

**\*DRAFT\***

**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)**

**FEED INSPECTION ADVISORY BOARD (FIAB)  
STANISLAUS COUNTRY FARM BUREAU  
1201 L STREET, MODESTO, CA 95354 / HYBRID**

**MARCH 10, 2026  
9:00 AM – 12:00 PM**

**MINUTES**

**BOARD MEMBERS**

Alejandro Hernandez  
Dan Rice  
Eric Benziger  
Jed Asmus  
Jeremy Banducci  
Dr. Marit Arana, Chair  
Michael DeGroot  
Michael Koewler  
Shay Rambur, Vice Chair

**CDFA STAFF**

Alejandro Ramirez  
Amanda Staudinger  
Angelia Johnson  
Ashley James  
Brandi Alston  
Brittnie Williams  
Erika Lewis  
Frankie Aguilar  
Jenna Leal  
Justin Jacobson  
KC Gutenberger  
Kelly Leon  
Lindsey Collier  
Maria Tenorio Alfred  
Rachelle Kennedy  
Samantha Moran-Defty  
Shelly King  
Ted Bert

**INTERESTED PARTIES**

Chris Zanolini  
Gigi Berthier  
Jessica Lawrence  
Jim Langston  
Joe Proudman  
Michael Lefever  
Rani Youngman  
Tad Bell

**INTRODUCTIONS AND ANNOUNCEMENTS**

Dr. Marit Arana, Chair, called the meeting to order at 9:00 AM and self-introductions were made.

**ROLL CALL – ESTABLISH QUORUM**

Roll was taken and a quorum was established.

**APPROVE THE PREVIOUS MINUTES**

Chair Arana requested the FIAB review the meeting minutes from September 23, 2025, November 5, 2025, and November 5, 2025, Special Meeting.

**MOTION:** Jeremy Banducci moved to approve all minutes as presented; Michael Koewler seconded. The motion passed unanimously by all members present with a vote of 9 to 0.

### **DEPARTMENT / DIVISION / BRANCH UPDATES**

Jenna Leal, Branch Chief, provided department level updates, stating that this is the last year of this administration. CDFA's Climate Resilience Strategy Report was released which discusses work around enteric methane and by-product diversion. This report mentions the \$2 million funded to build a framework for the California Reduction of Enteric Methane Emissions Block Grant Program (CREME-BGP) that would incentivize enteric methane products and practices. Leal suggested the industry review the Report.

Leal provided an update on a Regulatory Alignment Study, led by an outside contractor, Crowe, which is essentially a multiagency study between CDFA, the California Environmental Protection Agency (CalEPA), and the State Water Resources Control Board. The report will provide a list of several recommendations for near, mid- and long-term outcomes on how to better align agencies. Recommendations are high level and could be adopted in the future for regulatory programs that interface with those agencies.

Leal recapped the mid-year projection exercises with the budget stating the Feed program and the rest of the programs are solvent and the 8% anticipated budget cut that was proposed in the fiscal year 2026-27 budget last November for General Funded programs, was approved by the Governor's office.

Leal concluded the branch updates by summarizing the November 5, 2025, Special Meeting and Arima Kozina's presentation about external bank accounts. Leal stated the Fertilizer Inspection Advisory Board is going to look into other higher yielding interest rates at other outside banks, however the Fertilizer Inspection Advisory Board decided to keep funds in the external Bank of America (B of A) account and not move the funds internally.

**MOTION:** Jeremy Banducci moved to approve keeping Feed Program funds as is, and in the external Bank of American account; Michael DeGroot seconded. The motion passed unanimously by all members present with a vote of 9 to 0.

### **PROGRAM UPDATES**

Rachelle Kennedy, CFRP Manager, gave personnel updates. There are two vacant Environmental Scientist (ES) positions that have been advertised; one is waiting on CDFA's Human Resources to present a job offer to a candidate in the Fresno region, and the other ES position will backfill the Northern California ES field inspector position. The advertisement for the Northern California position will close on March 11, 2026. Kennedy shared that Mike Davidson's former position and a vacant ES position have been transferred to the Center for Analytical Chemistry (CAC).

A Notice to Industry for Camelina meal will be released to provide clear guidance to industry on the feeding requirements, species/production class the product is approved for, and the labeling requirements of the product.

### **FUND CONDITIONS/TONNAGE PROJECTIONS**

Kennedy discussed the fund conditions for CFRP as of December 31, 2025, starting with \$3.8 million in the CDFA account and \$1.04 million in the B of A account, totaling about \$4.9 million for the Feed program. The Animal Feed Regulatory Program Standards (AFRPS) Cooperative agreement is \$300 thousand and did not start until September 2025 due to the Food and Drug Administration (FDA) delays. The first billing was done in January.

Kennedy explained tonnage revenues are about the same as prior years with the inspection tonnage tax rate at \$0.13 cents per ton and collecting on approximately 22,687,840 tons, totaling \$2,833,056.59. These numbers are inclusive of regular tonnage and diversion tonnage.

Program revenue and expenditures give the Feed and SAFE programs an adjusted balance of approximately \$5.2 million, which includes encumbrances, at the end of the first half of the Fiscal Year. Kennedy predicts that the \$.13 cent inspection tonnage tax will continue to increase the reserve. Historically, the reserve has been kept closer to 50% of the total balance of the program's funds. Options presented to the board to reduce the reserve are as follows:

**Option 1:** Lower the licensing fee. Each \$100 reduction = ~\$210,000/year revenue loss

**Option 2:** Lower the tonnage tax rate. Each \$0.01 reduction = ~\$220,000/year revenue loss

Alternatively, it is suggested that the program could hold the inspection tonnage tax rate and set it at a lower amount under the inspection tonnage tax model language proposed for the 2027 legislative cycle.

Discussion ensued regarding options and outcomes to lowering the license fee or tonnage tax rate.

**MOTION:** Jed Asmus moved to decrease the inspection tonnage tax rate from \$.13/per ton to \$.11/ton leaving the diversion rate at half the cost of regular tonnage tax; Michael Koewler seconded. The motion passed unanimously by all members present with a vote of 9 to 0.

### **STRATEGIC PLANNING AND ACTIVITIES REPORT**

Kennedy discussed the program's strategic planning which includes updating the current Legislation/Regulations for the program. Additionally, the program will address emerging issues on a state and federal level; develop policies; and outline long-term goals for the program. The biggest change is the livestock drugs regulations for registration and recategorization; policy development on supplements; and feed and drug label claims.

The Pet Food Uniform Regulatory Reform Act (PURR Act) and the Innovative Feed Enhancement and Economic Development Act (Innovative FEED Act) are two

significant pieces of federal legislation focused on the modernization of regulating pet food and animal feed products in the United States. With the AFRPS ending in June of 2028, the program will explore mutual reliance opportunities with the FDA. The program is also researching potential quick test options for aflatoxin.

Ted Bert, Senior Environmental Scientist (SES) (Supervisor), explained that there has been a total of 11 Inspection Tonnage Tax Examinations conducted to date with \$87,343.02 recovered in past due tonnage. Moving forward, examinations will only be conducted for cause.

Alejandro Ramirez, SES (Specialist)-Compliance Officer, reported the 2025 inspection numbers: Commercial Feed 254 inspections, Retailers 56, CA Feed Safety (Comp) 24, and Veterinary Feed Directive (VFD) 41. Ramirez summarized compliance and enforcement updates, presenting 109 violation reports with 104 received follow ups, 5 outstanding, and 90 regulatory notes recorded. Ramirez further reported 248 Notices of Warning have been issued which include 47 unlicensed firms, 113 delinquent tonnage reports, 59 delinquent licenses and tonnage reports, feed safety inspection findings, 2 almond hulls, 5 sample violations, 6 VFD related, 6 restricted livestock drugs related, and 9 cottonseed certificates of movement.

Samantha Moran-Defty, SES (Supervisor), reviewed the complaints: 10 have been received: 2 Feed Safety – animal deaths (Resolution: not caused by feed), 1 unapproved feed ingredient, 3 quality complaints, 2 damaged/adulterated feed, 2 hay complaints. Moran-Defty shared that the online complaint submission process has been updated, which will request information about complaint details at the time of the complaint submission.

Valerie White, SES (Specialist), reviewed the 2025 Feed Sampling numbers explaining that the 5% other shown on the displayed chart, are all milk replacers. During 2025, 660 samples were taken with an anticipated 800 samples as the goal for 2026. White presented a breakdown of all assays screened on food safety samples, heavy metal, and mycotoxin. The sample violations were as follows: 119 individual violations were issued with the most common violators being crude protein, crude fiber, label violations, and calcium. 20 violations for Crude Fiber were almond hulls.

### **SAFE UPDATES**

KC Gutenberger, SES (Specialist), gave the SAFE program updates. The Preventive Controls Qualified Individual (PCQI) training in Modesto had 21 participants and PCQI refresher is being planned for 2026.

