California Seed Advisory Board (CSAB) Tuesday, May 5, 2020 California Department of Food and Agriculture (CDFA) Webinar Meeting Minutes

1. Roll Call

Justin Aulakh
Riad Baalbaki
Cheryl Blomquist
Donna Boggs
Michael Campbell
Greg Cassel
Melissa Cregan
Ha Dang
Allen Van Deynze
Sandra Elles

Allen Van Deynze Sandra Elles Scott Emanuelli Alissa Greenhaw Phyllis Himmel Greg Hinton Kelly Keithly Umesh Kodira
Juan Koponen
Joshua Kress
Kraig Kuykendall
Brenda Lanini
John McShane
Louie Mendoza
Erica Moore
Greg Orsetti
John Palmer
Nelson Perez
Robert Price

William White Hana Yokoyama-Hatch

Robert Simas

2. Opening Remarks and Housekeeping

Brenda Lanini called the meeting to order at 8:00am.

3. CACASA Proposal for Increased Seed Law Enforcement

San Diego County Agricultural Commissioner Ha Dang reviewed a plan to augment the county seed subvention contracts with funding from unclaimed gas tax (UGT), previously presented to the Board on February 18, 2020, on behalf of the California Agricultural Commissioners and Sealers Association.

Dang summarized the proposed expenditure plan for the next five fiscal years. Total available funds were \$300,000 per year for the first three years, and \$152,000 per year for the final two years, for a five-year total of \$1,204,000. From the FY19/20 funds, a reserve of \$150,000 for unanticipated needs related to seed complaint investigations and industrial hemp issues would be set aside. An additional \$150,000 would be rolled over to subsequent years. For the fiscal year 20/21, \$200,000 would be allocated for county contracts. This allocation would allow for more incoming shipment inspections, additional label reviews, and funds to purchase seed sampling equipment for counties. An additional \$100,000 would be allocated for county staff training. For the fiscal year 21/22, the county contract allocation would remain at \$200,000, county training would be reduced to \$50,000, and the remaining balance would be rolled over to the next fiscal year. In fiscal year 22/23, the county contract and training amounts would remain the same. In the fiscal year 23/24, county contracts would remain at \$200,000 and training would only be funded on an as needed basis, the total rollover balance remaining after fiscal year 23/24 would be reduced to \$54,000.

Dang opened the discussion for questions. Greg Cassel requested additional details regarding the allocation of funds. A member asked if there would be an application process for counties to apply for the funds or if it would be a formulaic distribution approach. Brenda Lanini noted that CDFA would work with the commissioners to determine county needs and allocate the funds accordingly.

Bill White expressed concerns regarding hemp requirements, fund allocation, and seed law enforcement. Lanini noted funds would be reserved under unanticipated needs, with the hope to offset any issues with hemp seed law enforcement. It was noted that there is a need to increase Seed Law awareness within the hemp industry. Lanini added that it would be helpful for the counties to assist hemp companies to come into compliance. John McShane asked if there are any hemp seed sellers currently paying assessments. Lanini advised that assessments are paid in arrears and that hemp had only been added to the regulations on March 19, 2020. It was noted that assessments will increase next FY. McShane expressed concerns regarding the impact on funding due to the current budget issues. Sandy Elles commented on the stability of the UGT funding.

Greg Cassel moved to recommend that CDFA and CACASA move forward with CACASA's plan to utilize unclaimed gas tax for county seed law enforcement as presented, with future input from the Board. Bill White seconded the motion. Motion carried with the following votes:

Yes: Mike Campbell, Greg Cassel, Scott Emanuelli, Kelly Keithly, Greg Kuykendall, John McShane, Greg Orsetti, Bob Simas, Bill White

No: None

Abstained: None

Dang noted that she would communicate the Board's recommendation to CACASA.

4.Seed Biotechnology Center (SBC) Report

Allen Van Deynze presented an update on behalf of the SBC. In October 2019, the SBC held a Hemp Breeding and Seed Production course with 165 participants. Additional courses included: a Plant Breeding Academy in Europe with 18 students, a Seed Business course with 35 participants, a Seed Production course with 38 participants and a Plant Breeding Academy with 16 students. Van Deynze summarized new media updates and industry conferences. The SBC is researching mechanical harvesting lines of peppers, as well as tomato spotted wilt resistant breaking strains in peppers.

