CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA) FEED INSPECTION ADVISORY BOARD (FIAB) MEETING Via Online Video Platform

July 28, 2021 9:00 AM – 12:00 PM

MINUTES

ATTENDING:

BOARD MEMBERS

Dan Rice David Meeker Jed Asmus Jeremy Banducci Kate Horstmann Dr. Marit Arana, Chair Michael Koewler Paul Parreira, Vice-Chair Shay Rambur

CDFA STAFF

Adriana Avalos Dr. Amadou Ba Angelia Johnson Ashley James Dr. Barzin Moradi Carla Sanchez Cathryn McCandless Elizabeth Moseby Erika Lewis-Ortega Jenna Leal Khashayar Ghazianzad Mike Davidson Natalie Krout-Greenberg Rachelle Kennedy Samantha Moran-Defty Theodore Bert Valerie Brott

INTERESTED PARTIES

David Isen Mike Filigenzi Ranjani Youngman Ryan Honnette Tad Bell

INTRODUCTIONS AND ANNOUNCEMENTS

Dr. Marit Arana, Chair, called the meeting to order at 9:01 a.m. Self-introductions were made, and a quorum was established.

APPROVE APRIL 21, 2021 MEETING MINUTES

Chair Arana requested the board review the minutes from the April 21, 2021 FIAB meeting.

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

DEPARTMENT / DIVISION / BRANCH UPDATES

Natalie Krout-Greenberg informed the board that Michael Flores has been appointed as Deputy Secretary overseeing Fairs and Expositions and Marketing Division. Flores has history with the State of California and industry, including serving four years with the

Office of Governor Gray Davis; working with the California Fish and Game Commission; and the Wildlife Conservation Board.

In June and July 2021, CDFA partnered with the University of California and the U.S. Food and Drug Administration (FDA) to bring the livestock and produce communities together for a series of webinars focused on food safety. Information from these webinars is available through the department's blog posts and recordings. Conversations with industry representatives will continue from August through December 2021. A final report will be available in December 2021.

Dr. Amadou Ba provided updates on the 2021-22 Fiscal Year (FY) budget approved by the governor. The department has ended the 2020 Personal Leave Program (PLP), which reduced employee's pay in exchange for paid leave. With the ending of the PLP program, there will be an approximate salary revision of 9.23% for the 2021-22 FY budget.

There are ongoing discussions for meetings to adapt to the COVID-19 environment. The current meeting styles being discussed are face-to-face, remote, and a hybrid of remote/in-person.

The Inspection Services Division is currently located at 2800 Gateway Oaks Drive in Sacramento, which includes the Feed, Fertilizer, and Livestock Drugs Regulatory Services (FFLDRS) Branch. The Division will be moving to a smaller facility at 2399 Gateway Oaks Drive; the move is anticipated to be completed by October 2021.

The Fertilizer Research and Education Program (FREP) submitted project proposals to assist growers' compliance with state mandated water quality regulations. One proposal submitted was for \$750,000 through the Specialty Crop Block Grant Program; the other proposal submitted was for \$2 million through the United States Department of Agriculture's Conservation Innovation Grant (CIG). Additionally, the Fertilizer Inspection Advisory Board approved allocating \$1 million in funds for each of the next three years, totaling \$3 million; this will ensure availability of matching funds that is required for the proposal. The stakeholders in the project are CDFA, Water Coalitions, and the University of California Agriculture and Natural Resources .

FUND CONDITION / TONNAGE REPORTING

Jenna Leal reported that the California Department of Financial Information System (Fi\$CAL) is closing out 2020-21 FY; therefore, fund balances will not be available until the next board meeting. As of July 1, 2020, the beginning balance for Feed was \$3,561,651 and for Safe Animal Feed Education (SAFE) was \$662,745; the combined total was \$4,224,396. Revenue was \$3,003,176 for Feed and \$316,131 for SAFE; the combined total revenue was \$3,319,307. Expenditures were \$3,094,356 for Feed and \$294,842 for SAFE totaling \$3,389,198 in expenditures. Encumbrances included facilities, vehicles, and some Information Technology (IT) and were \$648,138 for Feed

and \$49,129 for SAFE for a combined total of \$697,267 in encumbrances. As of April 30, 2021, the adjusted balances were \$2,822,333 for Feed and \$634,905 with a total combined adjusted balance of \$3,457,238.

The Livestock Drugs (LD) and Antimicrobial Use and Stewardship (AUS) budgets were presented for information only and not part of Feed's budget status. The LD reported a beginning balance of \$447,796 and Antimicrobial Use & Stewardship (AUS) reported a beginning balance of \$751,931. After expenditures and encumbrances, the final totals were \$349,403 for LD and \$148,981 for AUS.