SAFE continues to work with CDFA's Fairs and Exhibitions Branch on outreach and education on Feed and Livestock Drugs. Kennedy shared that a drug residue was found in a market animal from a fair which led the Livestock Drug Program to investigate. This and other issues with live animals testing positive have led the program to define feed, drugs, and supplements including clarifying label claims.

### **AD HOC NUTRITIONIST SUBCOMMITTEE**

The Feed Inspection Advisory Board Ad Hoc Nutritionist Subcommittee meeting recommended a registration for individual consulting nutritionists to establish a contact list. There would be no cost to nutritionists and would establish a contact list for the program. There will be training/outreach to educate on current laws; and regulations and subsequent outreach for feed related issues.

The plan of action proposed a May 6, 2026, scoping meeting in collaboration with California Animal Nutrition Conference (CANC) and American Registry of Professional Animal Scientists (ARPAS). Upon recommendation of the FIAB and SAFE to develop an outline of a program and prepare for the meeting. The Subcommittee will meet again on April 14, 2026.

### **CLEAR CENTER PROPOSAL**

Joe Proudman, Associate Director of the University of California (UC) Davis CLEAR Center, introduced himself and gave a presentation on the UC Davis CLEAR Center's proposal for how to tell the story of by-product diversion using the data provided by the Feed program. Proudman explained that the intention is to build out a life cycle analysis (LCA) on the products and then communicate that story to the public emphasizing the reduction in emissions by diverting by-products to livestock feed instead of ending up in landfills.

Proudman outlines the objectives as follows:

**Objective 1:** Develop a comprehensive database of Agricultural by-products, which would Identify, classify, and design products currently used in California as livestock feed in California (CA).

**Objective 2:** Conduct an LCA of the four most widely used by-products in California dairy rations.

**Objective 3:** Develop science-based communication resources to disseminate project findings to stakeholders, policymakers, and the public through videos, documentaries, social media, feature stories, etc.

The budget requested would be \$85 thousand utilizing a graduate research assistant to conduct the LCA's, modeling and more.

Discussion ensued regarding the approach to four widely used by-products in California and overall, the time it would take for this proposal.

The board requests that the CLEAR center conduct LCA on canola, cottonseed, almond hulls, soybean meal, wet distillers' grain, liquid whey, citrus, and carrots.

Discussion ensued regarding identifying other potential byproducts to be analyzed in the proposal and increasing the proposed budget and scope.

**MOTION:** Michael DeGroot moved for the CLEAR Center to look at the eight by-products and cap the budget at \$120 thousand, with the ability to come back and increase budget if needed; Jed Asmus seconded. The motion passed unanimously by all members present with a vote of 9 to 0.

### **FEED INSPECTION ADVISORY BOARD VACANCIES**

Chair Arana announced three upcoming board terms expire at the end of April 2026. Applications were submitted and reviewed for the following candidates: Michael DeGroot, Michael Koewler, Dan Rice, and Joseph Boyd.

**MOTION:** Shay Rambur moved to reinstate Michael DeGroot (public member), Michael Koewler, and Dan Rice; Jed Asmus seconded. The motion passed unanimously by all members present with a vote of 9 to 0.

### **LEGISLATION/REGULATION UPDATES**

Moran-Defty provided legislation updates. The rulemaking packet regarding label modernization, focused on updating label requirements to better align with the American Association of Feed Control Officials (AAFCO), is in the routing process. The rulemaking proposes to remove “charcoal (vegetable)” from CA ingredient regulations (Section 2791(f)). As mentioned by Kennedy, the program is also drafting regulations to better categorize products under the livestock drugs regulations. The Generally Recognized as Safe (GRAS) bill (HR7291) pertaining to discontinue the federal allowance for self-determination of GRAS.

### **UNIVERSITY OF CALIFORNIA (UC), DAVIS – LABORATORIES UPDATE**

Jim Langston of UC Davis, California Animal Health and Food Safety Services (CAHFS) Lab updated FIAB on the replacement of an Inductively Coupled Plasma Optical Emission Spectroscopy (ICP OES) instrument stating that it is fully installed and is working. The Laboratory Flexible Funding Model (LFFM) grant samples are as follows: 3 DDG, 20 corn, and 8 canola samples. Additionally, CAHFS will be renewing their ISO Accreditation in April of 2026 and will be presenting to the board at the next meeting about the anticipated cost increases for running assays, etc.

Rani Youngman of the UC Davis Analytical (An) Lab stated that they also purchased an ICP OES, so they can be a back up to the CAHFS as needed. The An Lab is currently renewing their ISO Accreditation.

### **ALMOND ALLIANCE / CALIFORNIA GRAIN AND FEED ASSOCIATION (CGFA)**

Bell reports there have been many inquiries made by CGFA members about feed through treatment for New World Screwworm. They have inquired about it with FDA, and the response by FDA is that there have not been any feed products approved by the FDA for New World Screwworm, to date.

### **PUBLIC COMMENTS**

No public comments were made.

**NEXT MEETING**

The next FIAB meeting will be in the 3<sup>rd</sup> week of August 2026 in Sacramento, California. Members will be sent a Doodle poll to select a date.

Agenda items to be included in the next meeting include:

1. CAHFS Budget increase presentation
2. The CLEAR Center proposal and final numbers

**ADJOURNMENT**

Chair Arana adjourns the meeting at 11:09am.

**ORIGINAL SIGNED BY RACHELLE KENNEDY**

Rachelle Kennedy, Environmental Program Manager I  
Feed, Fertilizer, and Livestock Drugs Regulatory Services

03/10/2026

Date

## FEED INSPECTION ADVISORY BOARD

**FINANCIAL SUMMARY**  
 Feed, SAFE, Livestock Drugs, and AUS

**FUND CONDITION REPORT**  
 As of May 30, 2026

|                                                                    | FY 2025/26          |                   |                     |                    |                     |
|--------------------------------------------------------------------|---------------------|-------------------|---------------------|--------------------|---------------------|
|                                                                    | FEED                | SAFE              | TOTAL<br>FEED/SAFE  | LIVESTOCK<br>DRUGS | AUS                 |
| <b>Beginning Balance as of 07/01/2025:</b>                         |                     |                   |                     |                    |                     |
| CDFA Account                                                       | \$ 3,865,262        | \$ 748,484        | \$ 4,613,746        | \$ 696,941         |                     |
| Bank of America Account                                            | \$ 1,043,053        |                   | \$ 1,043,053        |                    |                     |
| General Funds                                                      |                     |                   |                     |                    | \$ 1,136,093        |
| <b>Total Funds</b>                                                 | <b>\$ 4,908,315</b> | <b>\$ 748,484</b> | <b>\$ 5,656,799</b> | <b>\$ 696,941</b>  | <b>\$ 1,136,093</b> |
| <b>Revenue*</b>                                                    | \$ 3,757,247        | \$ 503,787        | \$ 4,261,034        | \$ 432,231         | \$ -                |
| <b>Expenditures and Encumbrances</b>                               |                     |                   |                     |                    |                     |
| Expenditures**                                                     | \$ 2,443,312        | \$ 279,042        | \$ 2,722,354        | \$ 192,994         | \$ 931,905          |
| Encumbrances                                                       | \$ 88,065           | \$ 29             | \$ 88,094           | \$ 1,459           | \$ 32,539           |
| <b>Ending Balance as of 5/30/2026</b>                              |                     |                   |                     |                    |                     |
| CDFA Account                                                       | \$ 4,601,899        | \$ 973,229        | \$ 5,575,128        | \$ 936,180         | \$ 204,188          |
| Bank of America Account                                            | \$ 1,620,350        |                   | \$ 1,620,350        | \$ -               | \$ -                |
| <b>Total Funds</b>                                                 | <b>\$ 6,222,249</b> | <b>\$ 973,229</b> | <b>\$ 7,195,478</b> | <b>\$ 936,180</b>  | <b>\$ 204,188</b>   |
| <b>Adjusted Balance***</b>                                         | <b>\$ 6,134,184</b> | <b>\$ 973,200</b> | <b>\$ 7,107,384</b> | <b>\$ 934,721</b>  | <b>\$ 171,649</b>   |
| <b>Recovery - Funds received from Federal grants and contracts</b> |                     |                   |                     |                    |                     |
| Food Safety                                                        | \$ 65,862           | \$ -              | \$ 65,862           | \$ -               | \$ -                |
| AFRPS                                                              | \$ 261,141          | \$ -              | \$ 261,141          | \$ -               | \$ -                |
| <b>Total Recovery</b>                                              | <b>\$ 327,003</b>   | <b>\$ -</b>       | <b>\$ 327,003</b>   | <b>\$ -</b>        | <b>\$ -</b>         |

**\*NOTE:** Revenue includes feed tonnage tax, feed and livestock drugs licensing, restricted livestock drugs registration, interest accrued in the CDFA Fund Account and Bank of America Corporate Account.

