California Seed Advisory Board (CSAB) Business Needs Analysis Committee (BNA) Meeting Thursday, November 7, 2019

California Department of Food and Agriculture (CDFA) 3294 Meadowview Road, Sacramento, CA 95832

Committee Members

Joe Baglietto Greg Cassel John McShane Robert Simas Doug Sumpter CDFA & Guests

Ha Dang Sandy Ellis Joshua Kress Juan Koponen Brenda Lanini Cathy Vue

1. Call to Order - Roll Call - Housekeeping

Chairman Greg Cassel called the meeting to order at 8:27 am.

2. County Seed Subvention

Cassel provided a summary of the County Seed Subvention Program. In November 2018, the CSAB recommended discontinuing the county seed subvention program. The decision to allow the subvention program to sunset was based on a perceived lack of interest and benefit. Since the meeting, members of the California County Agricultural Commissioners and Sealers Association (CACASA) showed interest in continuing the program and utilizing additional funding available from the unclaimed gas tax fund to further enhance the program. In May 2019, the CSAB passed a motion to continue the county seed subvention program for one additional year, to sunset at the end of fiscal year 2019/2020.

There was a discussion at the May meeting on how the additional funds would be used, and a recommendation was made for the BNA Committee to evaluate the topic and return to the CSAB with a recommendation.

San Diego County Agricultural Commissioner Ha Dang noted that the CACASA Nursery, Seed, and Apiary Committee would be reviewing the CDFA Seed Services Business Needs Analysis Final Report, prepared by the Highlands Consulting Group in 2016, and working with CDFA and the BNA Committee to craft a proposed scope of work to further enhance compliance and enforcement of California laws and regulations.

Cassel noted that the counties are involved in multiple seed-related activities that fall under different programs within CDFA but the CSAB's focus is California Seed Law enforcement, including labeling compliance and premise inspections. Cassel noted that the feedback from some counties was that the cost to implement the subvention program was not worth the hassle, and asked what the impact of higher funding would be.

Brenda Lanini pointed out that there is more to verifying seed label evaluations for the counties than going to a facility. Lanini referred to a handout noting the number of times seeds entered the state through the Border Stations on the way to counties. Seed shipments are put on hold while counties are notified of the seed entering the county. When counties are short on staff, especially on Seed Inspectors, seeds are released without physically inspecting the seeds. This is due to a mixture of funding, staffing, and trust.

The committee discussed the collection of samples, and noted that sample collection by CDFA staff instead of county inspectors had resulted in more consistency and better coordination statewide, due to the workload being performed by five permanent inspectors rather than various staff assignments spread out over 58 counties.

Cassel commented that the additional funds could be well used for county training. Lanini concurred, and expressed that the funds could be used to cover county inspectors' time and travel.

The committee expressed concern that the unclaimed gas tax funds were temporary, and that once they were no longer available CDFA may need to increase the assessment to cover costs.

Sandy Ellis provided an overview of how the unclaimed gas tax funds are distributed. Ellis noted that CDFA and CACASA entered into an agreement annually regarding the use and distribution of the funds, and any funds that are not used in a particular year can roll over.

The BNA Committee agreed to table the item and to schedule a meeting with assigned county agricultural commissioners to further discuss and make a recommendation on how to utilize the additional funding.

Joshua Kress noted that there needs to be legislation in calendar year 2020 for the county seed subvention program to continue in FY 2020-21.

A conference call would be scheduled upon the availability of committee members and the assigned commissioners.

3. CDFA Seed Lab and California Seed Law

Cassel noted the CSAB's concerns with ensuring the efficiency and effectiveness of the State Seed Lab, and asked if it was possible to have county officials pull the 600 samples and run the samples at a private lab instead of the State Seed Lab. Cassel asked if it would be less burdensome for the State Seed Lab if samples ware passed along to a third party and if it would lessen the financial burden on the seed industry.

Lanini noted that the 600 samples are official regulatory samples. If any of the samples come back as not in compliance, CDFA Seed Services would need to take regulatory action.

Kress stated that in order for a sample to be an official regulatory sample, it either needs to be run by a regulatory laboratory or there has to be some kind of accreditation program where a regulatory laboratory accredits a private lab to do the work. However, the accrediting agency has to be a functioning lab, which means that CDFA would still have to maintain a State Seed Lab in order to establish an accreditation program. Currently the State Seed Lab has two full time staff, leaving no room to cut and still have a functioning laboratory.

The committee discussed current funding of the State Seed Lab, and the amount funded by California's general fund versus industry funds. California Food and Agricultural Code Section 52286 states: "The director shall maintain a properly equipped laboratory for examining and testing seeds." Prior to 2011, the State Seed Lab was funded 50% by the industry funds and 50% by the general fund. Currently, funding for the State Seed Lab from the Seed Services fund is capped at 72% of the lab's total costs, based on analysis by the lab and recommendation from the CSAB from 2013.

4. Infringements and Unauthorized Reproduction of Seed Varieties

McShane reported that Rick Falconer, American Seed Trade Association (ASTA) Vice President, sent an email to McShane regarding infringements and unauthorized reproduction of seed varieties in the vegetable seed sector. Open-pollinated crops such as lettuce and arugula were noted as being infringed often. ASTA had started an entity to educate and possibly audit infringement cases and was looking to CDFA for feedback and assistance. ASTA believed that the infringers were likely also failing to pay the assessment, decreasing revenue to the Seed Services Program. Falconer recommended creating an authentication program for the California Crop Improvement Association (CCIA) to trace the seed production process and seal each authenticated container. Falconer believed that this would be beneficial to the seed industry by assuring the

integrity of the genetics, intellectual property rights, GAP standards, and diseasefree seed. Falconer recommended that CDFA support this cause to help add a regulatory deterrent to infringements.

After a short discussion, the committee noted that this was a seed certification issue, and was outside of the scope of the California Seed Law and Seed Services Program.

5. Additional Public Comments

There were no public comments.

6. Next Meeting/Agenda Items

Cassel will send agenda items to Lanini.

Next meeting is tentatively scheduled for full board meeting on December 6, 2019.

7. Adjournment

Meeting adjourn 10:23 am.

Respectfully submitted by:

Cathy Vue Associate Governmental Program Analyst CDFA, Seed Services Program