Van Deynze introduced Phyllis Himmel with the Collaboration for Plant Pathogen Strain Identification (CPPSI). CPPSI is a science based, vegetable seed industry initiative developed to standardize the identification of plant pathogen strains and races based on sets of host differentials and reference pathogen strains. The World Vegetable Center (formerly AVRDC) is the newest CPPSI member.

Greg Orsetti moved to accept the Seed Biotechnology Center Report as presented. Kraig Kuykendall seconded the motion. Motion carried with the following votes:

Yes: Mike Campbell, Greg Cassel, Scott Emanuelli, Kelly Keithly, Kraig Kuykendall, John

McShane, Greg Orsetti, Bob Simas, Bill White

No: None Abstained: None

5. Seed Services Program Report Activities

Lanini advised the Board that CDFA has realigned staffing and methodology for collection of official seed samples. The program had one full-time employee assigned to each district (North, Central, and South) and utilized registration information and past violations to determine which locations should be sampled. There are currently 609 registered firms. Lanini provided data regarding seed assessments and presented an Official Sample report for FY 18/19. Lanini noted that the majority of violations in FY18/19 and FY19/20 came from incorrect purity and improper labeling, and that the most violations were found in grass and forage seeds.

Greg Orsetti asked if information on the seed law and examples of labels were available on the program's website to help cut down on inquiries and violations related to hemp seed. Lanini noted that information is on the website, as are informational pamphlets such as "What You Need to Know to Sell Seed". Joshua Kress added that Lanini was scheduled to present information on the California Seed Law at the next Industrial Hemp Advisory Board meeting. The Board discussed strategies to broaden outreach to the hemp industry and make the available online resources more easily accessible.

6. Seed Services Fund Condition

Lanini reported the fund condition for Seed Services. It was noted that some of the projections were likely to change due to delays and closures related to the ongoing COVID-19 pandemic. Lanini noted that some firms had indicated up to a 10% decrease in sales for the upcoming year. Lanini noted that although the projections need to be adjusted, the ending cash balance is still strong.

7. Proposed Budgets for Seed Services Program

Lanini reported on the current budget for seed services. She noted additional personnel expenditures and redirections in recent years, as Industrial Hemp Program staff had been temporarily assigned to Seed Services and that those costs were later redirected once spending authority was established for the Hemp Program, and that those charges would no longer show up for Seed Services starting with the current fiscal year. Lanini added that an employee retired suddenly in FY 18/19 and there was a significant pay out. It was also noted that travel and training would likely be below the budgeted amounts due to the pandemic.

A member expressed concern about the high facility and indirect charge costs. Lanini and Kress advised that the division was reevaluating how indirect costs are being distributed, and that final budget amounts would not be available until August or September. It was discussed and agreed that additional analysis regarding facilities and indirect costs is needed.

8. Discussion on Seed Laboratory Funding

It was noted that for the last 3 years Seed Lab expenditures had come in below the approved budgeted amount. The Board expressed concerns about indirect cost and IT costs for the Seed Lab. It was commented that these numbers are not under the control of the Lab. The Board agreed to hold off further discussion of the Seed Services or Seed Lab budgets until the Fall,

when additional budget information and a breakdown of costs are available.

9. Additional Public Comments

None.

10. Next Meeting/Agenda Items

The vacancy on the Board was discussed, and the need to nominate a new Board member. Additionally, the Board desires to reconvene at a later date to discuss findings and vote on budgets for Seed Services and the Seed Lab.

Tentative schedule for the next Board Member Nomination Meeting:

9:00am on Wednesday, June 17th, 2020 (Room number TBD or Webinar)

Tentative Schedule for the next Board Meeting:

8:00AM on October 13th, 2020. (Room number TBD or Webinar)

11. Adjournment

Meeting adjourned at 10:54 am.

Respectfully submitted by:

Erica Moore Associate Governmental Program Analyst CDFA, Seed Services Program