalty of perjury that the information provided on this document is true and correct. Should my residency status change, I will promptly notify the State agency below.					
	AUTHORIZED PAYEE REPRESENTATIVE'S NAME (Type or Print)				TITLE	
	SIGNATURE		DATE		TELEPHONE () () ()	
<div style="border: 1px solid black; width: 30px; height: 30px; margin: auto; line-height: 30px;">6</div>	Please return completed form to: Department/Office: _____ Unit/Section: _____ Mailing Address: _____ City/State/Zip: _____ Telephone: () _____ Fax: () _____ E-mail Address: _____					

PAYEE DATA RECORD

STD. 204 (Rev. 6-2003) (REVERSE)

1	<p><u>Requirement to Complete Payee Data Record, STD. 204</u></p> <p>A completed Payee Data Record, STD. 204, is required for payments to all non-governmental entities and will be kept on file at each State agency. Since each State agency with which you do business must have a separate STD. 204 on file, it is possible for a payee to receive this form from various State agencies.</p> <p>Payees who do not wish to complete the STD. 204 may elect to not do business with the State. If the payee does not complete the STD. 204 and the required payee data is not otherwise provided, payment may be reduced for federal backup withholding and nonresident State income tax withholding. Amounts reported on Information Returns (1099) are in accordance with the Internal Revenue Code and the California Revenue and Taxation Code.</p>								
2	<p>Enter the payee's legal business name. Sole proprietorships must also include the owner's full name. An individual must list his/her full name. The mailing address should be the address at which the payee chooses to receive correspondence. Do not enter payment address or lock box information here.</p>								
3	<p>Check the box that corresponds to the payee business type. Check only one box. Corporations must check the box that identifies the type of corporation. The State of California requires that all parties entering into business transactions that may lead to payment(s) from the State provide their Taxpayer Identification Number (TIN). The TIN is required by the California Revenue and Taxation Code Section 18646 to facilitate tax compliance enforcement activities and the preparation of Form 1099 and other information returns as required by the Internal Revenue Code Section 6109(a).</p> <p>The TIN for individuals and sole proprietorships is the Social Security Number (SSN). Only partnerships, estates, trusts, and corporations will enter their Federal Employer Identification Number (FEIN).</p>								
4	<p><u>Are you a California resident or nonresident?</u></p> <p>A corporation will be defined as a "resident" if it has a permanent place of business in California or is qualified through the Secretary of State to do business in California.</p> <p>A partnership is considered a resident partnership if it has a permanent place of business in California. An estate is a resident if the decedent was a California resident at time of death. A trust is a resident if at least one trustee is a California resident.</p> <p>For individuals and sole proprietors, the term "resident" includes every individual who is in California for other than a temporary or transitory purpose and any individual domiciled in California who is absent for a temporary or transitory purpose. Generally, an individual who comes to California for a purpose that will extend over a long or indefinite period will be considered a resident. However, an individual who comes to perform a particular contract of short duration will be considered a nonresident.</p> <p>Payments to all nonresidents may be subject to withholding. Nonresident payees performing services in California or receiving rent, lease, or royalty payments from property (real or personal) located in California will have 7% of their total payments withheld for State income taxes. However, no withholding is required if total payments to the payee are \$1,500 or less for the calendar year.</p> <p>For information on Nonresident Withholding, contact the Franchise Tax Board at the numbers listed below:</p> <table border="0"> <tr> <td>Withholding Services and Compliance Section:</td> <td>1-888-792-4900</td> <td>E-mail address:</td> <td>wscs.gen@ftb.ca.gov</td> </tr> <tr> <td>For hearing impaired with TDD, call:</td> <td>1-800-822-6268</td> <td>Website:</td> <td>www.ftb.ca.gov</td> </tr> </table>	Withholding Services and Compliance Section:	1-888-792-4900	E-mail address:	wscs.gen@ftb.ca.gov	For hearing impaired with TDD, call:	1-800-822-6268	Website:	www.ftb.ca.gov
Withholding Services and Compliance Section:	1-888-792-4900	E-mail address:	wscs.gen@ftb.ca.gov						
For hearing impaired with TDD, call:	1-800-822-6268	Website:	www.ftb.ca.gov						
5	<p>Provide the name, title, signature, and telephone number of the individual completing this form. Provide the date the form was completed.</p>								
6	<p>This section must be completed by the State agency requesting the STD. 204.</p>								
	<p><u>Privacy Statement</u></p> <p>Section 7(b) of the Privacy Act of 1974 (Public Law 93-579) requires that any federal, State, or local governmental agency, which requests an individual to disclose their social security account number, shall inform that individual whether that disclosure is mandatory or voluntary, by which statutory or other authority such number is solicited, and what uses will be made of it.</p> <p>It is mandatory to furnish the information requested. Federal law requires that payment for which the requested information is not provided is subject to federal backup withholding and State law imposes noncompliance penalties of up to \$20,000.</p> <p>You have the right to access records containing your personal information, such as your SSN. To exercise that right, please contact the business services unit or the accounts payable unit of the State agency(ies) with which you transact that business.</p> <p>All questions should be referred to the requesting State agency listed on the bottom front of this form.</p>								



CALIFORNIA DEPARTMENT OF
FOOD & AGRICULTURE



Medical Cannabis Cultivation Program (MCCP) Public Scoping Workshops & Comment Period

The California Department of Food & Agriculture (CDFA) is developing regulations to establish cannabis cultivation licensing and a track and trace system, collectively referred to as the Medical Cannabis Cultivation Program (MCCP). The overall purpose of CDFA's licensing program is to ensure medical cannabis cultivation is performed in a manner that protects the environment, cannabis cultivation workers, and the general public from the individual and cumulative effects of these operations, and fully complies with all applicable laws. An additional MCCP purpose is to establish a track and trace program to ensure the movement of medical cannabis items are tracked throughout the production chain.

CDFA is preparing a Programmatic Environmental Impact Report (PEIR) to provide the public, state and local agencies, and permitting agencies information about the potential environmental effects associated with the adoption and implementation of these statewide regulations. The PEIR will be prepared and circulated for public review by CDFA in accordance with the provisions of the California Environmental Quality Act (CEQA). CDFA will serve as the lead agency pursuant to CEQA and will consider public comments regarding the scope and content of the information to be included in the PEIR.

Public participation is a critical part of the regulation development and environmental review process, and is intended to meet CEQA requirements. CDFA welcomes public participation throughout the planning and environmental review process. The public will have an opportunity to comment on the Draft PEIR when it is available.

***The formal comment period for the MCCP scoping begins on
September 1, 2016 and ends September 30, 2016.***

Written comments can be mailed to:

California Department of Food and Agriculture
Attn: Amber Morris
Medical Cannabis Cultivation Comments
1220 N Street, Suite 400
Sacramento, CA 95814

Comments may also be emailed to:

mccp.peir@cdfa.ca.gov

**The Notice of Preparation & Regulation
Outline can be viewed online at
<https://www.cdfa.ca.gov/is/mccp>.**

Eight Scoping Workshops will be held to provide the public and regulatory agencies an opportunity to ask questions and submit comments on the scope of the PEIR and regulations.

**ALL MEETINGS WILL BE HELD FROM
4:00PM – 7:00PM**

Tuesday, September 13

Sacramento

Sacramento Convention Center
(Room 202), 1400 J St
Sacramento, CA 95814

Wednesday, September 14

Redding

Red Lion Hotel (Sierra Room)
1830 Hilltop Dr
Redding, CA 96002

Thursday, September 15

Eureka

Red Lion Hotel (Pacific Room)
1929 4th St
Eureka, CA 95501

Tuesday, September 20

Oakland

Oakland Marriott (Skyline Room)
1001 Broadway
Oakland, CA 94607

Wednesday, September 21

San Luis Obispo

Courtyard by Marriott
(Grand Ballroom) 1605 Calle Joaquin
San Luis Obispo, CA 93405

Thursday, September 22

Coalinga

Harris Ranch (Garden Ballroom)
24505 West Dorris Ave
Coalinga, CA 93210

Tuesday, September 27

Pasadena

Pasadena Convention Center
(Ballroom F) 300 East Green St
Pasadena, CA 91101

Wednesday, September 28

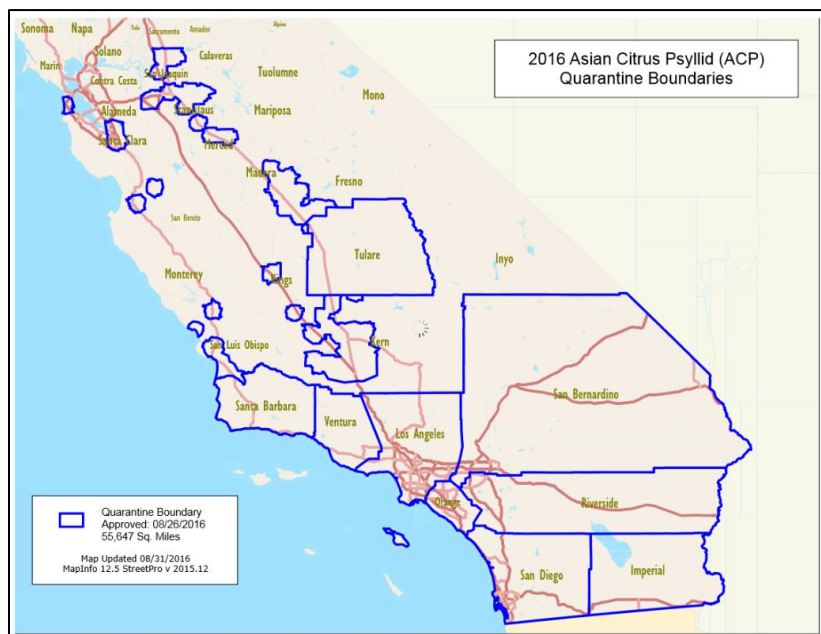
Desert Hot Springs

Miracle Springs Resort & Spa
(Mirage Ballroom) 10625 Palm Dr
Desert Hot Springs, CA 92240

Meeting facilities are accessible to persons with disabilities or who need assistance to participate. To request assistance or translation services, contact

Michael Stevenson at (510) 986-1852 or
Michael@horizonh2o.com.

Asian Citrus Psyllid (ACP)/ Huanglongbing (HLB)



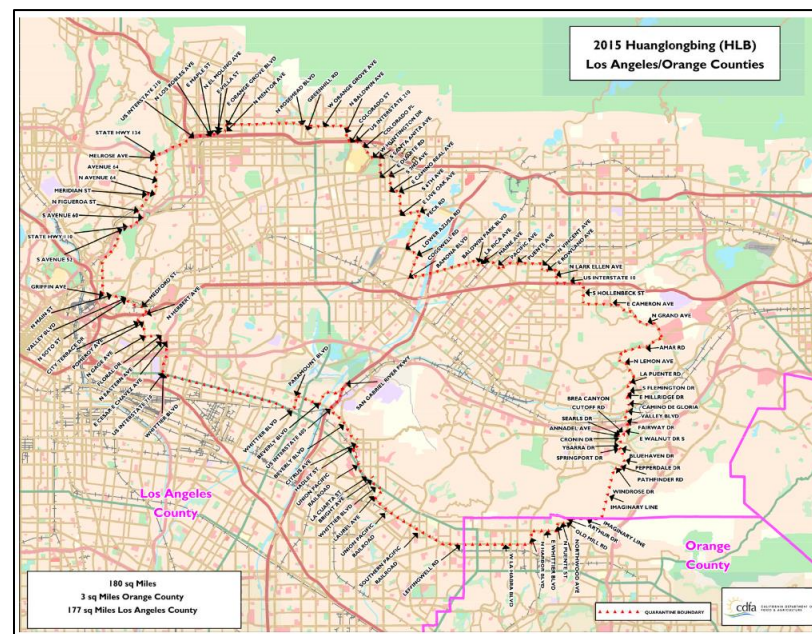
Quarantine Updates:

- Since February 2016 three new quarantines and 33 quarantine expansions in the following counties have resulted in an additional 2,330 sq. miles under quarantine. Total area 55,647 sq. miles.

