

**California Department of Food and Agriculture (CDFA)  
Minutes**

of the Meeting/Video Conferencing  
of the Nursery Advisory Board (NAB)  
Held on Tuesday, November 29, 2022  
1220 N Street, Room 210  
Sacramento, CA 95814

**NURSERY ADVISORY BOARD (NAB)**

**Voting Members**

**Present:** David Cox, Michael Frantz, Dustin Hooper, Bruce Jensen, Jay Jensen, Janet Silva Kister, Thomas Lucas, Josh Puckett, Daniel Waterhouse

**Absent:** Phillip Johnson

**Non-Voting Members**

**Present:** Ha Dang, Karen Suslow, Chris Zanobini

**Absent:** Lorence Oki

**OTHER ATTENDEES\***

Kyle Buecke, Katie Filippini, Tanya Goodson, Joshua Kress, Phuong Lao, Brenda Lanini, Jason Leathers, Mark McLoughlin, Cristy Munos, Deborah Nardo, Micheal Paule, Helene Wright

\*As self-reported in the Zoom application

**CALL TO ORDER AND ROLL CALL**

Board Chair Janet Silva Kister called the meeting to order at 1:03 p.m. and conducted roll call. A quorum was present for the Board.

**OPENING REMARKS AND HOUSEKEEPING**

Kister reviewed general meeting guidelines, including compliance with the Bagley-Keene Open Meeting Act.

**APPROVAL OF MEETING MINUTES FROM PREVIOUS MEETINGS**

Minutes from the September 9, 2021 and December 14, 2021 meetings were not completed, and will be presented to Board for review and approval at the next meeting.

**FUND CONDITION AND PROPOSED BUDGET FOR FY 2023/24**

Brenda Lanini presented an update on expenditures and revenue for the Nursery Services Program, and a proposed spending plan for Fiscal Year (FY) 2023/24 (attached). Expenditures reported were up-to-date through September 2022.

Questions and comments from the Board included:

- An increase in projected permanent staff salaries from FY 2021/22 to FY 2022/23
- Clarification on the differences between budgeted and actual temporary staff salaries and staff benefits
- The transfer of activities related to the Citrus Nursery Stock Pest Cleanliness Program from Nursery Services to the Citrus Pest and Disease Prevention Division and impacts to the Nursery Services Program's budget
- Whether out-of-state travel would be conducted in FY 2023/24
- When prior fiscal year projections were "final" and if additional expenditures were expected
- The increase in projected revenue from FY 2021/22 to FY 2022/23
- Ensuring that the expenditures and cost recovery for unclaimed gas tax were clearly identified on the budget moving forward

The Board also had an extended discussion on the indirect costs charged to the program and the limit on indirect costs in Food and Agricultural Code (FAC) Section 242 to no more than 5% of collections. Reviewing the budget, it appeared that the indirect costs charged to the Nursery Services Program were well over the 5% limit. The Board noted that this question had come up previously, and that no clear answer had been provided regarding CDFR's compliance with FAC 242 for this program.

The Board declined to approve the proposed spending plan for FY 2023/24 as presented, and requested additional information regarding:

- Indirect costs and compliance with FAC 242
- Impacts of the transfer of activities related to the Citrus Nursery Program
- Additional corrections identified on the expenditure and revenue sheets during the Board's review

### Board Motion #1

The Board voted to withhold a recommendation regarding the Nursery Services Program's proposed spending plan for FY 2023/24, and requested additional information from the program regarding indirect costs and program expenditures for their review at the following meeting in December 2022.

Motion: Janet Kister

Second: Daniel Waterhouse

### Details of Board Vote

In Favor: David Cox, Michael Frantz, Dustin Hooper, Bruce Jensen, Jay Jensen,

Janet Silva Kister, Thomas Lucas, Josh Puckett, Daniel Waterhouse

Against: None

Absent: Phillip Johnson

Abstain: None

There were no public comments related to this agenda item.

## **ARIZONA SHIPPING REQUIREMENTS**

Joshua Kress provided an update on requirements for shipment of nursery stock to Arizona. The Arizona Department of Agriculture (AZDA) updated its quarantines in 2018. However, AZDA continued to allow shipments from California to enter under previously established agreements with CDFA while working towards implementation of the new rule. CDFA sent notices regarding changes to the requirements for shipment to counties in Spring 2022.

Discussion with the Board included: ongoing conversations between CDFA and AZDA, ensuring that notifications regarding shipping requirements are received by all affected parties, and requested continued discussion/updates on this issue at the next meeting.