\*\* Expenditure total per CDFA Financial Services Budget Report June 30, 2026. Amount does not reflect outstanding lag expenditures.

\*\*\* Adjusted balance accounts for all program encumbrances through June 30, 2026.

## Feed Tonnage Breakdown by Fiscal Year

|             | 2021/22 |           | 2022/23 |         | 2023/24   |         | 2024/25 |           | 2025/26 |         |           |         |    |           |         |
|-------------|---------|-----------|---------|---------|-----------|---------|---------|-----------|---------|---------|-----------|---------|----|-----------|---------|
|             | \$0.10  |           | \$0.10  |         | \$0.12    |         | \$0.13  |           | \$0.13  |         |           |         |    |           |         |
|             | Tonnage | Revenue   | Rate    | Tonnage | Revenue   | Rate    | Tonnage | Revenue   | Rate    | Tonnage | Revenue   | Rate    |    |           |         |
| JULY        | \$      | 383,029   | \$ 0.10 | \$      | 59,634    | \$ 0.10 | \$      | 81,882    | \$ 0.12 | \$      | 136,676   | \$ 0.13 | \$ | 53,690    | \$ 0.13 |
| AUGUST      | \$      | 326,918   | \$ 0.10 | \$      | 511,822   | \$ 0.10 | \$      | 473,833   | \$ 0.12 | \$      | 515,962   | \$ 0.13 | \$ | 686,622   | \$ 0.13 |
| SEPTEMBER   | \$      | 3,396     | \$ 0.10 | \$      | 4,688     | \$ 0.10 | \$      | 28,742    | \$ 0.12 | \$      | 24,787    | \$ 0.13 | \$ | 21,192    | \$ 0.13 |
| Q1 Subtotal | \$      | 713,343   |         | \$      | 576,144   |         | \$      | 584,457   |         | \$      | 677,425   |         | \$ | 761,504   |         |
| OCTOBER     | \$      | 189,198   | \$ 0.10 | \$      | 72,452    | \$ 0.10 | \$      | 203,381   | \$ 0.12 | \$      | 81,774    | \$ 0.13 | \$ | 117,879   | \$ 0.13 |
| NOVEMBER    | \$      | 176,857   | \$ 0.10 | \$      | 491,607   | \$ 0.10 | \$      | 390,331   | \$ 0.12 | \$      | 616,309   | \$ 0.13 | \$ | 574,964   | \$ 0.13 |
| DECEMBER    | \$      | 204,957   | \$ 0.10 | \$      | 3,447     | \$ 0.10 | \$      | 43,160    | \$ 0.12 | \$      | 53,939    | \$ 0.13 | \$ | 40,737    | \$ 0.13 |
| Q2 Subtotal | \$      | 571,012   |         | \$      | 567,506   |         | \$      | 636,872   |         | \$      | 752,022   |         | \$ | 733,580   |         |
| JANUARY     | \$      | 5,192     | \$ 0.10 | \$      | 65,540    | \$ 0.10 | \$      | 9,314     | \$ 0.12 | \$      | 21,825    | \$ 0.13 | \$ | 124,561   | \$ 0.13 |
| FEBRUARY    | \$      | 325,629   | \$ 0.10 | \$      | 462,692   | \$ 0.10 | \$      | 729,084   | \$ 0.12 | \$      | 569,408   | \$ 0.13 | \$ | 541,370   | \$ 0.13 |
| MARCH       | \$      | 159,268   | \$ 0.10 | \$      | (71)      | \$ 0.10 | \$      | 51,679    | \$ 0.12 | \$      | 163,035   | \$ 0.13 | \$ | 109,374   | \$ 0.13 |
| Q3 Subtotal | \$      | 490,089   |         | \$      | 528,161   |         | \$      | 790,077   |         | \$      | 754,268   |         | \$ | 775,305   |         |
| APRIL       | \$      | 170,233   | \$ 0.10 | \$      | 152,672   | \$ 0.10 | \$      | 130,441   | \$ 0.12 | \$      | 39,982    | \$ 0.13 | \$ | 116,901   | \$ 0.13 |
| MAY         | \$      | 319,061   | \$ 0.10 | \$      | 458,600   | \$ 0.10 | \$      | 493,377   | \$ 0.12 | \$      | 644,967   | \$ 0.13 | \$ | 481,989   | \$ 0.13 |
| JUNE        | \$      | 190,690   | \$ 0.10 | \$      | 165,415   | \$ 0.10 | \$      | 63,478    | \$ 0.12 | \$      | 113,297   | \$ 0.13 |    |           | \$ 0.13 |
| Q4 Subtotal | \$      | 679,984   |         | \$      | 776,687   |         | \$      | 687,296   |         | \$      | 798,246   |         | \$ | 598,890   |         |
| TOTAL       | \$      | 2,454,428 |         | \$      | 2,448,498 |         | \$      | 2,698,702 |         | \$      | 2,981,961 |         | \$ | 2,869,279 |         |

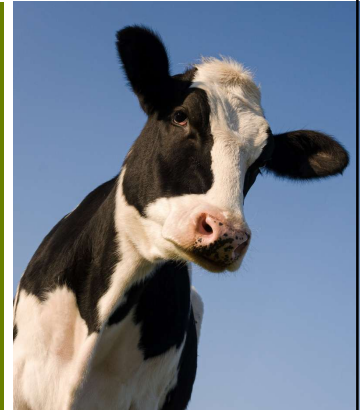


## Agenda

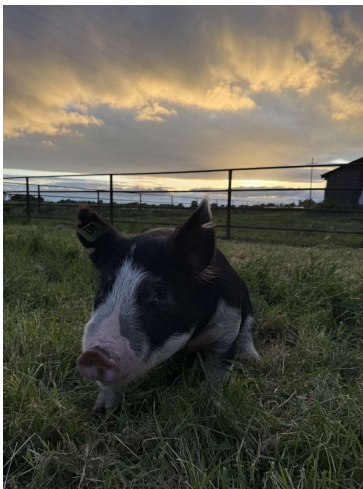
- (1) Introductions and Announcements
- (2) Roll Call – Establish Quorum
- (3) Department / Division / Branch Updates
- (4) Approve minutes from March 10, 2026
- (5) Program Updates
  - i. Fund Conditions/Tonnage Tax
  - ii. SAFE Updates
  - iii. SAFFER Update
- (6) Legislation Updates
- (7) University of California, Davis – Laboratories Update
  - i. CAHFS Budget
- (8) Almond Alliance Updates
- (9) California Grain and Feed Association
- (10) Public Comments – Limited to Items Not on the Agenda
- (11) Next Meeting
- (12) Adjournment



## Department/Division /Branch Updates



3 8/5/2026



**Approve March 10, 2026 Minutes**

## Program Updates

### Feed Program

- Tonnage Report/Fund Conditions
- Feed Sample Numbers
- Compliance and Enforcement
- Complaints

### SAFE Program

- Outreach Updates
- 2025 Crop Year Mycotoxin Report
- Safe Animal Feed Formulation Education Registry (SAFFER) Scoping Meeting
- SAFFER Survey Results