- Fresno County, 430 sq. miles
- Kern County, 680 sq. miles
- Kings County, 155 sq. miles
- Madera County, 61 sq. miles
- Merced County, 218 sq. miles
- Monterey County, 111 sq. miles
- Santa Clara County, 55 sq. miles
- San Joaquin County, 402 sq. miles
- San Luis Obispo County, 120 sq. miles
- Stanislaus County, 98 sq. miles

- Quarantines now in Kings, Monterey, and Merced counties. These counties were previously not regulated for ACP.

- Quarantine pending in Placer County.



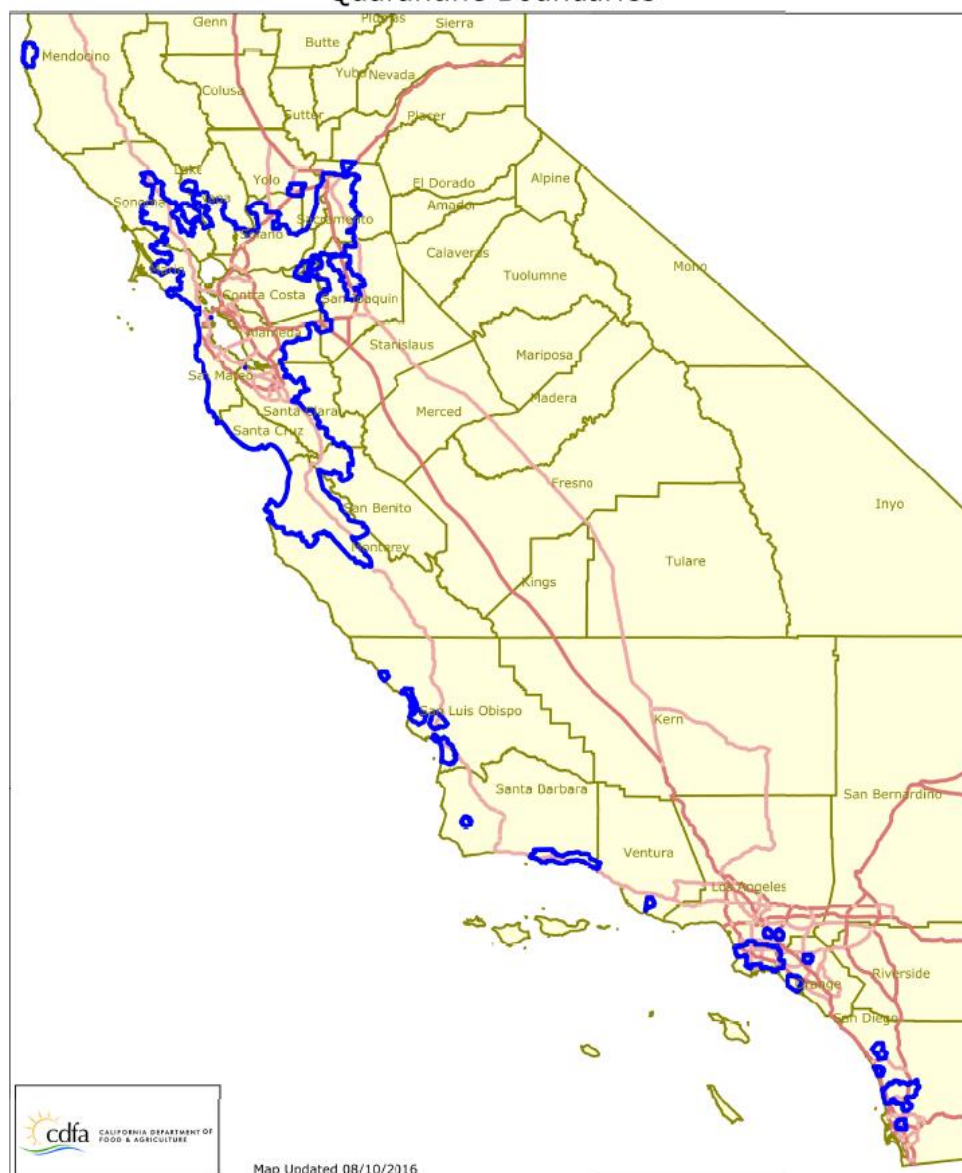
Quarantine Updates:

- Quarantine Boundary remains at 180 square miles.

Find sites all within current quarantine boundary:

- September 2016 positive tree San Gabriel-no expansion
- August 2016 two trees tested positive in San Gabriel and Hacienda Heights-no expansion
- April 2016 positive tree San Gabriel-no expansion
- March 2016 two positive trees in San Gabriel-no expansion

2016 Light Brown Apple Moth (LBAM) Quarantine Boundaries



Total Quarantine area as of 9/14/16:

7,473 sq. miles



Quarantines

New Quarantines/expansions since February 2016

- San Diego County (Rancho Sante Fe, San Marcos, San Diego, Carlsbad) = 68 sq. miles total
Removed 18 sq. miles (N. San Diego, San Diego)
- Ventura County (Camarillo, Ventura) = 31 sq. miles
- San Joaquin County (Linden, Lodi/Stockton) = 42 sq. miles
- Santa Barbara County (Goleta, Santa Barbara) = 27 sq. miles
- San Luis Obispo (San Luis Obispo) = 13 sq. miles

Total expansion: 178 sq. miles



For Immediate Release

Contact: Jennifer Gray, AmericanHort Research Programs Administrator
jenniferg@americanhort.org or 614.884.1155

Dana D. Rhodes, State Plant Regulatory Official, PA Department of Agriculture
danrhodes@pa.gov, 717.772.5205

First Two Growers Certified Under Innovative Systems Approach Pilot Program

WASHINGTON, DC and COLUMBUS, OH—August 22, 2016—A big step forward toward protecting the horticulture industry and the environment took place with the recent signing of agreements by two progressive nursery and greenhouse operations. McKay Nursery Company Inc. (Wisconsin) and Star Roses and Plants / Conard-Pyle (Pennsylvania) have become the first two facilities to be able to ship plants grown under the Systems Approach to Nursery Certification (SANC) program, an initiative under the guidance of the National Plant Board, AmericanHort, other industry members and the USDA.

With their SANC certification, these facilities will now be able to include the SANC logo with their plant shipments. The logo evidences their meeting stringent growing, training, self-inspection and audit requirements to make their businesses stronger and more resilient against plant pests and diseases, changes in regulations, quarantines and the threat of stop-sales or recalls.

“A unique partnership involving plant regulators and the horticulture industry, SANC is poised to benefit plant growers, retailers, installers, consumers, and the environment,” said Craig Regelbrugge, AmericanHort senior vice president. “We and our Horticultural Research Institute foundation are deeply committed to the effort as the pilot continues.”

Dana Rhodes, SANC Program Chair – National Plant Board, added, “It is exciting to see nurseries, greenhouses and states partnering in SANC. I believe this program allows states and green industry members to strengthen their relationships and provide healthy plants throughout the U.S.”

The two nurseries are part of a first group of eight facilities nationally participating in a pilot project for the SANC program. All have embraced the envisioned processes of the SANC program, which are designed to integrate into a business’ day-to-day and long-range operations. The other nurseries are in New Jersey, Georgia, Missouri, Oklahoma, Oregon and Washington and represent a diversity in business size and type of operations. Additional nurseries will be coming on line soon to further explore the SANC program utility and benefits.

According to McKay Nursery Company head of production, Tom Buechel, “Our employees have enjoyed the high honor and privilege to be involved in the Systems for Approach to Nursery Certification pilot and work with other growers, other states, the National Plant Board and AmericanHort to make it a reality. We realize that being certified comes with the responsibility to train for and earn the SANC certification emblem each day. The program has engaged all our staff to continually and proactively

address plant health issues before they arise and to embrace the teamwork needed to grow quality nursery stock. We are very proud to be part of the new movement towards the safeguarding of plants.”

John Rausch, chief operating officer at Star Roses and Plants, said, “We are proud to be involved, and to have achieved, this important milestone. We were privileged to work with industry consultants Jerry Lee and Darrell Maddox, and Dana Rhodes from the Pennsylvania Department of Agriculture, toward developing the framework of the SANC program which is now institutionalized in what we do every day.”

More information, including a link to an ongoing AmericanHort webinar series, is available at:
<http://sanc.nationalplantboard.org/>.

#

AmericanHort was formed in 2014 by the consolidation of the American Nursery & Landscape Association and OFA – The Association of Horticulture Professionals. With a combined history of 220+ years, AmericanHort supports nearly 16,000 member and affiliated businesses that include breeders, greenhouse and nursery growers, garden retailers, distributors, interior and exterior landscape professionals, florists, students, educators, researchers, manufacturers, and all of those who are part of the industry market chain. The horticulture industry's production, wholesale, retail, and landscape service components have annual sales of \$163 billion, and sustain over 1.15 million full- and part-time jobs. Our mission is to unite, promote, and advance the horticulture industry through advocacy, collaboration, connectivity, education, market development, and research. The association has offices in Columbus, Ohio for administration and member services, and in Washington, DC to facilitate government relations and research activities.



What is SANC ?

An ongoing effort to incorporate a systems approach strategy into nursery certification:

- To reduce pest risk and pest movement
- To facilitate and expedite the movement of nursery stock
- To operate within existing state nursery certification programs

The SANC Framework

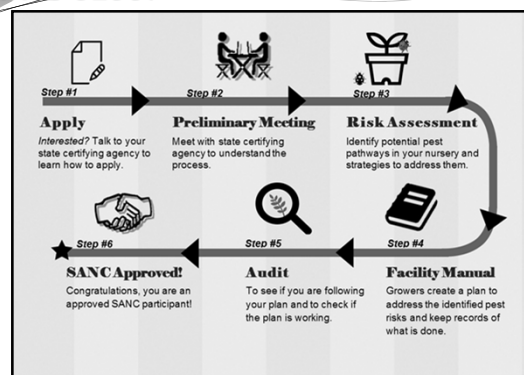
What is a Systems Approach?



A Systems Approach Strategy:

- Incorporates specific operational nursery practices to minimize the likelihood of incursion, establishment and spread of plant pests and pathogens in a nursery
- Requires 2 or more control measures that are independent of each other
- Improves our understanding of a plant product beyond just that single end-product inspection snapshot.

PROCESS:



Key Points

- **Risk Assessment** - Pest risk analysis of facility
- **Pest Management Plan** - developed from risk analysis
- **Facility Manual** - developed from PMP and other inputs
- **Implementation** – of Facility Manual
- **Audits (of the facility)** – Verification that facility manual is being followed. Performed by facility and regulators.

SANC Standard:

- Intro-Scope-References
- General Requirements and Authority
- Responsibilities of the Participating Nursery or Greenhouse
- Responsibilities of the Certifying Authority
- Non-compliance and Corrective Measures
- Cooperation among states

SANC Standard (specifics requirements) :

- Management Resources
- Staff and Training
- Facility Description and Map
- Pest Management Plan
- Incoming Plant Material
- Scouting
- Shipping Control
- Audit Procedures
- Document Control
- Recordkeeping

Facility Risk Assessment is basis for:

A Facility Pest Management Plan - which must include:

- Procedures to scout for, document and manage plant pests
 - Scouting on *regular* basis
 - All incoming plants must be inspected
- Includes BMPs for hazards at Critical Control Points (CCPs) identified during risk assessment to be used by facility

Pest Management Plan

- Has BMPs to mitigate identified hazards through Critical Control Point:
 - Inputs -Plants
 - Propagation Practices
 - Media & Containers
 - Site
 - Shipping
 - Water
 - Production Practices
 - Disposal
 - Training
 - Record Keeping

SANC Facility Manual

- **PMP leads to development of SANC Facility Manual**
 - Formalizes and documents facility's procedures
 - Pest Management Plan (BMPs and Scouting)
- **Approval of SANC Facility Manual (by State Nursery Program)**
 - To ensure facility's plan meets SANC Standard

Implementation/Audits

- **Implementation of components in SANC Facility Manual (by facility)**
 - Recordkeeping, training, BMPs, etc.
- **Audits (by facility and State Nursery Program)**
 - Ensures facility's plan is being implemented as described in SANC Facility Manual

What has the SANC initiative done so far?