The Board expressed concerns that policies between AZDA and CDFA were put in place before the Board was even made aware of it.

## **TROPICAL MILKWEED UPDATE**

San Diego County Agricultural Commissioner Ha Dang presented to the Board regarding the production and regulation of tropical milkweed, *Asclepias curassavica*. Tropical milkweed was determined to be a B-rated pest by the Department, and as such enforcement could be conducted at the discretion of the county agricultural commissioner.

Discussion with the Board included: differences in enforcement activities by counties, the reasons for the B-rating, and the impacts of tropical milkweed on Monarch butterflies, and whether research supported that the plant was helpful or harmful to Monarch populations.

### **Board Motion #2**

The Board requested that the Department re-evaluate the pest rating of tropical milkweed, *Asclepias curassavica*.

Motion: Janet Kister

Second: Daniel Waterhouse

### **Details of Board Vote**

In Favor: David Cox, Michael Frantz, Dustin Hooper, Bruce Jensen, Jay Jensen,  
Janet Silva Kister, Thomas Lucas, Josh Puckett, Daniel Waterhouse Against:

None

Absent: Phillip Johnson

Abstain: None

There were no public comments related to this agenda item.

## **PEST UPDATES**

- **Cotton Seed Bug Update**

- Kress reported that cotton seed bug (CSB), *Oxycarenus hyalinipennis*, was first found at a residence in Los Angeles County in 2019.
- Starting in 2020, additional official finds and unofficial reports of CSB were found on a variety of host plants in natural and residential environments around Southern California.
- A cotton industry-funded survey of cotton and okra statewide had been conducted annually since 2020, with no finds of CSB, and federally funded research was being conducted regarding lures for survey/detection.

- **Citrus Yellow Vein Clearing Virus Update**

- Kress reported that 578 trees had been detected that tested positive for *Citrus yellow vein clearing virus* (CYVCV), all within the city of Tulare. Many of the positive trees were asymptomatic.
- CDFA had conducted a survey in Fresno, Kings, and Tulare counties, and all samples collected outside the city of Tulare were negative.
- CDFA was conducting a delimitation survey in coordination with USDA, starting with all properties in a 7-mile arc around the find sites and working inwards. After delimitation was complete, CDFA would work with USDA to develop a regulatory plan.
- Regulatory holds were placed at all positive sites, but no mandatory tree removal had been conducted yet.
- CYVCV is spread by aphids and whiteflies, including species common in CA. All varieties of citrus appear to be susceptible thus far.
- The Board asked if CYVCV was related to *Grapevine vein clearing virus*, expressed concerns with the lack of tree removal thus far, and requested an update at the next meeting.

- **Tuliptree Scale Update**

- Kyle Buecke reported that tuliptree scale, *Toumeyella liriodendra*, was a common pest of magnolia in the Eastern United States since the 1980's, and was currently B-rated.
- In California, it had been found in Santa Clara County and was known to be widespread in Southern California from Ventura County to San Diego County.
- The Board discussed the impacts of tuliptree scale on small trees and other host plants, and if the rating should be re-evaluated. Buecke noted that he would review the pest to determine if a new pest rating proposal was needed.

- **Emerald Ash Borer Update**

- Buecke reported that USDA had deregulated emerald ash borer (EAB), *Agrilus planipennis*, in 2021, and that CDFA had established a state exterior quarantine (California Code of Regulations, Title 3, Section 3288) to maintain requirements for importation of host materials into California.
- **LBAM Deregulation Issues for Canada Update**
  - Helene Wright reported that Canada was considering deregulation and/or adjustments to import regulations related to light brown apple moth, *Epiphyas postvittana*.

## **BOARD MEMBERS VACANCIES UPDATE**

The Board had one existing board vacancy and five positions with terms expiring January 31, 2023. An announcement for the vacancies had been posted, with a deadline for application of January 15, 2023.

## **PUBLIC COMMENTS**

None.

## **NEXT MEETINGS/AGENDA ITEMS**

Next Board meeting was planned for the last week of December 2022.

Agenda suggestions for next meeting included:

- Presentation of additional information related to the program's budget, including indirect costs and the impacts of the transfer of duties related to the Citrus Nursery Stock Pest Cleanliness Program
- Discussion of proposed spending plan for FY 2023/24 for board approval
- Update on CYVCV
- Update on Arizona shipping requirements

## **ADJOURNMENT**

The meeting was adjourned at 3:02 p.m.