### LD/AUS Program

- Veterinary Feed Directive (VFD) Training
- VFD Online Companion Tool



## Fund Conditions

### FEED INSPECTION ADVISORY BOARD

#### FINANCIAL SUMMARY Feed, SAFE, Livestock Drugs, and AUS FUND CONDITION REPORT As of May 30, 2026

|                                                                    | FY 2025/26          |                   |                     |                    |                     |
|--------------------------------------------------------------------|---------------------|-------------------|---------------------|--------------------|---------------------|
|                                                                    | FEED                | SAFE              | TOTAL<br>FEED/SAFE  | LIVESTOCK<br>DRUGS | AUS                 |
| <b>Beginning Balance as of 07/01/2025:</b>                         |                     |                   |                     |                    |                     |
| CDFA Account                                                       | \$ 3,865,262        | \$ 748,484        | \$ 4,613,746        | \$ 696,941         |                     |
| Bank of America Account                                            | \$ 1,043,053        |                   | \$ 1,043,053        |                    |                     |
| General Funds                                                      |                     |                   |                     |                    | \$ 1,136,093        |
| <b>Total Funds</b>                                                 | <b>\$ 4,908,315</b> | <b>\$ 748,484</b> | <b>\$ 5,656,799</b> | <b>\$ 696,941</b>  | <b>\$ 1,136,093</b> |
| <b>Revenue*</b>                                                    | <b>\$ 3,757,247</b> | <b>\$ 503,787</b> | <b>\$ 4,261,034</b> | <b>\$ 432,231</b>  | <b>\$ -</b>         |
| <b>Expenditures and Encumbrances</b>                               |                     |                   |                     |                    |                     |
| Expenditures**                                                     | \$ 2,443,312        | \$ 279,042        | \$ 2,722,354        | \$ 192,994         | \$ 931,905          |
| Encumbrances                                                       | \$ 88,065           | \$ 29             | \$ 88,094           | \$ 1,459           | \$ 32,539           |
| <b>Ending Balance as of 5/30/2026</b>                              |                     |                   |                     |                    |                     |
| CDFA Account                                                       | \$ 4,601,899        | \$ 973,229        | \$ 5,575,128        | \$ 936,180         | \$ 204,188          |
| Bank of America Account                                            | \$ 1,620,350        |                   | \$ 1,620,350        | \$ -               | \$ -                |
| <b>Total Funds</b>                                                 | <b>\$ 6,222,249</b> | <b>\$ 973,229</b> | <b>\$ 7,195,478</b> | <b>\$ 936,180</b>  | <b>\$ 204,188</b>   |
| <b>Adjusted Balance***</b>                                         | <b>\$ 6,134,184</b> | <b>\$ 973,200</b> | <b>\$ 7,107,384</b> | <b>\$ 934,721</b>  | <b>\$ 171,649</b>   |
| <b>Recovery - Funds received from Federal grants and contracts</b> |                     |                   |                     |                    |                     |
| Food Safety                                                        | \$ 65,862           | \$ -              | \$ 65,862           | \$ -               | \$ -                |
| AFRPS                                                              | \$ 261,141          | \$ -              | \$ 261,141          | \$ -               | \$ -                |
| <b>Total Recovery</b>                                              | <b>\$ 327,003</b>   | <b>\$ -</b>       | <b>\$ 327,003</b>   | <b>\$ -</b>        | <b>\$ -</b>         |

| 2026 Q1 Tonnage |                                                 |                  |                      |
|-----------------|-------------------------------------------------|------------------|----------------------|
| Quarter         | Feed Type                                       | Tons             | Amount               |
| Q1<br>(Jan-Mar) | Commercial Feed                                 | 5,359,595        | \$ 696,747.35        |
|                 | Human Food By-Products (Diversion)              | 579,049          | \$ 37,638.19         |
|                 | Diversion with No Fees (ind. Under 1,000 tons)* | 5,705            |                      |
|                 | <b>Total**</b>                                  | <b>5,938,644</b> | <b>\$ 734,385.54</b> |

## Tonnage Reported in ExtraView

\*Diversion with No Fees is counted in the Human Food By-products (Diversion), so it is not part of the Total column

\*\*Still pending delinquent tonnage for 2026 Q1

7

## Tonnage Revenue

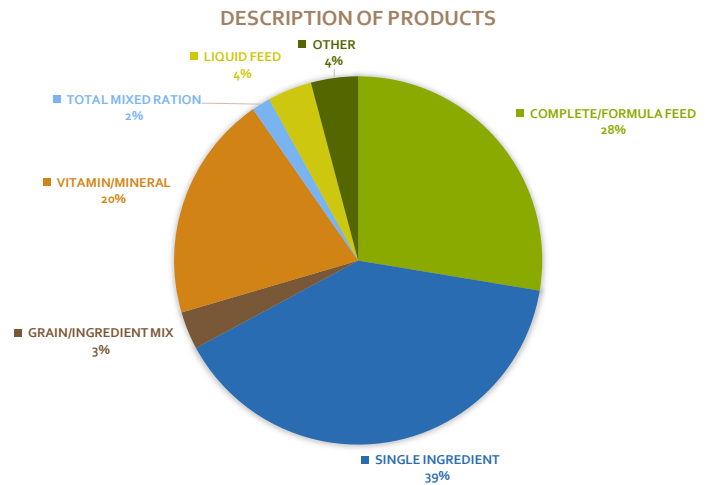
### Feed Tonnage Breakdown by Fiscal Year

|                    | 2021/22             |         | 2022/23             |         | 2023/24             |         | 2024/25             |         | 2025/26             |         |
|--------------------|---------------------|---------|---------------------|---------|---------------------|---------|---------------------|---------|---------------------|---------|
|                    | \$0.10              |         | \$0.10              |         | \$0.12              |         | \$0.13              |         | \$0.13              |         |
|                    | Tonnage Revenue     | Rate    | Tonnage Revenue     | Rate    | Tonnage Revenue     | Rate    | Tonnage Revenue     | Rate    | Tonnage Revenue     | Rate    |
| JULY               | \$ 383,029          | \$ 0.10 | \$ 59,634           | \$ 0.10 | \$ 81,882           | \$ 0.12 | \$ 136,676          | \$ 0.13 | \$ 53,690           | \$ 0.13 |
| AUGUST             | \$ 326,918          | \$ 0.10 | \$ 511,822          | \$ 0.10 | \$ 473,833          | \$ 0.12 | \$ 515,962          | \$ 0.13 | \$ 686,622          | \$ 0.13 |
| SEPTEMBER          | \$ 3,396            | \$ 0.10 | \$ 4,688            | \$ 0.10 | \$ 28,742           | \$ 0.12 | \$ 24,787           | \$ 0.13 | \$ 21,192           | \$ 0.13 |
| <b>Q1 Subtotal</b> | <b>\$ 713,343</b>   |         | <b>\$ 576,144</b>   |         | <b>\$ 584,457</b>   |         | <b>\$ 677,425</b>   |         | <b>\$ 761,504</b>   |         |
| OCTOBER            | \$ 189,198          | \$ 0.10 | \$ 72,452           | \$ 0.10 | \$ 203,381          | \$ 0.12 | \$ 81,774           | \$ 0.13 | \$ 117,879          | \$ 0.13 |
| NOVEMBER           | \$ 176,857          | \$ 0.10 | \$ 491,607          | \$ 0.10 | \$ 390,331          | \$ 0.12 | \$ 616,309          | \$ 0.13 | \$ 574,964          | \$ 0.13 |
| DECEMBER           | \$ 204,957          | \$ 0.10 | \$ 3,447            | \$ 0.10 | \$ 43,160           | \$ 0.12 | \$ 53,939           | \$ 0.13 | \$ 40,737           | \$ 0.13 |
| <b>Q2 Subtotal</b> | <b>\$ 571,012</b>   |         | <b>\$ 567,506</b>   |         | <b>\$ 636,872</b>   |         | <b>\$ 752,022</b>   |         | <b>\$ 733,580</b>   |         |
| JANUARY            | \$ 5,192            | \$ 0.10 | \$ 65,540           | \$ 0.10 | \$ 9,314            | \$ 0.12 | \$ 21,825           | \$ 0.13 | \$ 124,561          | \$ 0.13 |
| FEBRUARY           | \$ 325,629          | \$ 0.10 | \$ 462,692          | \$ 0.10 | \$ 729,084          | \$ 0.12 | \$ 569,408          | \$ 0.13 | \$ 541,370          | \$ 0.13 |
| MARCH              | \$ 159,268          | \$ 0.10 | \$ (71)             | \$ 0.10 | \$ 51,679           | \$ 0.12 | \$ 163,035          | \$ 0.13 | \$ 109,374          | \$ 0.13 |
| <b>Q3 Subtotal</b> | <b>\$ 490,089</b>   |         | <b>\$ 528,161</b>   |         | <b>\$ 790,077</b>   |         | <b>\$ 754,268</b>   |         | <b>\$ 775,305</b>   |         |
| APRIL              | \$ 170,233          | \$ 0.10 | \$ 152,672          | \$ 0.10 | \$ 130,441          | \$ 0.12 | \$ 39,982           | \$ 0.13 | \$ 116,901          | \$ 0.13 |
| MAY                | \$ 319,061          | \$ 0.10 | \$ 458,600          | \$ 0.10 | \$ 493,377          | \$ 0.12 | \$ 644,967          | \$ 0.13 | \$ 481,989          | \$ 0.13 |
| JUNE               | \$ 160,690          | \$ 0.10 | \$ 165,415          | \$ 0.10 | \$ 63,478           | \$ 0.12 | \$ 113,297          | \$ 0.13 |                     | \$ 0.13 |
| <b>Q4 Subtotal</b> | <b>\$ 679,984</b>   |         | <b>\$ 776,687</b>   |         | <b>\$ 687,296</b>   |         | <b>\$ 798,246</b>   |         | <b>\$ 598,890</b>   |         |
| <b>TOTAL</b>       | <b>\$ 2,454,428</b> |         | <b>\$ 2,448,498</b> |         | <b>\$ 2,698,702</b> |         | <b>\$ 2,981,961</b> |         | <b>\$ 2,869,279</b> |         |