SANC IS UNDERWAY

- Working on it since 2010.
- Had no idea what SANC would look like.
- Not replacing current state department of agriculture (SDA) nursery certification programs, but will be a 'component' of it.
- It is voluntary for both industry and SDAs
- It has to work for both Industry and SDAs
 - Or it won't work!

Where are we:

SANC Pilot Project , Phase-1

- Selection of 8 pilot growers
 - Two from each Plant Board Region
- Training for Inspectors/SPROs –
 - Fall, 2014
 - Winter, 2015, 2016
- Actual Implementation of Pilot - November, 2014



Pilot Project – Phase I

Grower	State	Currently
Conard-Pyle	PA	Implementing Facility Manual
Forrest Keeling	MO	Completing PMP
Walla Walla Nursery	WA	Completing PMP
Southeastern Growers	GA	Working on Facility Manual
Lucas Greenhouses	NJ	PMP
Greenleaf Nursery	OK	Working on Facility Manual
Oregon Pride Nursery	OR	Completed Draft Facility Manual
McKay Nursery	WI	Working on Facility Manual

AmericanHort **SANC** **NPB**

For Immediate Release
Contact: Jennifer Gray, AmericanHort Research Programs Administrator
jgray@americanhort.org or 814.894.1375

Dana O. Pridemore, State Plant Regulatory Official, PA Department of Agriculture
apridemore@pa.gov, 717.775.1000

First Two Growers Certified Under Innovative Systems Approach Pilot Program

WASHINGTON, DC and COLUMBUS, OH—August 13, 2014—A big step forward toward protecting the horticulture industry and the environment took place with the recent signing of agreements by two progressive nursery and greenhouse operators, Walla Walla Nursery Company, Inc. (Walla Walla, WA) and Conard Pyle (Pennsylvania) has become the first two facilities to be able to ship plants grown under the Systems Approach to Nursery Certification (SANC) program, an initiative under the guidance of the National Plant Board, AmericanHort, other industry members and the USDA.

With their SANC certification, these facilities will now be able to market their SANC logo with their plant shipments. The logo evidences their meeting stringent growing, training, self-inspection and audit requirements to make their businesses stronger and more resilient against plant pests and diseases, changes in regulations, quarantine and the threat of stop orders or recalls.

"A unique partnership involving plant registration and the horticulture industry, SANC is poised to benefit plant growers, retailers, inspectors, consumers, and the environment," said Greg Neff, AmericanHort senior vice president. "We and our Horticultural Research Institute Foundation are deeply committed to the effort as the pilot continues."

Dana Pridemore, SANC Program Chair—National Plant Board, added, "It is exciting to see nurseries, greenhouse and retail growers join SANC. Through this program, other plant and green industry members to strengthen their relationships and provide healthy plants throughout the U.S."

The two nurseries are part of a first group of eight facilities nationally participating in a pilot project for the SANC program. All have evidenced the successful execution of the SANC program, which was designed to integrate into a business' day-to-day and long-range operations. The other nurseries are in New Jersey, Georgia, Missouri, Oklahoma, Oregon and Washington and represent a diversity in business size and type of operations. Additional nurseries will be coming on line soon to further explore the SANC program utility and benefits.

According to Walla Walla Nursery Company's head of production, Tom Bushnell, "Our employees have embraced the high level of standards set by the National Plant Board and AmericanHort to make it a reality. We make our growing facilities open and the industry can help us and we can help the plant certification process each day. The program has engaged all our staff to continually and proactively address plant health issues, reduce the risk and to enhance the landscape needed to grow quality nursery stock. We are very proud to be part of the new movement towards the safeguarding of plants."

Lessons Learned from Pilot

- From all Pilot Facilities:
 - SANC requires extensive amount of work
- Overall –
 - Very positive reaction from growers
 - SANC beneficial to Pilot Facilities
 - Improved their operations in many ways
 - Documentation improvement
 - Capture of tribal/corporate knowledge
 - Engagement of Employees
 - Better understanding of hazards



Lessons Learned from Pilot

- SANC identified hazards to mitigate or processes that could be improved
- Developed organizational improvements
 - Assigned roles and responsibilities within company
- Inspectors are integral part of process
 - Growers will still rely on inspectors for information
 - New pest issues, Regulator compliance, hazard ID, etc.
 - Growers want inspectors present during the SANC process (risk assessment, review of facility's SANC Manual)
- Growers see a business competitive edge

Next Steps:

- Completion of Phase I: (Target: 2017)
 - Several facilities will be completed in 2016
- Evaluate and identify areas of improvement
- Continued Training
- Phase-2
 - Up to 12 more nurseries and greenhouses
 - Scalability



For more information:

<http://sanc.nationalplantboard.org/>



The SANC Team

Core Group

Dana Rhodes PA Chair, Joe Collins KY NPB President, Ann Gibbs ME NPB Vice President, John Caravetta AZ NPB Secretary Treasurer, Aurelio Posadas NPB, Wayne Dixon SANC, Ken Rauscher, SANC

Training Subcommittee

Collin Wamsley MO Chair, Joe Collins KY Chair, Gary McAninch OR, Ann Gibbs ME, Allison Olofson TX, Aaron Paul WA, Kara Spofford APHIS

Outreach Subcommittee

Ruth Welliver PA Chair, Christel Harden AL Chair, Karen Rane University of MD, David Blackburn AR, Karen Suslow NORS-DUC, Joshua Kress CA

Documents Review and Forms Team Subcommittee

Dan Kenny OH Chair, Anni Self TN Chair, Sarah Scally ME, Tyson Emery FL, Cindy Cooper WA, Doug Cole AmericanHort, Fred Ceballos AmericanHort, Walter Suttle AmericanHort

The SANC Team

Pilot Subcommittee

Larry Nichols VA Chair, Robin Rosenbaum MI Chair, Galen Ettinger NJ, Vicki Smith CT, Susan Ehlenbeck MO, David Cox AmericanHort, Craig Regelbrugge AmericanHort, Jerry Lee AmericanHort, Mike Brown USDA PPQ, Sarika Negi USDA PPQ

Evaluation Subcommittee

Chris Logue NY Chair, Brian Kuhn WI Chair, Jeanetta Cooper OK, Sarah Gettys PA, Tim Bergstrom USDA PPQ, John Rausch Conard Pyle, Scott Sanner USDA PPQ, Inspector Subcommittee

Melissa Lujan OR Chair, Perry Walden GA Chair, Aaron Paul WA, Tinalouise Stimmler PA, Zach Star MO, John Nunnery OK, Ryan Rieder NJ, Marcia Wensing WI, John Wraspir WA

USDA Liaison – Scott Pfister



2017/18 Proposed Out-of-State Travel for Nursery Services Program

Presented September 14, 2016 - Nursery Advisory Board Meeting

Class Title	Total Attending	Total Days of Trip	Cost	PCA	Purpose / Justification (include benefit to state)
Envir. Scientist or Designee	1	5	\$2,000	14040	<p>To attend the Annual Meeting and Education Seminar of the Western Chapter of the Horticultural Inspection Society (WHIS). Established by the National Plant Board, WHIS is an organization of agricultural inspectors in the member states and territories of the Western Plant Board that promotes high standards for inspections and regulatory activities, provides training and outreach on new tools and concepts, and increases uniformity among inspection and certification activities in the western states.</p> <p>The designee serves as Treasurer and Past-President of WHIS. As Treasurer, the designee participates in the arrangement and coordination of the meeting and seminar, and prepares an annual audit and performs other fiscal duties of the organization.</p> <p>The state will benefit by the promoting of uniform inspection and enforcement standards that will lead to easier regulatory communication between states and improved standards of cleanliness for all nursery stock being shipped into of within California. The training and communication with other states are critical for CDFA's ability to maintain orderly markets for the shipment of plants, prevent the introduction of pests in nursery stock, and maintain a high standard of cleanliness for nursery stock being shipped to and produced in California.</p> <p>If this trip was denied, CDFA would not receive updates on potential invasive species and inspection tools, impacting the training of the state's agricultural inspectors and increasing the pest risk of shipped plant material moving to and from California.</p> <p>Travel will not interfere with regularly assigned duties.</p>
Total = \$2,000					

Attachment #10

Analysis of Expenditures Related to
Registration & Certification Programs

- Program calculated revenue and estimated expenditures related to individual R&C programs
- Estimated expenditures included direct program costs, such as personal services, travel, and field supplies
- Estimated expenditures also included calculations for proportionate amounts of costs related to staff and program admin, including:
 - Supervision & program oversight
 - Facilities & utilities
 - Vehicle & equipment purchases & maintenance
 - Departmental and statewide indirect costs

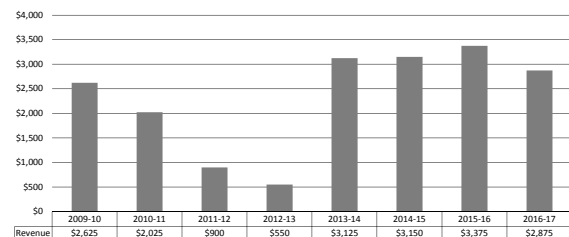
Avocado Registration & Certification

Field Staff:	Admin:
<ul style="list-style-type: none"> • Inspection of site for compliance (Cert) • Sampling/testing for ASBVd (Reg) • Prep work and coordination for all field activities • Review records • Reports for all compliance activities • Enforcement for non-compliance • Addressing & responding to participants' concerns and inquiries • Attend trainings specific to program activities, regulated commodity, pests and diseases 	<ul style="list-style-type: none"> • Supervision of field & office staff • Process applications & payments • Fiscal oversight: expenditure/revenue tracking, budgets • Website maintenance, outreach materials, public relations • Attend industry meetings • Rulemaking: minor every 4-5 years, or major every 15-20

Avocado Registration & Certification

- Registration: 1 participant
 - Application and fees due every other year
 - Testing performed as needed, charged by test
- Certification: 2 participants, 22 total acres
 - Annual application and fees
 - Annual inspection
 - Additional oversight by County Ag. Commissioner

Avocado Registration & Certification



Avocado Registration & Certification

- Estimated annual costs:
 - Personal Services = \$5,616
 - Operating Expenses & Equipment = \$2,869
 - Total annual costs = **\$8,485**
- Typical annual revenue is \$2,000 - \$3,000
- Note: Difference likely greater due to small % of staff time used, compared with larger programs. Would need to analyze based on # hours instead of % time to better determine cost.