Respectfully submitted by:

Michael Paule, Associate Governmental Program Analyst  
Nursery Services Program  
California Department of Food and Agriculture

## Nursery Services Program Budget Summary

updated 11/18/2022

|  | PPY<br>FY2020-21<br>Not Final | PY<br>FY2021/22<br>Not Final | CY<br>BOARD APPROVED<br>FY 2022/23 | Board Proposal<br>FY 2023/24 |
|--|-------------------------------|------------------------------|------------------------------------|------------------------------|
| Permanent Salary                                 | 903,489                       | 1,059,311                    | 1,161,038                          | 1,229,681                    |
| Temporary Salary                                 | 283,850                       | 346,614                      | 89,738                             | 284,851                      |
| Staff Benefits (includes Unemployment Ins)       | 408,973                       | 621,733                      | 723,979                            | 863,236                      |
| <b>TOTAL PERSONNEL SERVICES</b>                  | <b>1,596,313</b>              | <b>2,027,658</b>             | <b>1,974,755</b>                   | <b>2,377,768</b>             |
| General Expenses                                 | 13,823                        | 42,223                       | 32,300                             | 32,300                       |
| Printing   | 25,108                        | 1,563                        | 5,000                              | 5,000                        |
| Communications                                   | 20,273                        | 14,663                       | 18,200                             | 18,200                       |
| Postage  | 5,901                         | 4,655                        | 8,000                              | 8,000                        |
| Insurance-Vehicles                               | 3,274                         | 6,130                        | 3,000                              | 3,000                        |
| Travel In-State                                  | 18,267                        | 24,435                       | 23,860                             | 23,860                       |
| Travel Out-of-State                              | 677                           | -                            | 2,000                              | -                            |
| Training   | 301                           | 1,000                        | 5,000                              | 5,000                        |
| Facilities                                       | 109,391                       | 138,857                      | 125,000                            | 122,000                      |
| Utilities  | 2,326                         | 2,594                        | 3,000                              | 6,000                        |
| Cons & Prof                                      | 10,813                        | 6,913                        | 2,000                              | 2,000                        |
| Atty General Charges                             | -                             | -                            | 5,000                              | 5,000                        |
| External Services (includes web payment service) | 3,940                         | 13,000                       | 13,000                             | 18,000                       |
| Indirect Division Costs                          | 93,686                        | 143,661                      | 121,263                            | 151,988                      |
| Indirect Executive/Administration Costs          | 162,458                       | 255,994                      | 190,837                            | 232,789                      |
| Indirect IT Costs                                | 68,836                        | 88,286                       | 82,024                             | 85,122                       |
| Indirect Recovery                                | (1,206)                       | -                            | -                                  | -                            |
| Pro Rata   | 134,087                       | 134,087                      | 134,087                            | 134,087                      |
| SB 84 (From FY18/19 to FY24/25)                  | 65,363                        | 65,363                       | 65,363                             | 65,363                       |
| IT Purchases                                     | 14,153                        | 4,479                        | 18,000                             | 14,000                       |
| Equipment  | 11,921                        | -                            | -                                  | -                            |
| Field Expenses/Agri & Lab Supplies               | 15,485                        | 15,501                       | 31,540                             | 26,540                       |
| Vehicle Operations                               | 73,010                        | 20,820                       | 30,000                             | 30,000                       |
| Other Misc. Charges                              | 990                           |                              |                                    |                              |
| <b>Subtotal Oper Exp/Equip</b>                   | <b>852,878</b>                | <b>984,223</b>               | <b>918,474</b>                     | <b>988,249</b>               |
| County Contracts                                 | 705,555                       | 780,000                      | 1,130,000                          | 1,130,000                    |
| Nematode Lab Costs                               | 74,515                        | 101,549                      | 100,000                            | 100,000                      |
| <b>TOTAL OPER EXP/EQUIP</b>                      | <b>1,632,948</b>              | <b>1,865,772</b>             | <b>2,148,474</b>                   | <b>2,218,249</b>             |
| Recovery from other programs \a\                 | (405,048)                     | (404,140)                    | (549,100)                          | (429,100)                    |
| Reimbursement 224c - Admin                       | (74,925)                      | (74,927)                     | (74,927)                           | (77,079)                     |
| Reimbursement UGT                                | (450,000)                     | (450,000)                    | (450,000)                          | (450,000)                    |
| <b>TOTAL COST RECOVERIES</b>                     | <b>(929,973)</b>              | <b>(929,067)</b>             | <b>(1,074,027)</b>                 | <b>(956,179)</b>             |
| <b>TOTAL BUDGET w Personnel &amp; Benefits</b>   | <b>2,299,288</b>              | <b>2,964,363</b>             | <b>3,049,202</b>                   | <b>3,639,838</b>             |