8

## 2026 Feed Sampling

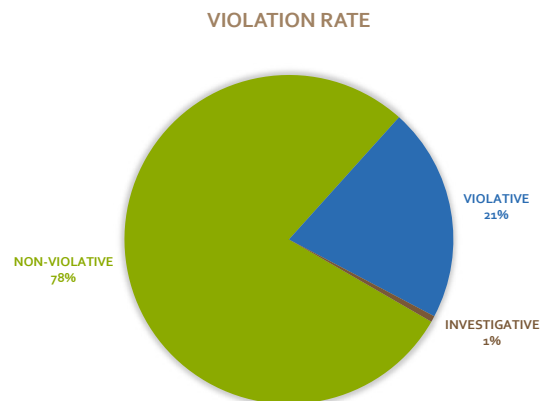
|                  | Number     | Percentage  |
|------------------|------------|-------------|
| Food Safety      | 242        | 66.9%       |
| Label Compliance | 120        | 33.1%       |
| <b>Total</b>     | <b>362</b> | <b>100%</b> |



## 2026 Sample Violations

116 Individual violations issued

- Some samples received multiple assay and label violations for same report

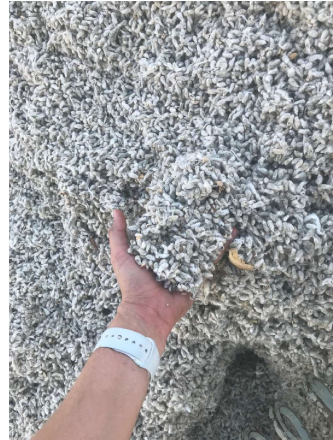


# Compliance and Enforcement 2026

## Violation Inspection Report

- 70 sample violations
  - 61 have been followed up on
  - 9 outstanding as of 6/30/2026

52 regulatory notes



### 9 Inspector Call Reports issued

- 1 Tissue residue
- 2 Mycotoxin levels (Corn)
- 1 Quarantine
- 2 Sample violations
- 1 Mixer study
- 1 FSMA plan
- 1 Investigational

### 9 Notice of Warnings issued

- 1 Almond hulls
- 3 Sample violations
- 2 Veterinary Feed Directive related
- 1 Restricted Livestock Drug related
- 1 Tissue residue
- 1 Cottonseed certificate of movement related

### 9 Quarantines issued

- 6 Feed
- 3 Retail

### 2 Compliance Meetings

### 6 Corrective Actions Addendum issued

- 2 VFD related
- 4 Delinquent License & Tonnage

## Compliance and Enforcement 2026 (Continued)



## Firm Selenium Carryover Compliance

On-going investigation

- Found during Routine Sampling
- Mineral Pre-mix with double labeled Selenium level
- Next product had Selenium, but was not supposed to
- Led to FDA and CDFA investigations
- Reportable Food Registry incident
- State regulatory action to date:
  - Quarantine
  - Corrective Actions
  - Notice of Warning
  - Compliance Meeting
- CDFA will continue enhanced sampling and record review at firm



2025 Complaint  
Investigations

### 2 complaints received:

- 1 Feed Safety
  - Animal death related to water quality
- 1 Human Health (CA compliant, feed sold from PA)
  - Contact dermatitis on hands after handling raw peanuts sold as bird feed

## FERN/LFFM Update 2026/2027

Whole Corn:  
50 samples

DDG: 3  
samples

Canola: 9  
samples

Testing for Aflatoxin, Fumonisin, and DON in Corn and DDG  
Testing for Aflatoxin and DON in Canola

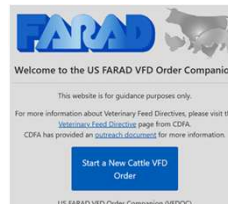
Sampling done by CFRP, assay costs covered by FDA's LFFM agreement with lab

15

## SAFE Outreach Updates



- VFD Order Companion Launched
- 2025 Crop Year Mycotoxin Report
- Notice to Industry: Elevated Fumonisin Levels Found in Incoming Corn from Out-of-State
  - Recent sampling of incoming corn shipments from several out-of-state sources has revealed elevated fumonisin concentrations. These levels exceed those typically observed in previous seasons and may present health risks to sensitive animal species if not appropriately managed
- Blog Posts:
  - New World Screwworm
  - Decrease Tonnage Tax

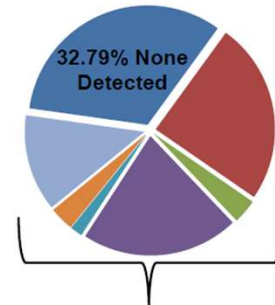


## 2025 Crop Year Mycotoxin Report

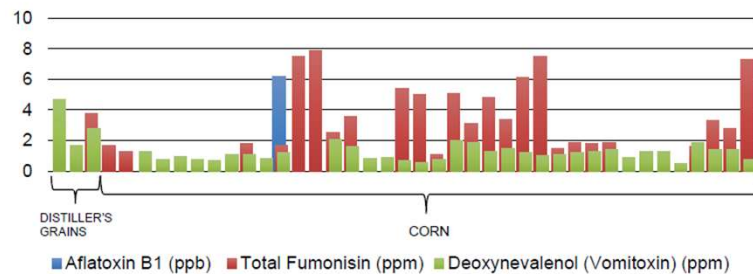


**Distribution of Mycotoxins in 61 Total Samples**

- None
- Vomitoxin
- Fumonisin B1
- Fumonisin B1 & Vomitoxin
- Aflatoxin B1 & Fumonisin B1 & Vomitoxin
- Fumonisin B1 & B2
- Fumonisin B1 & B2 & Vomitoxin



**Level (ppm or ppb) of Mycotoxin Found in 41 samples**



## 2025 Crop Year Mycotoxin Report Comparison

**Table 1**  
**Past Crop Years Comparison**

| Crop Year | Number of Samples Taken | Percentage of Samples with Mycotoxins Detected | Range of Mycotoxins                                                                     |
|-----------|-------------------------|------------------------------------------------|-----------------------------------------------------------------------------------------|
| 2022      | 120                     | 20%                                            | Aflatoxin B1 - 5.0-7.8 ppb;<br>Fumonisin B1 - 1-2.8 ppm;<br>Vomitoxin - 0.6 - 1.4 ppm   |
| 2023      | 66                      | 15%                                            | Aflatoxin B1 - 8.9-11 ppb;<br>Fumonisin B1 - 1-3.5 ppm;<br>Vomitoxin - 1.4 ppm          |
| 2024      | 62                      | 55%                                            | Aflatoxin B1 - 11 ppb;<br>Total Fumonisin - 0.5-4.5 ppm;<br>Vomitoxin - 0.52-1.25 ppm   |
| 2025      | 61                      | 67%                                            | Aflatoxin B1 - 6.2 ppb;<br>Total Fumonisin - 1.1-7.9 ppm;<br>Vomitoxin - 0.51 - 4.7 ppm |

## New World Screwworm (NWS)

- **Currently, there are no approved medicated articles for use in medicated feed that are safe and effective in preventing or controlling NWS.** All approved animal drugs for the control of NWS are listed on the U.S. Food and Drug Administration (FDA) website: <https://www.fda.gov/animal-veterinary/safety-health/animal-drugs-new-world-screwworm>
- FDA has stated “Because of antiparasitic resistance concerns, if animal drugs are needed, they should be used judiciously to preserve their effectiveness.”
- Ivermectin for use in feed is only approved for swine for gut parasites.
  - No extra label use of medicated articles is allowed.
- Visit Animal Health’s NWS webpage for more information: [https://www.cdffa.ca.gov/ahfss/Animal\\_Health/screwworm/](https://www.cdffa.ca.gov/ahfss/Animal_Health/screwworm/).
- Current Situation Information regarding NWS: USDA’s [screwworm.gov](https://www.usda.gov/screwworm).

## Fair Outreach Update

- Drafted Documents:
  - Letter to Exhibitors
  - Letter to Fair Managers and CEOs
  - Drug Residue Avoidance Guidelines
  - Drug Residue Avoidance Decision Tree
- Goal to finalize and have packet out prior to tagging of market animals for early 2027 fairs



## SAFFER Updates-Scoping Session



May 6, 2026 scoping session in conjunction with the California Animal Nutrition Conference was attended by about 30 participants, both online and in-person.



SAFE presented an outline of what SAFFER is, why this new program is needed, and what the program will look like.



A Q&A session concluded the event, and no questions or comments were made.



16 participants who attended the session completed a survey.

21

## Proposed SAFFER Goals

Voluntary, free, pilot registration program for individual formulators of commercial livestock feed that is distributed and fed in CA.