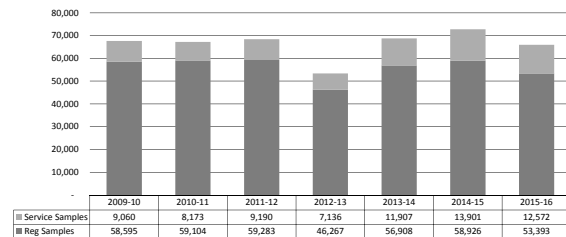
Deciduous Fruit & Nut Tree
Registration & Certification

Field Staff:	Admin:
<ul style="list-style-type: none"> • Visual inspection of blocks for pest/disease cleanliness • Inspection of planting/growing sites for compliance • Sampling/testing for regulated viruses, and nematodes as necessary • Service sampling/testing for pathogens, upon request • Prep work and coordination for all field activities • Review records • Reports for all compliance activities • Enforcement for non-compliance • Addressing & responding to participants' concerns and inquiries • Attend trainings specific to program activities, regulated commodity, pests and diseases 	<ul style="list-style-type: none"> • Supervision of field & office staff • Process applications • Fiscal oversight: expenditure/revenue tracking, budgets • Website maintenance, outreach materials, public relations • Attend IAB meetings • Attend other industry meetings • Attend national regulatory meetings (i.e., NCPN) • Rulemaking: minor every 4-5 years, or major every 15-20

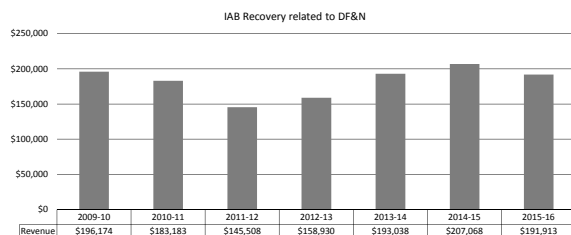
Deciduous Fruit & Nut Tree Registration & Certification

- Currently:
 - 11 participants
 - 27 registered/certified blocks
- Costs currently paid by IAB via reimbursement to Nursery Services
 - Supervision and administrative overhead by Senior Environmental Scientist paid directly by IAB
 - Laboratory costs for program paid directly by IAB

Deciduous Fruit & Nut Tree Registration & Certification



Deciduous Fruit & Nut Tree Registration & Certification



Deciduous Fruit & Nut Tree Registration & Certification

- Estimated annual costs:
 - Personal Services = \$134,981
 - Operating Expenses & Equipment = \$63,788
 - Total annual costs = **\$198,769**
- Typical annual recovery is about \$190,000
- Estimated shortfall minor, if any.

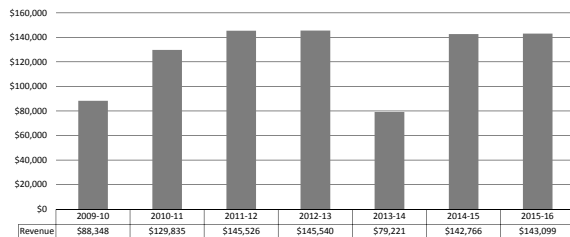
Grapevine Registration & Certification

Field Staff:	Admin:
<ul style="list-style-type: none"> • Visual inspection of blocks, field & greenhouse plantings for pest/disease cleanliness • Inspection of planting/growing sites for compliance • Sampling/testing for regulated viruses, and nematodes as necessary • Prep work and coordination for all field activities • Review records • Reports for all compliance activities • Enforcement for non-compliance • Addressing & responding to participants' concerns and inquiries • Attend trainings specific to program activities, regulated commodity, pests and diseases 	<ul style="list-style-type: none"> • Supervision of field & office staff • Process applications & payments, adjusted billings • Fiscal oversight: expenditure/revenue tracking, budgets • Website maintenance, outreach materials, public relations • Attend IAB meetings • Attend other industry meetings (CGRIC) • Attend national regulatory meetings (i.e., NCPN) • Rulemaking: minor every 4-5 years, or major every 15-20

Grapevine Registration & Certification

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Participants	33	35	34	35	35	32	30
IB/SIB	57	66	68	77	77	78	73
Acres	1,482	1,679	1,512	1,693	1,691	2,125	2,105
CB	16	12	10	11	17	16	18
Acres	558	385	417	420	375	194	201
Screenhouses	5	7	8	3	5	6	7
SqFt	259,616	476,972	477,071	121,198	590,000	650,000	732,000

Grapevine Registration & Certification



Grapevine Registration & Certification

- Estimated annual costs:
 - Personal Services = \$179,906
 - Operating Expenses & Equipment = \$84,790
 - Total annual costs = **\$264,696**
- Typical annual revenue is about \$140,000
- Estimated shortfall is at least \$100,000.
 - Program will re-analyze workload based on updated sampling procedures being implemented this fall and through next year

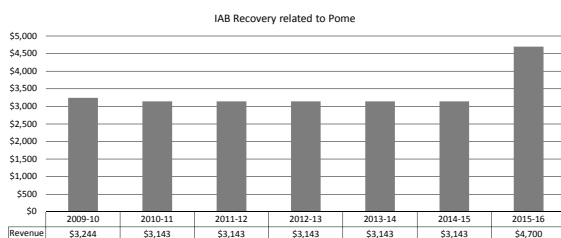
Pome Fruit Tree Registration & Certification

Field Staff:	Admin:
<ul style="list-style-type: none"> • Visual inspection of blocks for pest/disease cleanliness • Inspection of planting/growing sites for compliance • Prep work and coordination for all field activities • Review records • Reports for all compliance activities • Enforcement for non-compliance • Addressing & responding to participants' concerns and inquiries • Attend trainings specific to program activities, regulated commodity, pests and diseases 	<ul style="list-style-type: none"> • Supervision of field & office staff • Process applications • Fiscal oversight: expenditure/revenue tracking, budgets • Website maintenance, outreach materials, public relations • Attend IAB meetings • Attend other industry meetings • Attend national regulatory meetings (i.e., NCPN) • Rulemaking: minor every 4-5 years, or major every 15-20

Pome Fruit Tree Registration & Certification

- Currently:
 - 3 participants
- Costs currently paid by IAB via reimbursement to Nursery Services
 - Supervision and administrative overhead by Senior Environmental Scientist paid directly by IAB

Pome Fruit Tree Registration & Certification Program



Pome Fruit Tree Registration & Certification Program

- Estimated annual costs:
 - Personal Services = \$5,616
 - Operating Expenses & Equipment = \$2,869
 - Total annual costs = **\$8,485**
- Typical annual recovery is \$4,700
- Note: Difference likely greater due to small % of staff time used, compared with larger programs. Would need to analyze based on # hours instead of % time to better determine cost.

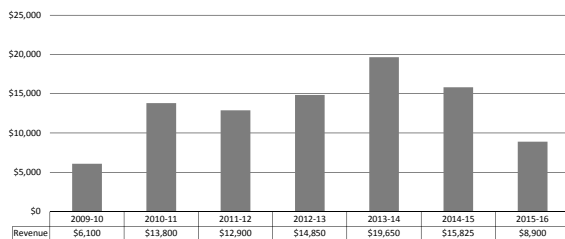
Seed Garlic Registration & Certification

Field Staff:	Admin:
<ul style="list-style-type: none"> Visual inspection of blocks for pest/disease cleanliness (white rot) Inspection of planting/growing sites for compliance Sampling/testing for nematodes Prep work and coordination for all field activities Review records Reports for all compliance activities Enforcement for non-compliance Addressing & responding to participants' concerns and inquiries Attend trainings specific to program activities, regulated commodity, pests and diseases 	<ul style="list-style-type: none"> Supervision of field & office staff Process applications & payments, adjusted billings Fiscal oversight: expenditure/revenue tracking, budgets Website maintenance, outreach materials, public relations Attend industry meetings Rulemaking: minor every 4-5 years, or major every 15-20

Seed Garlic Registration & Certification

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Participants	2	1	1	1	1	1	1
IB/CB	5	4	4	4	4	5	5
Acres	74	179	220	246	250	179	224

Seed Garlic Registration & Certification



Seed Garlic Registration & Certification

- Estimated annual costs:
 - Personal Services = \$20,746
 - Operating Expenses & Equipment = \$14,129
 - Total annual costs = **\$34,875**
- Typical annual revenue is about \$15,000
- Note: Difference likely greater due to small % of staff time used, compared with larger programs. Would need to analyze based on # hours instead of % time to better determine cost.

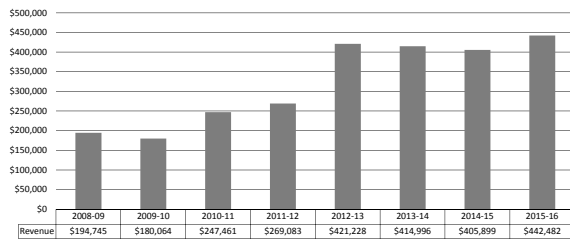
Strawberry Registration & Certification

Field Staff:	Admin:
<ul style="list-style-type: none"> Visual inspection of blocks for pest/disease cleanliness Inspection of planting/growing sites for compliance Sampling/testing for nematodes Index testing for regulated viruses Prep work and coordination for all field activities Review records Reports for all compliance activities Enforcement for non-compliance Addressing & responding to participants' concerns and inquiries Attend trainings specific to program activities, regulated commodity, pests and diseases Assist County Ag. Commissioner's staff with service inspections for phytosanitary certification at participants' blocks 	<ul style="list-style-type: none"> Supervision of field & office staff Process applications & payments, adjusted billings Fiscal oversight: expenditure/revenue tracking, budgets Website maintenance, outreach materials, public relations Attend industry meetings Attend national regulatory meetings (i.e., NCPN) Rulemaking: minor every 4-5 years, or major every 15-20

Strawberry Registration & Certification

	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Participants	9	9	8	8	9	9	9	8
FB	16	17	15	15	17	22	21	20
IB/CB	31	34	29	33	41	38	42	32
Acres	761	711	716	765	1,056	1,067	1,259	806
Plants Index	5,706	6,198	7,169	7,820	10,009	10,322	9,909	11,087
Nematode Sample	984	TBD	1,162	1,185	1,315	1,464	1,288	1,687

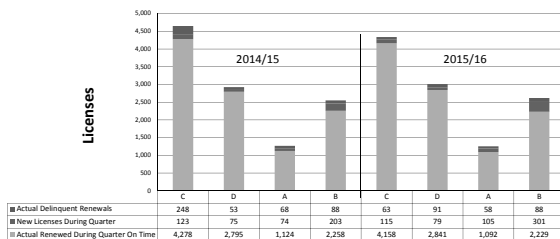
Strawberry Registration & Certification



Strawberry Registration & Certification

- Estimated annual costs:
 - Personal Services = \$468,135
 - Operating Expenses & Equipment = \$217,852
 - Total annual costs = **\$685,987**
- Typical annual revenue is about \$420,000
- Estimated shortfall is at least \$200,000.

Nursery Licensing Figures



Nursery Licensing & Regulatory Work

- Estimated annual costs:
 - Personal Services = \$807,802
 - Operating Expenses & Equipment = \$1,273,594
 - Total annual costs = **\$2,081,397**
- Projected annual revenue is about \$2,100,000

Analysis of Expenditures Related to Registration & Certification Programs

- Estimated total shortfall related to individual R&C programs is approximately \$300,000 - \$350,000
- We also noted that program field staff are performing R&C program work at the expense of other regulatory work
 - Out of 8.5 PY for Nursery Services field staff, less than 2.5 PY are spent on nursery regulatory work, including training and assisting county staff on inspection and enforcement activities

Nursery Services Program Budget Summary

	PPY 2014/15 per 9/8/2016	PY 2015/16 per 9/8/2016	CY FY2016/17	Proposed FY 2017/178
Permanent Salary	902,603	944,809	1,043,246	1,147,571
Temporary Salary	119,447	147,810	89,738	89,738
Staff Benefits (includes Unemployment Ins)	540,675	598,044	572,859	572,859
TOTAL PERSONAL SERVICES	1,562,725	1,690,664	1,705,843	1,810,168
General Expenses	23,737	27,615	40,000	40,000
Printing	3,519	4,603	5,000	5,000
Communications	13,600	12,130	14,000	14,000
Postage	6,704	6,080	8,000	8,000
Insurance-Vehicles	2,026	2,761	3,000	3,000
Travel In-State	34,022	27,459	37,000	35,000
Travel Out-of-State	1,172	7	0	2,000
Training	3,576	373	10,000	10,000
Facilities	152,240	149,366	145,000	145,000
Utilities	7,201	5,942	0	0
Cons & Prof	1,312	1,275	2,000	2,000
Atty General Charges	0	0	5,000	5,000
External Services (includes web payment service)	5,667	4,922	0	0
Intradeptl Charges (includes Division Costs, Executive/Administration, IT)	442,041	415,004	418,679	418,679
Pro Rata	108,201	112,335	100,927	100,927
IT Purchases	9,919	12,072	14,000	14,000
Equipment	42,545	29,983	45,000	45,000
Field Expenses/Agri & Lab Supplies	16,531	22,373	21,772	21,772
Vehicle Operations	32,039	30,546	50,000	50,000
Other Misc. Charges	448	0	0	0
Subtotal Oper Exp/Equip	906,500	864,847	919,378	919,378
County Contracts	699,870	675,440	675,000	675,000
Nematode Lab Costs	68,520	67,120	60,000	60,000
TOTAL OPER EXP/EQUIP	1,674,889	1,607,407	1,654,378	1,654,378
Recovery from other programs	(271,911)	(258,383)	(275,000)	(275,000)
Reimbursement 224c - Admin	(42,254)	(42,327)	(43,586)	(43,586)
TOTAL COST RECOVERIES	(314,165)	(300,710)	(318,586)	(318,586)
TOTAL BUDGET w Personnel & Benefits	2,923,449	2,997,360	3,041,635	3,145,960