## Nursery Services Program

*\*UGT Funding began*

|   | PPY<br>FY2020-21*<br>Not Final | PY<br>FY 2021/22<br>Not Final | CY<br>FY 2022/23<br>NAB Approved | FY 2023/24<br>Proposal to NAB |
|---|--------------------------------|-------------------------------|----------------------------------|-------------------------------|
| <b>BEGINNING RESERVE BALANCE*</b>             | <b>890,899</b>                 | <b>1,157,162</b>              | <b>1,203,582</b>                 | <b>1,383,930</b>              |
| <b>REVENUE CATEGORIES</b>                     |                                |                               |                                  |                               |
| Nursery License Fee                           | 1,534,879                      | 1,932,975                     | 1,800,000                        | 1,800,000                     |
| Acreage Fee                                   | 271,938                        | 307,960                       | 305,000                          | 305,000                       |
| Delinquent (Penalty) Fee                      | 45,400                         | 58,350                        | 40,000                           | 40,000                        |
| Directory Sales                               | 110                            | 180                           | 0                                | 0                             |
| Strawberry R&C                                | 522,355                        | 524,465                       | 810,000                          | 900,000                       |
| Grapevine R&C                                 | 116,484                        | 150,346                       | 180,000                          | 300,000                       |
| Fruit , Nut and Pome                          | 0                              | 0                             | 0                                | 0                             |
| Avocado Reg                                   | 0                              | 0                             | 250                              | 0                             |
| Avocado Cert                                  | 375                            | 350                           | 300                              | 300                           |
| Seed Garlic R&C                               | 4,590                          | 12,158                        | 4,000                            | 4,000                         |
| Nematode Certification                        | 59,663                         | 1,031                         | 80,000                           | 80,000                        |
| <b>R&amp;C Subtotal</b>                       | <b>703,468</b>                 | <b>688,350</b>                | <b>1,074,550</b>                 | <b>1,284,300</b>              |
| Misc Revenue, Interest & Miscellaneous Income | 9,757                          | 22,968                        | 10,000                           | 10,000                        |
| <b>TOTAL REVENUE</b>                          | <b>2,565,550</b>               | <b>3,010,783</b>              | <b>3,229,550</b>                 | <b>3,439,300</b>              |
| <b>EXPENDITURES</b>                           |                                |                               |                                  |                               |
| Personnel Services                            | 1,596,313                      | 2,027,658                     | 1,974,755                        | 2,377,768                     |
| Operating Exp & Equipment                     | 852,878                        | 984,223                       | 918,474                          | 988,249                       |
| County Contracts                              | 705,555                        | 780,000                       | 1,130,000                        | 1,130,000                     |
| Lab Services                                  | 74,515                         | 101,549                       | 100,000                          | 100,000                       |
| <b>COST RECOVERIES</b>                        |                                |                               |                                  |                               |
| Recovery from other programs                  | -405,048                       | -404,140                      | -549,100                         | -429,100                      |
| Reimbursement 224c - Admin                    | -74,925                        | -74,927                       | -74,927                          | -77,079                       |
| Reimbursement UGT FY20/21 - FY24/25           | -450,000                       | -450,000                      | -450,000                         | -450,000                      |
| <b>TOTAL EXPENDITURES (BUDGET)</b>            | <b>2,299,288</b>               | <b>2,964,363</b>              | <b>3,049,202</b>                 | <b>3,639,838</b>              |
| <b>ENDING RESERVE BALANCE</b>                 | <b>1,157,162</b>               | <b>1,203,582</b>              | <b>1,383,930</b>                 | <b>1,183,392</b>              |
| <b>AG TRUST FUND</b>                          |                                |                               |                                  |                               |
| Interest                                      | 335,661                        | 337,795                       | 340,795                          | 343,795                       |
|   | 1,479                          | 3,000                         | 3,000                            | 3,000                         |
| <b>ENDING AG TRUST FUND</b>                   | <b>337,140</b>                 | <b>340,795</b>                | <b>343,795</b>                   | <b>346,795</b>                |