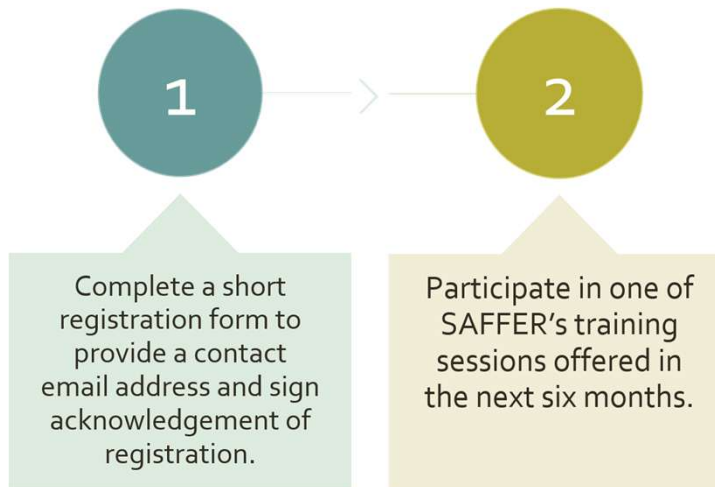
NOT a certificate, license, endorsement, or test.

Develop and deliver focused educational materials regarding, food safety laws, and regulations that are specifically applicable to formulators and nutritionists.

Foster a connection between formulators/nutritionists and SAFE as a resource for questions and a trusted source for relevant updates, such as feed industry notices and changes to laws and regulations.

22

## Proposed SAFFER Registration



## Annual Information Verification

1. Confirm contact information
2. Sign acknowledgement of registration

### Safe Animal Feed Formulation Educational Registry Acknowledgement Form

Name: \_\_\_\_\_

Company Name (if applicable): \_\_\_\_\_

Email Address: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Please answer and initial the following statements:

I am an individual person that formulates livestock feed that is distributed within or into California and/or fed to livestock in California. Yes / No

If yes, I formulate feed for the following species of animals: \_\_\_\_\_

In the next 6 months, I will participate in SAFE's initial SAFFER training program to learn about applicable feed and food safety laws and regulations.

Initial \_\_\_\_\_

I understand that SAFFER is a voluntary educational program, and does not endorse my qualifications as a professional, or guarantee compliance with laws and regulations.

Initial \_\_\_\_\_

I understand that SAFE will use the above email address to provide important updates regarding feed and food safety notices, proposed law and regulation changes, and guidance materials.

Initial \_\_\_\_\_

I understand that I will need to annually renew my voluntary registration with SAFFER to continue participation.

Initial \_\_\_\_\_

Understanding all the above, I acknowledge my voluntary registration with SAFFER.

Signed: \_\_\_\_\_ Date: \_\_\_\_\_

## Proposed Educational Topics

### Ingredients

- Laws
- Approval Process
- Resources

### Regulated Substances

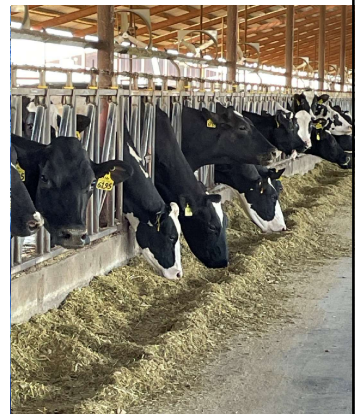
- Medicated Feed
- Selenium
- NPN
- IGRs
- Methane Reduction

### Understanding Manufacturer/Guarantor Label Requirements

25

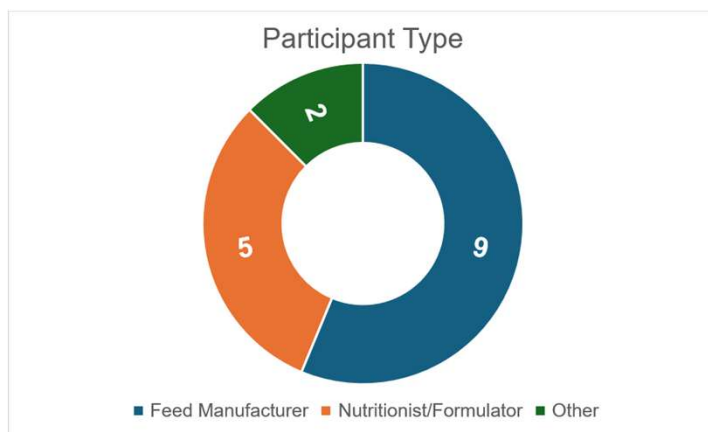
## SAFFER Scoping Survey Results

**16 Responses**



26

**Question 1: Indicate your primary role in the feed industry**



27

**SAFFER Scoping Survey Results Questions 2 &3**

**Question 2: Do you think there is a need to educate formulators and nutritionists about the laws and regulations in place which safeguard animal health and food safety?**

**15 Yes, 1 No**

**Question 3: Do you see value in the proposed SAFFER to benefit the feed industry, producers, and consumers?**

**16 Yes**

## SAFFER Scoping Survey Results Questions 4 & 5

### ***Question 4: Do you have any concerns with the proposed SAFFER?***

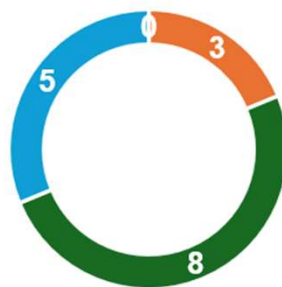
- Participants were concerned with low engagement and getting the individuals that most need the education to participate.
- One participant was concerned this would control nutritionists.

### ***Question 5: Are there any additional educational topics or resources that you think should be covered?***

- One participant stated basic information regarding livestock nutrition would be beneficial.

29

## Question 6: Preferred Training Format



- In person, stand-alone event
- In person, in collaboration with another industry meeting, such as ARPAS
- In person with a virtual attendance option
- Online training platform only

30

## SAFFER Scoping Survey Results Question 7 & 8

*Question 7: Do you think SAFFER should work to expand collaboration with other organizations, such as ARPAS or UC Cooperative Extension, to provide trainings that will count toward continuing education credits?*

15 Yes, 1 No

*Question 8: Do you have any other feedback or suggestions?*

- Participants suggested collaboration with UC Cooperative Extension, and to ask premix manufacturers to have a check box for “SAFFER Registered” on their formula submissions.

## SAFFER Next Steps and Timeline

Discussion



## Veterinary Feed Directive (VFD) Online Training

- Developed in collaboration with UC Davis Food Animal Residue Avoidance Databank (FARAD) in 2024
- Developed for the purpose of educating the VFD Manufacturers and Distributors on:
  - Cattle and Swine VFD medicated feed, VFD orders
  - VFD regulations in the Code of Federal Regulations (CFR)
  - Fields required to be filled for complete and accurate VFD orders
  - Antimicrobial drug approvals for use in livestock feed according to:
    - Species
    - Production class
    - Indication requiring treatment
    - Drug name/Combination/Category/Concentration
    - Dosage
    - Duration of treatment
  - Long-hand explanation of math to determine appropriate grams/ton
  - Short-hand explanation of math to determine appropriate grams/ton
  - More info, email: [cdfa.isd\\_aus\\_vfd@cdfa.ca.gov](mailto:cdfa.isd_aus_vfd@cdfa.ca.gov)



## Veterinary Feed Directive Order Companion (VFDOC) Portal

- Developed after the successful collaboration and release of the Veterinary Feed Directive Online Training
- Allows industry to see the required fields on a VFD
- Allows stakeholders to enter a VFD in-hand, to check for completeness
- Features include:
  - Stars marking required fields
  - Info icons that add context and clarity to VFD fields
  - Calculates the g/ton and number of bags of feed for a specific number of animals
  - Will show any errors on the VFD and provide immediate outreach
- Available for VFDs issued for Cattle (beef and dairy)
- Swine is under development; release TBD



<https://cafarad.ucdavis.edu/vfdoc>

## Feed/Livestock Drug Program Regulations

- Label Modernization Regulations
  - Currently under executive review
- Livestock Drug Registration Regulations
  - Currently under Program review
  - Clarifying livestock drug label registration requirements
  - Categorizing livestock drugs and establishing definition
  - Repealing California Prescription Drug regulations that are no longer valid due to products being made Federal prescription

35

Agenda Item 6

## Federal Legislation Update

### Pet Food Uniform Regulatory Reform (PURR)

Language added to HR 8646 (House Ag Appropriations Bill)

- Passed out of House 6/4/26
- Requires adoption of the AAFCO Model Bill
- Contains preemptive language: *"No State or a political subdivision of a State directly or indirectly establish, maintain, implement, or enforce any law, regulation, or other requirement relating to the labels, labeling, or advertising of animal food that differs from or extends beyond those established by the Food and Drug Administration."*

### Innovative Feed Enhancement and Economic Development (iFEED) Act

Language added to Farm Bill

- Adds "Zootechnical Food Substance" and creates a new pathway for approval of these types of products
- Products meeting this definition will be treated like a "feed additive" for FDA approval

36

## PURR Language Implications

1. AAFCO model bill does not require a guaranteed analysis for custom-formula feeds.
  - a. Without a guaranteed analysis, there is no regulatory framework to sample, analyze, and require manufacturers to deliver to the customer a feed which meets the specifications for protein, fat, and essential minerals and vitamins.
  - b. The majority of our current sampling program is custom formula feed.
  - c. With such a high volume of customer formula feeds, CA would lose its long-standing quality assurance and feed safety (ex: vitamin and mineral level) for consumers.
2. AAFCO model bill does not require label guarantees and adequate cautions for selenium, while California regulations require a minimum and maximum when selenium is over 0.3 parts per million, a specific caution statement, and directions for use to ensure safe use.
  - a. With selenium supplementation being common in California, the potential for toxicity is high risk.