Nursery Services Program Fund Condition

	PPY 2014/15 EOY Actual	PY 2015/16 EOY Estimate	CY 2016/17 Projection	Projection for 2017/18 Fund Condition	Projection for 2018/19 Fund Condition
BEGINNING RESERVE BALANCE	\$1,647,118	\$1,474,022	\$1,281,894	\$1,001,859	\$617,499
REVENUE CATEGORIES					
Nursery License Fee	1,755,475	1,789,550	1,800,000	1,800,000	1,800,000
Acreage Fee	299,494	304,650	305,000	305,000	305,000
Delinquent (Penalty) Fee	42,600	41,625	40,000	40,000	40,000
Directory Sales	105	105	100	100	100
R&C & Nematode Certification	648,065	656,208	611,500	611,500	611,500
Interest & Miscellaneous Income	4,614	13,094	5,000	5,000	5,000
TOTAL REVENUE	\$2,750,353	\$2,805,232	\$2,761,600	\$2,761,600	\$2,761,600
EXPENDITURES					
Personnel Services	1,562,725	1,690,664	1,705,843	1,810,168	1,810,168
Operating Exp & Equipment	906,500	864,847	919,378	919,378	919,378
County Contracts	699,870	675,440	675,000	675,000	675,000
Lab Services	68,520	67,120	60,000	60,000	60,000
COST RECOVERIES					
Recovery from other programs	(271,911)	(258,383)	(275,000)	(275,000)	(275,000)
Reimbursement 224c - Admin	(42,254)	(42,327)	(43,586)	(43,586)	(43,586)
TOTAL EXPENDITURES (BUDGET)	\$2,923,449	2,997,360	\$3,041,635	\$3,145,960	\$3,145,960
ENDING RESERVE BALANCE	\$1,474,022	\$1,281,894	\$1,001,859	\$617,499	\$233,139
AG TRUST FUND					
Interest	318,131	318,943	320,284	321,284	322,284
ENDING AG TRUST FUND	\$318,943	\$320,284	\$321,284	\$322,284	\$323,284

NOTES OF INTEREST:

Reserve Calculation: The Department recommends that this program maintain a reserve of between 1/3 and 1/2 of its annual expenditures; this calculates to between \$1M and \$1.5M.

Overview of Indirect Charges

Nursery Advisory Board – 9/14/2016

Interdepartmental Charges

Division – Indirect Costs

- Division Infrastructure – Director, Asst. Director, Permits & Regulations, etc.
- Data Management

Departmental Indirect Costs

Internal departmental indirect costs include such items as:

- Personal services costs of the department's administrative, supervisory, and executive staff incurred at the unit, bureau, or division level.
- Personal services costs of support units, including accounting, human resources, contracts, internal audits, legal, information technology, clerical support, etc.
- Operating expenses and equipment costs not incurred to directly support a specific cost objective.

Departmental indirect costs are accumulated and distributed through a cost allocation process to the various units (Programs) in the department.

Statewide Indirect Costs

There are more than 500 state agencies in California. Statewide indirect costs are non-reimbursed (General Fund) central service agency costs. Central service costs are those amounts expended by central service departments and the Legislature for **overall administration of state government and for providing centralized services to state departments**. These functions are necessary for state operations and are centralized to provide efficient and consistent statewide policy and services. Examples are:

- | | | |
|-------------------------------------|--|---|
| • Dept. of Finance (Finance) | • California Victim Compensation and Government Claims Board | • State Agencies Secretaries: |
| • Dept. of Information Technology | • Office of Administrative Law | – Health and Human Services |
| • Dept. of General Services for: | • California State Library | – Youth and Adult Correctional |
| • State Controller's Office | • Health Benefits for Retired Annuityants | – State and Consumer Services |
| • State Treasurer's Office | • Dept. of Justice | – Business, Transportation, and Housing |
| • State Personnel Board | • Bureau of State Audits | – Resources |
| • Dept. of Personnel Administration | • Legislature | |

SWCAP & Pro Rata

Central service agencies provide services benefiting all State departments. Statewide indirect costs may be charged as either Pro Rata or SWCAP. SWCAP costs are used for federal reimbursement purposes. Pro Rata costs are used for special funds and other reimbursements. Only continuously appropriated (CA) funded programs are charged Pro Rata.

CDFA is sent a Pro Rata charge, which is spread across programs based on factors and formulas that consider workload data, billable and non-billable fund categories, and budget data.

Pro Rata is a process that:

- recovers for the General Fund, costs incurred by central administrative service agencies that provided central administrative services to departments
- allocates the costs of each central administrative service agency to operating departments using the departments' workload
- allocates central administrative service agency's costs to a departments' funding sources (i.e., industry-funded programs that use those services)

What is the Ag Trust Fund?

FAC § 233. (a) The trust fund consists of moneys transferred by the director from the Department of Food and Agriculture Fund, including all income therefrom. The amount of funds, excluding interest earned thereon, contained in the trust fund shall be determined by the director, and shall be the same percentage for all agricultural programs, but shall not exceed 10 percent of the annual operating budgets of each agricultural program. Funds in excess of 10 percent of the annual operating budgets of each agricultural program that are in the trust fund, or such other lesser percentage as the director may determine, may be returned to the Department of Food and Agriculture Fund.

(b) The director shall establish separate accounts in the trust fund for the money transferred to the fund from each of the agricultural program accounts in the Department of Food and Agriculture Fund. The trust accounts shall be used by the Department of Food and Agriculture Fund for expenditure when necessary for the exclusive purpose of implementing and continuing any of the agriculture programs with money contained in the trust fund.

FAC § 240. The moneys in the trust fund shall be disbursed only to pay for costs arising from unanticipated occurrences associated with administering self-funded programs. These costs shall include, but are not limited to: attorney costs related to litigation; workers' compensation costs; unemployment costs; phaseout costs of existing programs; and temporary funding for programs that are implementing a fee increase. Any program using the moneys from the trust fund shall repay the trust fund based on a schedule approved by the director.

Current Fee Structure: California License to Sell Nursery Stock

Presented September 14, 2016 - Nursery Advisory Board Meeting

MINIMUM LICENSE FEE = \$150

An equal amount must be paid for each branch sales yard, store, or sales location that is owned and operated by the applicant in the state. By law, the minimum license fee cannot exceed \$180.

ACREAGE FEE

Required for land used in the production, storage, or sale of all nursery stock in excess of one acre (except exemption noted below). By law, the total acreage fee for any licensee cannot exceed \$900, and is calculated based on the total acreage at all locations where nursery stock is produced, stored, or sold.

0	-	1.0	acres . . .	\$ 0
1.01	-	5.0	acres . . .	\$ 100
5.01	-	20.0	acres . . .	\$ 250
20.01	-	50.0	acres . . .	\$ 400
50.01	-	200.0	acres . . .	\$ 600
200.01	-	500.0	acres . . .	\$ 800
500.01	-	+	acres . . .	\$ 900

Note: An acreage fee is not required for licensees whose gross income from the production of cut flowers and cut ornamentals is 75 percent or greater of the gross income of their nursery.



**NURSERY ADVISORY
No. 04-2016**

DATE: August 25, 2016

TO: All County Agricultural Commissioners

FROM: Pest Exclusion/Nursery, Seed, and Cotton Program
Plant Health and Pest Prevention Services

SUBJECT: Nursery Inspection Procedures Manual (NIPM) Revisions

The following changes have been made to items in the Nursery Inspection Procedures Manual (NIPM):

NIPM Item # 5:

NIPM 5 has been renumbered to NIPM 5.1, and a brief introductory paragraph was added.

A new NIPM 5 has been included, and contains excerpts from the laws for nursery stock grades and standards found in the California Food and Agricultural Code, Division 18, Chapter 5.

NIPM Item # 6:

The title of NIPM 6 was changed to be in line with other NIPM items containing regulations, and a brief introductory paragraph was added.

A new item, NIPM 6.1, has been added and contains additional nematode cleanliness requirements for nursery stock for farm planting found in California Code of Regulations, Title 3, Section 3640.

You may view and download the latest updates at:
(<http://www.cdfa.ca.gov/plant/pe/nsc/nursery/nipm.html>)

For questions regarding this advisory, please contact Kristina Weber at (916) 654-0435 or by e-mail at: kristina.weber@cdfa.ca.gov.



NIPM Item #5

Laws for Nursery Stock Grades and Standards

The following is a reprinting of the laws regarding labeling, grades, and standards for nursery stock, found in the California Food and Agricultural Code, Division 18, Chapter 5: Nursery Stock Grades and Standards.

Article 1. Definitions.

53301. Unless the context otherwise requires, the definitions in this article govern the construction of this chapter.

53302. "Advertisement" means any representation which relates to nursery stock, that is disseminated in any manner or by any means, except a representation which is on the label.

53303. "Decorative plants" means indoor plants which are commonly grown and sold in movable containers, and which are not adapted for cultivation out of doors because of climatic conditions and natural peculiarities of habit or growth and because of the purpose of their cultivation.

53304. "Grade size" means the designation relating to nursery stock which denotes the height, spread, caliper, dimension, condition, quality, age, methods of propagation, or means of growth.

53305. "Labeling" means all labels, and other written, printed, or graphic representations, in any form whatsoever, which accompanies and pertains to any nursery stock.

53306. "Nursery stock" means all kinds of nursery stock except decorative plants and seeds.

53307. "Ornamental" means any plant which is grown for ornamental purposes, except decorative plants, dormant bulbs, tubers, roots, corms, rhizomes, and pips.

53308. "Botanical name" means the genus and species, the genus, species, and cultivar name, or the genus and cultivar name given to a plant in accordance with the International Code of Botanical Nomenclature and the International Code of Nomenclature of Cultivated Plants.

53309. "Cultivar name" means the cultivated variety name given to a plant in accordance with the International Code of Nomenclature of Cultivated Plants, without regard to whether that plant is selected from a wild or cultivated population or produced through hybridization.

53310. "Blend" means a combination of the same kinds of nursery stock.

53311. "Mixture" means a combination of two or more kinds of nursery stock.

53312. "Sod" means grassy surface soil nursery stock held together by matted roots of the grass.

53313. "Turf" means grassy surface soil nursery stock consisting of grass cultivars, mixtures or blends of grass cultivars, and dichondra for use in residential and commercial landscapes.

Article 2. General Provisions.

53331. The Legislature hereby declares that by making any additions to or amendments of this chapter it intends to formulate a system of grades and standards and minimum requirements for nursery stock to the end that purchasers of nursery stock may have adequate knowledge concerning the name and the grade size of nursery stock with relation to established standards. If, however, any provisions of, or amendment or addition to, this chapter, either as originally enacted or as amended or added to, should be held to be unconstitutional, the unconstitutionality of such provision shall not affect any other provision of this chapter.

53332. The Legislature hereby declares that it would have enacted each section, subdivision, sentence, clause, or phrase of this chapter irrespective of the fact that one or more other sections, subdivisions, sentences, clauses, or phrases be declared unconstitutional.

Article 3. Enforcement.

53361. The director and the commissioners of each county of the state, their deputies and inspectors, under the supervision and control of the director, shall enforce this chapter.

53362. For the purpose of carrying out the provisions of this chapter, all enforcing officers may enter upon any public or private premises in order to have access to nursery stock subject to this chapter and the regulations which are adopted pursuant to it.

53363. If the director or the commissioner shall find that any person has violated any provision of this chapter, he may institute proceedings in a court of competent jurisdiction in the area in which the violation occurred, to have such person convicted of the violation, or he may file with the district attorney such evidence that may be deemed necessary.

Article 4. Regulations.

53391. The director may adopt regulations which may be necessary to carry into effect the purposes of this chapter and each section of it, and may issue in relation to this chapter explanatory data and charts.

53392. The director by regulations may provide for grade sizes of the different kinds of nursery stock, and may provide that nursery stock shall be labeled with grade sizes which are established by such regulations. The director may make such other regulations as are necessary to carry out the provisions of this chapter.

Article 5. Warning Tags or Notices.

53421. The director or the commissioner may issue and enforce a written or printed warning tag or notice to the owner or custodian of any lot of nursery stock which he finds is in violation of any provision of this chapter, which shall prohibit movement of such nursery stock until such officer has evidence that the law has been complied with. Upon compliance such order shall be removed.

53422. It is unlawful for any person to move or otherwise dispose of any lot of nursery stock which is held under a warning tag or notice except with the permission of the director or the commissioner and for the purpose specified.

53423. The owner or custodian of nursery stock which is held under a warning tag or notice shall, upon demand, have the right of a hearing before the director or the commissioner as to the justification of any such order, and may appeal to the director from any order of the commissioner which is made pursuant to this article.

53424. This article shall not be construed as limiting the right of the enforcement officer to proceed as authorized by other provisions of this chapter.

53425. Any decision of the director pursuant to this article is subject to review by any court of competent jurisdiction.

Article 6. Standards.

53451. Nursery stock which is sold shall comply with all of the following requirements:

- (a) It shall be living stock and shall not be dead, or in a dying condition.
- (b) It shall not be seriously broken, frozen, or damaged.

(c) It shall not be abnormally potbound.

53452. Deciduous fruit and nut trees which are sold shall be free from any of the following defects:

(a) Twisted, crossed, frosted, broken, or other defective roots.

(b) Broken grafts.

(c) Other deformations and defects which would interfere with the normal and proper development of such trees after planting.

Article 7. Labeling.

53481. When nursery stock is sold, it shall be labeled plainly and legibly as to the grade size, if so required by regulations, and as to the correct name as follows:

(a) The correct name for ornamentals, except roses, fruit trees, and annual or herbaceous perennial ornamental plants, shall be the botanical name.

(b) The correct name for fruit trees shall be the recognized common name and cultivar.

(c) The correct name for turf shall be the kind and cultivar.

(d) The correct name for roses, annual or herbaceous perennial ornamental plants, dormant bulbs, tubers, roots, corms, rhizomes, pips, and other kinds of nursery stock shall be the cultivar name, except that the recognized common name shall be required whenever no cultivar name has been given or can be determined.

53482. In order to identify nursery stock properly, whenever it is shipped, delivered, or transported to any purchaser, each plant shall be individually labeled as to the correct name. The director may create exceptions to this section by regulation.

53483. Nursery stock on display for sale at retail may be labeled by a sign on any block of stock of the same kind and species. Turf shall be labeled by a sign showing the required correct name of the stock on display.

53484. This article shall become operative January 1, 1982.

Article 8. Violations.

53511. It is unlawful for any person to sell, ship, deliver, or transport to any purchaser any nursery stock which is within any of the following:

(a) Is not labeled in accordance with the provisions of this chapter or the regulations of the director.

(b) Has false or misleading labeling, or pertaining to which there has been a false or misleading advertisement.

(c) Is represented to be certified or registered nursery stock unless it has been produced and labeled in accordance with the procedures and in compliance with the rules and regulations of an official agency.

This section does not apply to any common carrier in respect to any nursery stock which is transported or delivered for transportation in the ordinary course of its business as a carrier.

53512. It is unlawful for any person to do any of the following:

- (a) Detach, alter, deface, or destroy any label, warning tag, or notice which is provided for in this chapter or in the regulations which are adopted pursuant to it, or alter or substitute nursery stock, in a manner that may defeat the purpose of this chapter.
- (b) Disseminate any false or misleading advertisement concerning nursery stock in any manner or by any means.
- (c) Hinder or obstruct in any way any authorized person in the performance of his duties under this chapter.
- (d) Fail to comply with a warning tag or notice.

Article 9. Penalties.

53541. The violation of any provision of this chapter is a misdemeanor and punishable by a fine of not less than one hundred dollars (\$100) nor more than one thousand dollars (\$1,000), or by imprisonment in the county jail for not more than six months, or by both fine and imprisonment.

Article 10. Abatement.

53561. Any lot of nursery stock which does not comply with the provisions of this chapter is a public nuisance and shall be subject to seizure on complaint of the director or the commissioner to a court of competent jurisdiction in the area in which the nursery stock is located.

53562. The district attorney of the county in which any such nuisance is found, at the request of the director or the commissioner, shall maintain, in the name of the people of the State of California, a civil action to abate and prevent such nuisance. Upon judgment and by order of the court, such nuisance shall be condemned and destroyed in the manner directed by the court, or relabeled, or reconditioned, or released upon such conditions as the court in its discretion may impose to insure the nuisance will be abated.

53563. If the owner fails to comply with the order of the court within the time specified in the order, the court may order that such nursery stock be forthwith destroyed or the nuisance otherwise abated as set forth in such order.

53564. A proceeding pursuant to this article where the value of the property is twenty-five thousand dollars (\$25,000) or less is a limited civil case.

NIPM Item #5.1

Regulations for Nursery Stock Grades and Standards

The following is a reprinting of the regulations regarding labeling and grade-size standards of nursery stock, found in California Code of Regulations, Title 3, Division 4, Chapter 3, Subchapter 2: Nursery Stock, Article 12: Nursery Stock Grades and Standards.

3061. Labeling

The following is established as an exception of the individual plant labeling requirement specified in Food and Agricultural Code Subarticle 10 Section 53482:

Nursery stock, when offered for sale, may be labeled as to botanical name, kind or variety or common name at the discretion of the person offering it for sale. If such stock is labeled, it must comply with Section 53841 et seq., Food and Agricultural Code.

Note: Authority cited: Sections 407, 53391, 53392 and 53482, Food and Agricultural Code.
Reference: Sections 53392 and 53481-53483, Food and Agricultural Code.

3062. Grade-Sizes

(a) General Provisions. Nursery stock, when offered for sale, need not be graded and tagged at the discretion of the person offering the stock for sale; but if it is graded and tagged, it must meet the requirements of this article. Nursery stock when graded by size shall have a well-developed root system and the canes or top-growth shall have proportionate weight and caliper according to grade-size and variety. The number and length of the canes or top-growth specified for each grade-size shall refer to the number and length before such canes or top-growth are cut back or pruned in preparation for sale. Nursery stock which has been cut back or pruned may be compared with other stock of the same class which has not been cut back or pruned, to determine compliance with the grade-size established herein.

(b) Roses. Field-grown bare root rose bushes harvested after the second season of root growth shall be labeled with the grade-size on each bundle when sold at wholesale. Rose bushes which do not meet the lowest grade-sizes shall be labeled as "substandard" whenever sold at wholesale.

The grade-sizes hereby established for each classification of rose bushes are minimum sizes and not more than 10 percent of the roses in any lot shall be below the size specified.

(1) Tea, Hybrid Tea, Grandiflora, Rugosa Hybrids, Hybrid Perpetuals, and Moss Roses.

No. 1 rose bushes shall have three or more strong canes, 16 inches and up, branched not higher than three inches above the bud union.

No. 1 1/2 rose bushes shall have two or more strong canes, 15 inches and up, branched not higher than three inches above the bud union.

No. 2 rose bushes shall have two or more strong canes, 12 inches and up, branched not higher than three inches above the bud union.

No. 3 rose bushes shall be of good salable and plantable quality.

(2) Floribunda Roses.

No. 1 rose bushes shall have three or more strong canes, 15 inches and up, branched not higher than three inches above the bud union.

No. 1 1/2 rose bushes shall have two or more strong canes, 14 inches and up, branched not higher than three inches above the bud union.

No. 2 rose bushes shall be of good salable and plantable quality.

(3) Polyantha and Low Growing Floribunda Roses.

No. 1 rose bushes shall have four or more canes, 10 inches and up, branched not higher than three inches above the bud union.

No. 1 1/2 rose bushes shall have three or more canes, eight inches and up, branched not higher than three inches above the bud union.

No. 2 rose bushes shall be of good salable and plantable quality.

(4) Climbing Roses.

No. 1 rose bushes shall have three or more strong canes, 24 inches and up, branched not higher than three inches above the bud union or crown.

No. 1 1/2 rose bushes shall have two strong canes, 18 inches and up, branched not higher than three inches above the bud union or crown.

No. 2 rose bushes shall be of good salable and plantable quality.

Effective September 1, 1985, the grade-sizes for roses shall be as hereafter specified. At the same time, the foregoing grade-sizes for roses shall be void. The grade-sizes for each group of bush rose classifications are minimum sizes and not more than ten percent of the roses in any bundle shall be below the size specified. As used in the grade-sizes below, "strong cane" means a cane that is at least 3/16 of an inch in caliper regardless of its length, and is healthy, vigorous, and fully developed so that it is hardened off throughout the specified length for the grade.

(c) Deciduous Fruit, Almond, Walnut and Pecan Trees. Grade-sizes are hereby established for the following kinds of nursery stock: almond, apple, apricot, cherry, fig, nectarine, peach, pear, pecan, persimmon, plum, prune, quince and walnut. Whenever these kinds are sold bare root in lots of ten or more of one variety, each bundle shall be labeled with the grade-size except that the grade-size shall not be required for flowering ornamental varieties, dwarf trees, multiple budded trees, dormant budded trees, unbudded rootstocks, or for trees individually packaged for use in the retail trade. The grade-size specified is the lower limit of a range of sizes up to the next highest grade-size specified. Not more than 10 percent of the trees in any bundle shall be less than the lower limit of the size specified and not more than 20 percent shall exceed the upper limit. Trees shall be graded by caliper to be measured two inches above the center of the bud union or, if not budded, two inches above the crown.

(1) Yearling trees (two-year-old roots) and older shall be graded in the following sizes:

1/4 inch (6.4 mm), 5/16 inch (7.9 mm), 3/8 inch (9.5 mm), 1/2 inch (12.7 mm), 5/8 inch (15.9 mm), 3/4 inch (19.1 mm), 1 inch (25.4 mm). Grade-sizes less than 1/4 inch shall be graded "substandard." Grade-size larger than 1 inch (25.4 mm) shall be graded and labeled in 1/4 inch (6.4 mm) increments.

(2) June buds (one-year-old roots) shall be graded in the following sizes:

3/16 inch (4.8 mm), 1/4 inch (6.4 mm), 5/16 inch (7.9 mm), 3/8 inch (9.5 mm), 1/2 inch (12.7 mm), 5/8 inch (15.9 mm), 3/4 inch (19.1 mm) and up. Grade-sizes less than 3/16 inch shall be graded "substandard."

(d) Grapevines. Whenever grapevines are sold bare root in lots of 25 or more of one variety each bundle shall be labeled with the grade-size. The grade-sizes hereby established are minimum sizes and not more than 10 percent of the vines in any lot shall be below the size specified. In addition to the minimum size

specifications established for grapevines, rooted cuttings of grape rootstock varieties shall be graded by length and caliper size of the original cutting: length of rootstock to be measured from the uppermost node from which the top-growth originates to the basal node where roots develop; caliper size to be measured equidistant between the node from which the top-growth develops and the node immediately below. The following grade-sizes are hereby established:

No. 1 grapevines shall have a well-matured top-growth at least eight inches (20.3 cm) in length and shall have a well-developed root system originating from the basal node of the original cutting.