37

## PURR Language Implications (Continued)

3. The AAFCO Model Bill allows collective terms in the ingredient list for custom-formula feeds such as “plant protein products” rather than listing the specific plant protein such as soybean meal.
  - a. With custom-formula feeds being balanced based on the nutrient specifications of the ingredients, the use of the certain collective term would allow for substitutions which may cause issues with the diet.
4. The Act establishes that any ingredient intended for animal food is deemed safe and acceptable for use in animal food if there are no findings by the FDA that such ingredient is not safe, and further that an animal food manufacturer is not required to notify the FDA of their self-determination that the ingredient is generally recognized as safe (GRAS).
  - a. U.S. Department of Health and Human Services 2025 direction to eliminate self-determination of GRAS and H.R. 7291- GRAS Oversight and Transparency Act, introduced to the House on 1/20/2026 requiring all previous and future GRAS determinations to be provided to a Board for evaluation.
  - b. California relies on the diligent federal animal food ingredient approval processes, including the GRAS notification program, and does not accept food manufacturer self-determination of GRAS in determining that animal food ingredients are safe for the food supply.

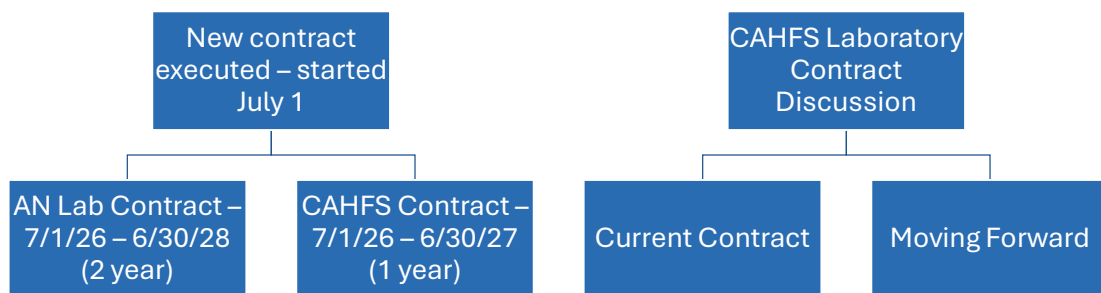
38



# Laboratory Updates AN Lab CAHFS Lab



## Laboratory Updates



## Method Development

### CAHFS

- Amprolium, Decoquinate, Bacitracin Methylene Disalicylate (BMD), Diflubenzuron, Bambermycin
- Other suggestions?

### AN

- Moisture in Liquid Feed
- Sugars as Invert

41

## CAHFS Contract Discussion



42

## CAHFS Lab Updates

- Sample testing
  - 676 analyses run from July 2025 – June 2026
    - Majority minerals, metals, monensin, vitamins
  - Additional 34 samples run for YR6 LFFM program (mycotoxins; corn, DDGS, canola meal)
  - For LFFM YR7 (2026 – 2027) approved for mycotoxins:
    - 50 corn, 3 DDGS, 9 canola meal
- ISO 17025:2017 accreditation renewed to 5/31/28
- New equipment added 2024 – 2026 Budget Period
  - HPLC System with UV and FLD (vitamins analysis; \$99K)
  - Retsch Mill (sample grinding; \$26K)
  - ICP-OES (metals/minerals analysis; \$126K)

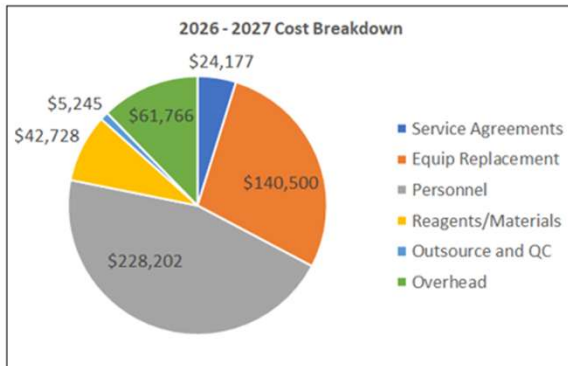


## Budget Request for 2027 - 2028

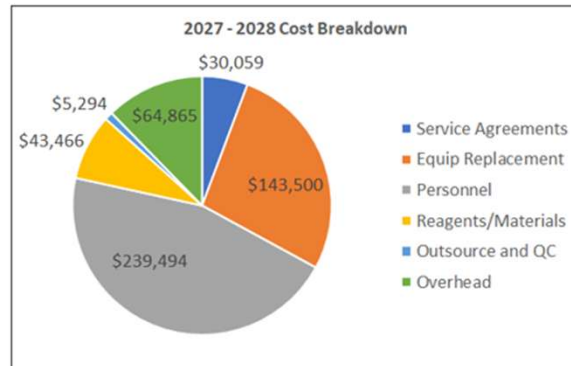
- Current contract amount (2026 – 2027): \$472,500
  - 1,000 assays/year
    - Retesting for confirmation included
  - 14 calendar day standard TAT
    - Allowance for Urgent samples and 48-hr mycotoxin samples
  - 1 method developed/year
- Requested amount for 2027 – 2028: \$527,000
  - Assume same assays, TATs, method development as for 2026 - 2027



## Cost Breakdowns



Total: \$502,619



Total: \$526,678



## Explanation of costs

- CAHFS offers unique and comprehensive service and access for CDFA CFRP
  - This includes providing duplicate testing and confirmation testing as requested by CDFA
  - CDFA samples are prioritized
- The cost of the program is wholly charged to CDFA CFRP due to the need to maintain a certain level of staffing and equipment to be able to conduct this testing
  - This includes an additional SRA that was brought on specifically for this testing.
  - This includes replacing equipment that was initially purchased for this testing and which must be maintained and replaced to be able to perform ongoing testing.
- Drivers for increased costs include
  - Increases in salary and corresponding benefits
  - Increases in equipment and equipment maintenance costs



## Explanation of costs (continued)

- Testing prices and methods shown on external CAHFS website do not reflect actual prices for methods used for CDFA Feed program
  - CDFA Feed samples are tested in duplicate, and often times require confirmation testing.
  - CDFA Feed methods often differ from diagnostic sample methods.
  - Metals/mineral samples can't be batch analyzed with diagnostic samples.
- Excess fee table prices also do not accurately reflect total costs of assays
  - They do not accurately account for equipment replacement or service agreements.
  - They have not been adjusted to account for actual costs of labor, supplies, and overhead.



## Current Contract Pricing Per Sample Type

| Sample Type            | AN Lab Cost | CAHFS Lab Cost | Total Estimated Cost |
|------------------------|-------------|----------------|----------------------|
| ALMOND HULL            | \$274       | N/A            | \$274                |
| SINGLE INGREDIENT      | \$364       | N/A            | \$364                |
| MILK REPLACER          | \$296       | \$923          | \$1,219              |
| COMPLETED FEED - MED   | \$354       | \$712          | \$1,066              |
| COMPLETE FEED - NONMED | \$166       | \$368          | \$534                |
| PREMIX - MED           | \$228       | \$2,628        | \$2,856              |
| PREMIX - NONMED        | \$172       | \$2,285        | \$2,457              |
| GRAIN/INGREDIENT MIX   | \$386       | N/A            | \$386                |
| MYCOTOXIN SCREEN       | \$152       | \$767          | \$920                |
| LIQUID FEED - MED      | \$170       | \$712          | \$882                |
| LIQUID FEED - NONMED   | \$170       | N/A            | \$170                |
| TOTAL MIXED RATION     | \$354       | \$368          | \$722                |