If such vines have been produced by grafting or budding, the unions thereof shall be complete and sound without surplus callus tissue; no roots or suckers shall proceed from the scion portion, and no suckers shall proceed from the rootstock portion thereof.

Rooted cuttings of grape rootstock varieties shall be at least 14 inches (35.6 cm) in length and have a caliper size of at least 1/4 inch (6.4 mm).

Grapevines which meet the minimum size specifications for a No. 1 grapevine and in addition have one or more 14-inch (35.6 cm) canes of well-matured top-growth may be labeled with the grade-size designation, "Jumbo."

No. 2 grapevines shall have healthy live roots originating from the basal node of the original cutting and shall have a well-matured top-growth at least four inches (10.2 cm) in length or a total of at least eight inches (20.3 cm) of well-matured top-growth.

If such vines have been produced by grafting or budding, the unions thereof shall be sound without a prominent surplus of callus tissue.

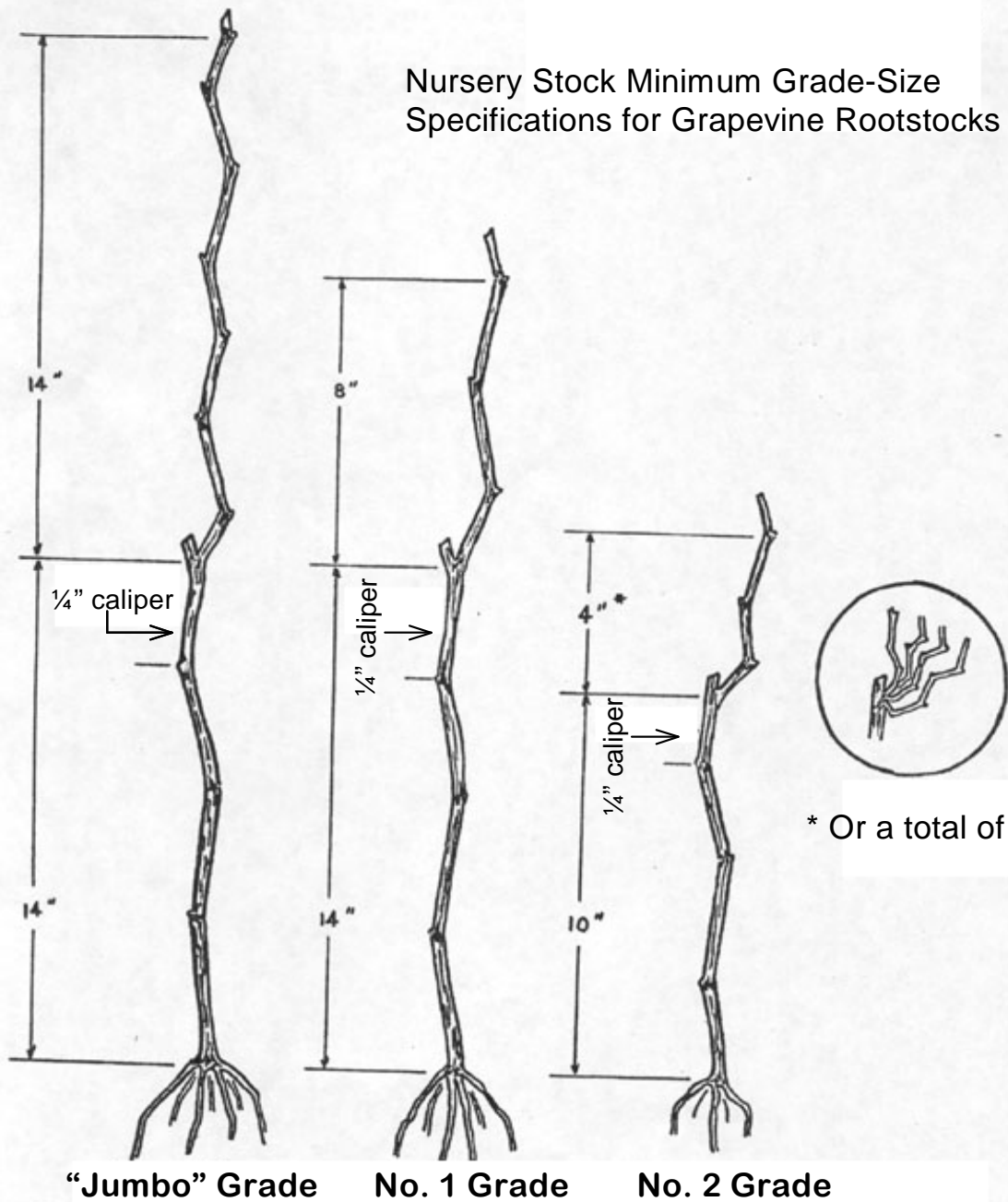
Rooted cuttings of grape rootstock varieties shall be at least 10 inches (25.4 cm) in length and have a caliper size of at least 1/4 inch (6.4 mm).

Substandard grapevines are grapevines that have some root and top growth, but which do not otherwise meet the minimum size specifications prescribed herein. Such grapevines shall be labeled "substandard."

(e) Exemptions. All nursery stock requiring grading as described in this section shall be graded as provided except when by written agreement, buyer and seller agree that the nursery stock will be graded after sale by the buyer and before reselling. When a written agreement of this type is made, a copy of such agreement shall be provided upon request to the Department of Food and Agriculture or the County Agricultural Commissioner of the county in which the nursery stock was produced.

Note: Authority cited: Sections 407, 53391 and 53392, Food and Agricultural Code.
Reference: Sections 53392 and 53481, Food and Agricultural Code.

Nursery Stock Minimum Grade-Size Specifications for Grapevine Rootstocks



"Sub-standard" Grade: Grapevines which are of a salable and plant-able quality but fail to meet the minimum size specifications shall be labeled "sub-standard" and not with any other grade-size specification.

NIPM Item# 6

Regulations for Nursery Stock Nematode Certification

The following is a reprinting of the regulations for the certification of nursery stock for cleanliness with respect to nematodes, found in California Code of Regulations, Title 3, Division 4, Chapter 3, Subchapter 2: Nursery Stock, Article 10: Nursery Stock Nematode Certification.

3055. Disclaimer of Warranties and Financial Responsibility.

The provisions of Section 3069 shall apply to this article.

Note: Authority cited: Sections 407 and 5823, Food and Agricultural Code.

Reference: Sections 5821 and 5822, Food and Agricultural Code.

3055.1. Definitions.

(a) "Approved treatment" means any soil preparation, treatment, and post-treatment recontamination preventative measures that are approved, documented, and supervised by the Department as a means of producing nursery stock free of nematodes.

(b) "Soil" includes, but is not limited to, what is generally known as soil, mixtures of soil and horticultural soil amendments, and horticultural soil amendments alone, as blends, or as mixtures, used as a plant growing medium.

(c) "Approved laboratory methods" means any soil sampling plans; growing plot or sample identification methods; sample protection, transportation, and processing methods; nematode extraction methods; and nematode diagnostic procedures approved by the Department to test soil and plants for the presence of nematodes.

(d) "Free of nematodes" means free of nematodes consistent with the capacity of the approved treatment and approved laboratory methods prescribed in this article respectively to yield nursery stock free of nematodes or to detect low level nursery stock nematode infestations. It does not mean complete freedom and nematodes may be present consistent with the limitations inherent to the prescribed approved treatment and approved laboratory methods.

(e) "Nematode" means nematode species that the Department determines to be economically important.

(f) "Participant" means any person for whom the Department has approved an application for nursery stock nematode certification.

(g) "Program" means the nursery stock nematode certification program administered by the Department pursuant to these regulations.

(h) "Department" means the California Department of Food and Agriculture, the Secretary of Food and Agriculture, and its agents, employees, or representatives.

Note: Authority: Sections 407 and 5823, Food and Agricultural Code.

Reference: Sections 5821 and 5822, Food and Agricultural Code.

3055.2. General Provisions.

(a) California grown nursery stock may be certified to nematode cleanliness when grown and handled in accordance with the procedures outlined in this article.

(b) Participation in this program is voluntary and may be withdrawn at the option of the applicant.

(c) Approvals, inspections, tests, supervision, determinations, and certifications shall be conducted by the Department or its authorized agents.

(d) Refusal, Suspension, or Termination of Certification.

The Department reserves the right to refuse certification services to anyone and may refuse, suspend, or terminate certification for part or all of a planting if:

- (1) The requirements of this article have not been met; or,
- (2) Participant responsibilities specified in this article are not met; or,
- (3) Any condition which hinders or prevents proper treatment, approval, field or plant sampling, or laboratory nematode diagnostics; or,
- (4) A planting or part of a planting is found to be nematode infested; or,
- (5) The identity of the stock becomes uncertain or has not been properly maintained; or,
- (6) Indicia of certification are misused or stock is misrepresented.

Note: Authority: Sections 407 and 5823, Food and Agricultural Code.
Reference: Sections 5821 and 5822, Food and Agricultural Code.

3055.3. Participant Responsibilities.

All participant responsibilities specified in this article shall be performed at the expense of the participant. The participant shall be responsible for:

- (a) Application for nursery stock nematode certification.
- (b) Selection of planting location(s).
- (c) Soil treatments.
- (d) Post-treatment cultural and sanitation practices necessary to help prevent nematode recontamination.
- (e) Notifying the Department of the date of all pest control treatments in plantings for which inspections are scheduled, the product used, dosage and any re-entry or worker safety requirements which apply. This notification is required to assure that approvals and inspections may be made properly and in accordance with state law governing worker health and safety for pesticide exposure. Such notification need not be made at times when inspections are not scheduled.
- (f) Proper use of all official indicia of certification provided by the Department.
- (g) Compliance with the requirements of this article and with all other applicable laws and regulations.

Note: Authority: Sections 407 and 5823, Food and Agricultural Code.
Reference: Sections 5821 and 5822, Food and Agricultural Code.

3055.4. Eligibility.

Any clearly identified block or lot of nursery stock being grown in soil which, at the time of application, can be determined to be free of nematodes may be entered for certification of nematode freedom at the time of harvest and/or sale. Nursery stock meeting the requirements of this article shall be eligible for certification using official indicia of certification for a period of not more than two growing seasons after

approved soil treatment and planting; or, 12 months after the nursery stock has been determined to be free of nematodes based on approved laboratory methods. In either of the foregoing cases, eligibility will be invalidated if, after harvest, nursery stock is stored in untreated soil or otherwise exposed to nematodes.

Note: Authority: Sections 407 and 5823, Food and Agricultural Code.
Reference: Sections 5821 and 5822, Food and Agricultural Code.

3055.5. Certification.

The Department will issue and authorize the use of official tags, seals or other indicia of certification on nursery stock which meets the requirements of this article. Nursery stock may be certified for nematode freedom in accordance with subsection (a) or (b) below.

(a) Certification Based on Approved Treatment.

Certification based on approved treatment involves the planting of nursery stock (including seed, unrooted cuttings, rooted cuttings, plantlets or seedlings) in approved treated soil and protecting it against nematode contamination until harvest and sale. Rooted planting stock must be determined to be free of nematodes using approved laboratory methods prior to planting in approved treated soil. Prescribed soil preparation requirements must be documented and approved chemical treatments must be both supervised and documented by the Department. All documentation and required supervision may be performed at the time of treatment.

(1) Field Treatment.

(A) Pre-Treatment Soil Preparation.

1. Trash Removal.

Plant material must be removed and the planting site shall be disced to reduce the size of trash remaining so that the treatment will be effective. Both trash removal and discing shall be performed to the satisfaction of the Department.

2. Waiting Period.

A clean-fallow period shall be maintained, after trash removal and before treatment, as follows:

- a. Not less than 24 months following removal of an orchard or vineyard that has been in place for more than one year.
- b. Not less than nine months following removal of a previous woody nursery crop which has been in place for more than one year.
- c. Not less than six months following removal of a nematode host crop which has been in place for less than one year.
- d. No waiting period is required after the removal of an annual vegetable plant crop.

3. Soil shall be worked to a depth of two to three feet to break up hardpan or plowsole. Soil moisture and cultivation shall be adequate to render the soil in seed bed condition.

(B) Treatment.

All applications of pesticides must be made in compliance with the applicable laws and regulations.

1. Soil temperature at depth of injection shall be between 40°F and 80°F. If the soil temperature is above 80°F, but 85°F or less, the dosage of methyl bromide should be increased by 5% over the minimum specified by the Department.

2. Materials and Schedules of Dosages.

The rate per acre for the fumigant used shall not be less than the minimum prescribed by the Department. Treatments for soils containing more than 30% clay may not be approved.

3. Treatments in accordance with these procedures shall be good for 18 months from the date of treatment to planting date provided that the treated area is clean-fallowed and otherwise not exposed to nematode reinfestation.

4. Application methods include dual application, tarping (solid and strip), or any other suitable method as approved by the Department. The tarp used in a methyl bromide fumigation shall remain in place for 48 hours.

5. Any lot of rooted nursery stock which has not been approved in the nematode control program must be sampled using approved laboratory methods, and found to be free of nematodes, prior to planting in approved treated soil.

6. Nursery stock produced in accordance with these approved procedures shall be stored, healed-in, or calloused in media, beds, or storage areas approved by the Department. Treatments may be required to protect against nematode infestation.

(2) Container, Flat, and Frame Grown Nursery Stock.

All soil, containers, flats, and soil within frames shall be treated prior to planting. Following treatment, the soil and containers shall be protected from reinfestation by nematodes. The following are approved treatments:

- (A) Aerated steam in a closed chamber until all soil reaches a temperature of not less than 140°F and is maintained for not less than 30 minutes; or,

- (B) Steamed in a closed chamber until temperature of all soil reaches 180°F; or,

- (C) Fumigated under a plastic tarpaulin or in a gas-tight chamber for 24 hours using two pounds of methyl bromide per 100 cubic feet. Soil temperature shall not be lower than 50°F at start of treatment.

(b) Certification Based on Approved Laboratory Methods.

The following, or other, laboratory methods approved by the Department shall be used to determine nematode freedom. Any sample in which nematode is detected shall be considered infested and not eligible for certification under the provisions of this article unless there is a Department-approved eradication treatment and the participant so treats the nursery stock.

(1) Field Grown Nursery Stock, Generally.

Collect samples on a 40 foot x 40 foot grid interval throughout the planting. Samples may be composited on an acre or nursery stock variety basis. Alternatively, at the discretion of the Department, samples may be collected on an 80 foot x 80 foot grid interval and composited on a two-acre basis when either of the following conditions have been met:

(A) The planting site has been treated at the product labeled rate for the kind of nursery stock being produced.

(B) No nematodes have been found by laboratory methods in the previous two successive nursery crops on the growing site.

(2) Container, Flat, and Frame Grown Nursery Stock.

A composite sample is to be obtained from every 100 square feet of bench or frame space. Each sample should be kept to a logical and practical size as determined by the Department.

(3) Delimitation.

When an original sample is positive for nematodes, delimitation sampling may be performed on a 20 foot x 20 foot grid interval with samples composited on a 1/4-acre basis. All delimitation shall be done at the Department's discretion. Any nursery stock represented by a delimitation sample in which a nematode is detected is considered infested. Any nursery stock represented by a delimitation sample that is free of nematodes shall be eligible for certification.

(4) Bare root sampling may be performed using procedures approved by the Department.

Note: Authority cited: Sections 407 and 5823, Food and Agricultural Code.

Reference: Sections 5821 and 5822, Food and Agricultural Code.

3055.6. Application and Fees.

(a) Application.

The applicant shall furnish any information requested regarding the planting and shall consent to the taking of samples by the Department for inspection or testing purposes. The required fees shall accompany each application submitted.

(1) An application for approval of a soil treatment shall be submitted with the Department 15 days prior to the planned start of treatment to allow for scheduling of inspections and to verify stock eligibility.

(2) An application for testing using approved laboratory methods shall be submitted to the Department by not less than 15 days prior to the month in which sampling must be performed to allow for workload scheduling.

(3) A late application may be accepted as workload, scheduling, and staffing permit. If workload, scheduling, or staffing do not allow for required testing using approved laboratory methods, a late application will be refused.

(b) Fees.

Fees established by this article are payable in advance of the work to be done and are for the sole purpose of defraying expenses incurred in the approval, inspection, sampling, and determination procedures and are not to obtain any right or privilege.

(1) The Department shall establish a schedule of fees for the services provided in this article based upon the approximate cost of the services rendered.

(2) The Department may charge additional fees when due to conditions, total acreage entered, or number of samples and/or determinations made, the fees established will not cover the cost of the service.

(3) The Department may establish a late fee for applications.

(4) Fees paid for services that are not rendered shall be refunded to the applicant provided, however, that amounts refunded may be prorated based on the amount of work actually performed by the Department in the administration of the requirements of this article.

(c) Fee Schedule.

(1) The Secretary of Food and Agriculture, pursuant to Section 5822 of the Food and Agricultural Code, hereby establishes fees for inspections, including sampling and testing, and special treatments for the nursery stock nematode certification program. The fees shall be:

(A) Supervision of Soil Treatments.

1. \$45.00 per hour per site when the application is postmarked a minimum of fifteen (15) days prior to initiation of the treatment.
2. \$100.00 late fee plus \$45.00 per hour per site when the application is postmarked less than fifteen (15) days prior to initiation of the treatment.

(B) Sampling. \$45.00 per hour.

(C) Testing. \$40.00 per sample submitted.

(D) Supervision of Commodity Treatments.

1. \$45.00 per hour when application is postmarked a minimum of fifteen (15) days prior to initiation of the treatment.
2. \$100.00 late fee plus \$45.00 per hour when application is postmarked less than fifteen (15) days prior to initiation of the treatment.

(2) When calculating service charges, the hourly rate shall be applied to travel time (portal to portal), field time, and documentation time.

Note: Authority cited: Sections 407 and 5823, Food and Agricultural Code.
Reference: Section 5822, Food and Agricultural Code.

NIPM Item# 6.1

Regulations for Commercially Clean Nursery Stock for Farm Planting

The following is a reprinting of the regulations requiring cleanliness of nursery stock for farm planting with respect to nematodes, found in California Code of Regulations, Title 3, Division 4, Chapter 4, Subchapter 4: Nematodes.

3640. Nematodes: Commercially Clean Nursery Stock for Farm Planting.

- (a) Nematode infested nursery stock for farm planting has been determined by the Secretary to be detrimental to agriculture.
- (b) Nursery stock for farm planting shall be commercially clean with respect to economically important nematode species detrimental to agriculture.
- (c) "Commercially clean" nursery stock for farm planting means nursery stock for commercial farm planting that is certified in accordance with the requirements of the Nursery Stock Nematode Certification program as provided in Sections 3055 through 3055.6; and nursery stock which is not so certified shall not be sold or shipped within the State.
- (d) Exemptions:
 - (1) Nursery stock for farm planting produced in non-soil media and garlic, mint, onion, and seed potato nursery stock are exempt from the requirements of this section.
 - (2) Nursery stock for farm planting found to be infested with economically important nematode species detrimental to agricultural production may be sold or shipped when, by written agreement, the buyer and the agricultural commissioner of the county where the stock is to be planted both agree to accept the stock for planting in an area where the nematode species infesting the stock is already present.
- (e) Enforcement: Enforcement of this regulation shall be the responsibility of the Department.

Note: Authority cited: Sections 407, 5322, 6901 and 6902, Food and Agricultural Code.
Reference: Sections 5322, 6901 and 6902, Food and Agricultural Code.

Current law:

FAC 53482.

In order to identify nursery stock properly, whenever it is shipped, delivered, or transported to any purchaser, each plant shall be individually labeled as to the correct name. The director may create exceptions to this section by regulation.

Current regulations:

3061. Labeling

The following is established as an exception of the individual plant labeling requirement specified in Food and Agricultural Code Subarticle 10 Section 53482:

Nursery stock, when offered for sale, may be labeled as to botanical name, kind or variety or common name at the discretion of the person offering it for sale. If such stock is labeled, it must comply with Section 53841 et seq., Food and Agricultural Code.

Draft proposed regulations:

3061. Labeling

The following is established as an exception of the individual plant labeling requirement specified in Food and Agricultural Code Subarticle 10 Section 53482:

Nursery stock, when ~~offered for sale~~ shipped, delivered, or transported to a purchaser, may be labeled as to botanical name, kind or variety or common name at the discretion of the person offering it for sale. If such stock is labeled, it must comply with Section 53841 et seq., Food and Agricultural Code.

Food and Agricultural Code - FAC

DIVISION 18. FIELD CROPS, SEEDS, SEED POTATOES, ONE-VARIETY COTTON DISTRICTS, AND NURSERY STOCK GRADES AND STANDARDS [52001 - 53564]

CHAPTER 5. Nursery Stock Grades and Standards [53301 - 53564]

ARTICLE 7. Labeling [53481 - 53484]

53481.

When nursery stock is sold, it shall be labeled plainly and legibly as to the grade size, if so required by regulations, and as to the correct name as follows:

- (a) The correct name for ornamentals, except roses, fruit trees, and annual or herbaceous perennial ornamental plants, shall be the botanical name.
- (b) The correct name for fruit trees shall be the recognized common name and cultivar.
- (c) The correct name for turf shall be the kind and cultivar.
- (d) The correct name for roses, annual or herbaceous perennial ornamental plants, dormant bulbs, tubers, roots, corms, rhizomes, pips, and other kinds of nursery stock shall be the cultivar name, except that the recognized common name shall be required whenever no cultivar name has been given or can be determined.

53482.

In order to identify nursery stock properly, whenever it is shipped, delivered, or transported to any purchaser, each plant shall be individually labeled as to the correct name. The director may create exceptions to this section by regulation.

53483.

Nursery stock on display for sale at retail may be labeled by a sign on any block of stock of the same kind and species. Turf shall be labeled by a sign showing the required correct name of the stock on display.

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE
ANNOUNCES VACANCIES ON THE NURSERY ADVISORY BOARD

SACRAMENTO, November 1, 2016 - The California Department of Food and Agriculture's (CDFA) Pest Exclusion Branch is announcing six vacancies on the Nursery Advisory Board. The Board is composed of twelve voting members, each representing an establishment with a valid California License to Sell Nursery Stock. No two members shall represent the same organization. Members will represent a wide spectrum of the nursery industry, and the Board will be geographically representative of the nursery industry in California.

The term of office for Board Members is four years. Members typically meet twice per year, but can meet more frequently if needed. The members receive no compensation, but are entitled to payment of necessary traveling expenses in accordance with the rules of the California Department of Human Resources.

In addition, the Board includes up to nine non-voting ex officio members from the County Agricultural Commissioner and Sealers Association, the University of California, and groups affiliated with the nursery industry.

The mission of the Nursery Advisory Board is to grow and maintain a strong relationship between CDFA and the nursery industry in order to secure the industry's future. The Board facilitates communication between state and federal regulators and the nursery industry, and it advises CDFA's Nursery Services Program on policies, fees, and other issues concerning nurseries and nursery stock.

Individuals interested in being considered for this Board appointment should send a brief letter of interest with résumé to Joshua Kress, Program Manager, by December 1, 2016 at:

California Department of Food and Agriculture
Pest Exclusion Branch
1220 N Street, Room 344
Sacramento, CA 95814
Attention: Joshua Kress

For additional information, you may contact the Nursery Services Program at (916) 654-0435.