## CAHFS Funding Structure Past to Present

- Fully burdened budget since July 2024\*
  - Annual budget is set, and divided into equal monthly fees, regardless of the number of assays performed

| Budget for Contract Period (2020-Current) |                   |                   |                   |                   |                    |                    |                    |
|-------------------------------------------|-------------------|-------------------|-------------------|-------------------|--------------------|--------------------|--------------------|
|                                           | Year 1<br>(20/21) | Year 2<br>(21/22) | Year 3<br>(22/23) | Year 4<br>(23/24) | Year 5<br>(24/25)* | Year 6<br>(25/26)* | Year 7<br>(26/27)* |
| Max Assay Numbers                         | 1,388             | 1,388             | 1,525             | 1,575             | 750                | 750                | 1,000              |
| Testing Budget                            | \$470,657         | \$484,751         | \$474,557         | \$494,031         | \$450,000          | \$472,500          | \$472,500          |
| Actual Paid                               | \$95,987.75       | \$132,755.00      | \$124,988.00      | \$141,804.25      | \$450,000          | \$472,500          | \$472,500          |
| Actual Assays Ran                         | 474               | 675               | 659               | 709               | 687                | 671                | N/A                |

## Options for Contract Fee Structure

**Option 1:** Keep contract structure the same

**Option 2:** Move back to Fee for Service Contract and add a Sustainability Fee

A “sustainability fee” built into pricing to help keep lab and personnel to meet CDFA turnaround times

**Option 3:** Move back to fee for service pricing (likely with higher rates to support lab needs (maintenance))

| Example Budget For Fee for Service Contract * |           |           |
|-----------------------------------------------|-----------|-----------|
|                                               | Year 1    | Year 2    |
| Testing                                       | \$335,000 | \$335,000 |
| Program Sustainability Fee                    | \$140,000 | \$140,000 |
| Total Costs per Year                          | \$475,000 | \$475,000 |

## CAHFS Contract vs Public Assay Costs

| Assay                                                   | CDFA Assay Cost | Public Cost from Website* |
|---------------------------------------------------------|-----------------|---------------------------|
| Ionophore Screen                                        | \$344.25        | \$92.50                   |
| Organic Compound                                        | \$484.00        | \$184.75                  |
| Monensin                                                | \$344.25        | \$168                     |
| Minerals (Ca, Na, P, K, Mg, S)                          | \$180.00        | \$51.75                   |
| Metals (As, Cd, Co, Mn, Hg, Fe, Pb, Cu, Zn, Mo, Cr, Se) | \$188.00        | \$67.75                   |
| Lasalocid                                               | \$344.25        | \$92.50                   |
| Mycotoxin Screen                                        | \$767.50        | \$100                     |
| Aflatoxin Screen – 48 Hr                                | \$803.75        | \$100                     |
| Vitamin E                                               | \$344.25        | \$184.75                  |
| Tetracyclines                                           | \$484.00        | \$184.75                  |
| Vitamin A                                               | \$743.75        | \$184.75                  |
| Vitamin D                                               | \$828.50        | \$184.75                  |

\*Does not include Rush cost

## CAHFS Estimated Monthly Cost Under a Fee-for-Service Model

| Assay                                                   | Average Per Month | Assay Cost | Total Cost Per Month |
|---------------------------------------------------------|-------------------|------------|----------------------|
| Ionophore Screen                                        | 0.41              | \$344.25   | \$141.14             |
| Organic Compound                                        | 0.5               | \$484.00   | \$242.00             |
| Monensin                                                | 8                 | \$344.25   | \$2,754.00           |
| Minerals (Ca, Na, P, K, Mg, S)                          | 28                | \$180.00   | \$5,040.00           |
| Metals (As, Cd, Co, Mn, Hg, Fe, Pb, Cu, Zn, Mo, Cr, Se) | 12.5              | \$188.00   | \$2,350.00           |
| Lasalocid                                               | 0.41              | \$344.25   | \$141.14             |
| Mycotoxin Screen                                        | 0.33              | \$767.50   | \$253.28             |
| Aflatoxin Screen – 48 Hr                                | 0.5               | \$803.75   | \$401.88             |
| Vitamin E                                               | 0.58              | \$344.25   | \$199.67             |
| Tetracyclines                                           | 0.25              | \$484.00   | \$121.00             |
| Vitamin A                                               | 5                 | \$743.75   | \$3,718.75           |
| Vitamin D                                               | 0.33              | \$828.50   | \$273.41             |
| Total                                                   | 57.25             |            | \$15,636.26*         |

\*Total is only for assays numbers, does not include personnel costs

## CAHFS Contract Assay Options

**Option 1:** Maintain all metals and minerals with CAHFS

**Option 2:** Run some minerals/metals at AN Lab\*

**Option 3:** Move all minerals and metals to AN Lab\*

\*Running minerals and metals at AN Lab would require a contract amendment

53

### CAHFS Contract Assay Options- **Option 1**

No Change, leave all mineral  
and metals at CAHFS

\$472,500 with a maximum of  
1,000 assays

Anything in excess limitations  
are displayed →

| Test Name                           | FY 2026/27 Rates |
|-------------------------------------|------------------|
| Aflatoxin Screen-CDFA 48 hr. TAT    | \$844            |
| Mycotoxin Screen Quantitative-CDFA  | \$806            |
| Monensin in Formulated Feeds-CDFA   | \$361            |
| Lasalocid-Medicated Levels          | \$361            |
| Ionophore Screen-Residue Levels     | \$361            |
| Vitamin E Feed                      | \$361            |
| Vitamin A Feed                      | \$781            |
| Vitamin D Feed                      | \$870            |
| Tetracyclines in Feed               | \$508            |
| Pesticide                           | \$508            |
| pH                                  | \$123            |
| Minerals-CDFA (Ca, Na, P, K, Mg, S) | \$189            |
| Metals- CDFA                        | \$197            |
| Nitrate Confirmation N02/N03        | \$361            |
| Chloride                            | \$361            |
| STAT (URGENT) Fee                   | \$153            |

## CAHFS Contract Assay Options- Option 2

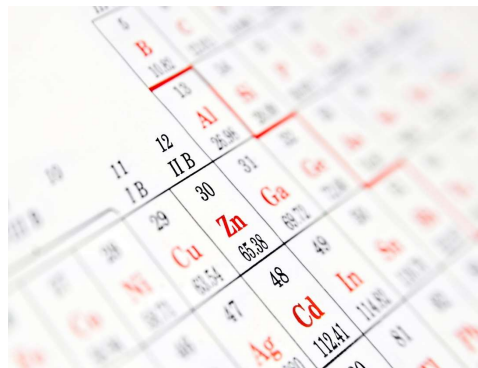
### AN Lab:

- Run mineral/metal assays for Non-Medicated Formula Feed and Ingredients
- Estimate 200 samples
- Limit number of samples needing transfer to CAHFS which could lower turnaround times on these samples

### CAHFS Lab:

- Medicated feeds, Vitamin/Mineral Premixes, Heavy Metal Screen, Mycotoxin screens
- Estimate 275 samples would go to CAHFS for analysis

**Option 3:** All  
metals/minerals at  
AN Lab



## AN Lab Proposed Costs for Minerals and Metals

AN Lab Group Discount Codes for most requested analytes

|                                                         | Panel                | Full Cost for All |
|---------------------------------------------------------|----------------------|-------------------|
| Minerals                                                | A (Ca, P, Na): \$80  | \$140             |
| Metals                                                  | B (Cu, Se, Zn): \$80 | \$180             |
| Each additional mineral or metal added to panel is \$10 |                      |                   |

- Heavy Metal Screen (Arsenic (As), Cadmium (Cd), Lead (Pb), Mercury (Hg)) methods are underdevelopment (cost TBD)
  - Currently ran on most metal samples, but not needed in majority of these samples
  - Only ran because it is part of the overall cost
  - Average <20 samples per year

57

## Estimated Costs Minerals/Metals Per Lab

| Analysis                                                                 | CAHFS        | AN Lab                    |
|--------------------------------------------------------------------------|--------------|---------------------------|
| <b>MINERALS</b>                                                          | <b>\$189</b> | <b>\$40 per mineral</b>   |
| Calcium (Ca)                                                             |              |                           |
| Magnesium (Mg)                                                           |              | \$80 for Panel            |
| Phosphorus (P)                                                           |              | -\$10 for each additional |
| Potassium (K)                                                            |              |                           |
| Sodium (Na)                                                              |              | \$140 for all             |
| Sulfur (S)                                                               |              |                           |
| <b>METALS</b>                                                            | <b>\$197</b> | <b>\$40 per metal</b>     |
| Chromium (Cr)                                                            |              |                           |
| Cobalt (Co)                                                              |              | \$80 for Panel            |
| Copper (Cu)                                                              |              | -\$10 for each additional |
| Iron (Fe)                                                                |              |                           |
| Manganese (Mn)                                                           |              | \$180 for all             |
| Molybdenum (Mo)                                                          |              |                           |
| Selenium (Se)                                                            |              |                           |
| Zinc (Zn)                                                                |              |                           |
| Heavy Metal Screen (Arsenic (As), Cadmium (Cd), Lead (Pb), Mercury (Hg)) |              |                           |

## Lab Contract Options Discussion



59

Agenda Item 8/9



## California Grain and Feed Association & Almond Alliance Updates



60

# Thank You

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