The tonnage tax was assessed at \$0.10 per ton and totaled \$2,394,898 on April 30, 2021 for the 2020-21 FY. It was comparable to the tonnage reported in 2019-20 FY.

PROGRAM UPDATES

Leal presented personnel updates. Samantha Moran-Defty moved from SAFE program to administrator of Animal Feed Regulatory Program Standards (AFRPS) regulatory work for the Feed program and will be the lead for the program's contracts. Cathryn McCandless accepted the lead position with SAFE as the Senior Environmental Scientist. Kelly Mammen was hired as an Environmental Scientist in Southern California for the Feed and LD program. Jessica Lugo returned from leave and was assigned to contact tracing. Lugo is now back with the program after her contact tracing assignment concluded on June 30, 2021 and is fully trained in federal contracts, which will shift some of the extra duties that were assigned to Killeen Sanders. Ted Bert transferred from a field position to the compliance lead position, which leaves an opening in Tulare. Alejandro Ramirez will cover Bert's territory until the vacancy is filled, Ramirez will also work on food facility outreach inspections with field staff. Shelly King will be focusing on LD compliance and veterinary feed directives.

Leal reported there were eight complaints: six almond hulls; one moldy feed; one prescription LD that resulted in discovering multiple issues in that facility. As of June 23, 2021, there were 391 samples obtained. 79 violations resulted from those samples and included labeling, licensing, and sampling. 64 of the violations had completed follow-up inspections. Sampling, violation follow-up, and lab turnaround time was provided. Average laboratory turnaround times of 22-days resulted from issues with machinery acquisitions and IT issues. The turnaround time is anticipated to improve once these issues are addressed.

Upcoming activities planned for July through December 2021 include food facility visits, AUS and Veterinary Feed Directive (VFD) retail inspections, restricted LD inspections, and collaboration with the Animal Health Branch to create bio-security templates for feed mills. The SAFE newsletter for July has been published and Ashley James is working on the annual VFD report which should be published soon.

Leal reminded the board that the FDA issues Form 483 for violations, which cite FDA's Food Safety Modernization Act regulations. These will be issued for lack of food safety plans and hazard analyses this contract year. The FDA has taken an educational approach to date, but next year any non-compliance issues are moving to a penalty phase which includes Form 483's. The CDFA program is also working toward identifying which violations will result in administrative penalties versus which violations are correctable; the program is documenting this data for the board. Bert will communicate with industry members who have violations and stress the importance of following and documenting achieving regulatory compliance. The categories of minor, moderate, or serious will be used when determining the violation level. There will be reviews of inspections, labeling, sampling, and firm licensing.

Leal stated there will be a 12-month agreement between the Commercial Feed Regulatory Program and the State Organic Program (SOP) for Feed staff to obtain samples from feed mills and distributors of organic and genetically modified organic (GMO) feed, including cotton seed, corn, alfalfa, and mixed grains. Thirty-five feed commodity samples will be collected in California as well as imported from out of state and out of country at feed mills receiving the products. Aseptic sampling techniques and sampling methods will be used to obtain samples and run tests for GMOs. Strategy and planning are still being created. Casey Dykier, a Northern California Environmental Scientist, is taking the lead on tracking and organizing the samples. The project was projected to start July 1, 2021; however, samples have not yet been obtained. If a sample is found to be outside of specified standards, SOP will conduct the follow up and operation investigations. This will be done to follow the chain of production and supply chain to get back to the source. After board discussion it was determined that an ad hoc group, including Danny Lee from the SOP, could provide clarity on the objectives of the California Organic Products Advisory Committee. Leal will send out an invitation to attend the ad hoc group. Memorandum of Understanding objectives will be clarified.

Moran-Defty updated the board on AFRPS continued work to ensure laboratories implement requirements. Moran-Defty noted staff will continue working with the California Animal Health and Food Safety (CAHFS) lab and the Analytical Laboratory (AnLab) at the University of California (UC) Davis to implement AFRPS requirements. Standard operating procedures for the labs will be ready for a virtual audit in October 2021.

Proposed federal contracts for 2021-22 FY include comprehensive inspections of firms that will include the ability to inspect and document Bovine Spongiform Encephalopathy (BSE), VFD, medicated feeds, and Preventive Control (PC) inspections. The goal is to consolidate the different types of inspections into one comprehensive inspection for efficiency. The contract for 20 PC and 10 VFD/BSE inspections at distributors is anticipated to be about \$140,000.

McCandless updated the board on the SAFE program. McCandless noted work on updates to SAFE website, forms, and templates. The hemp goat-feeding trial has methodology challenges for assessing cannabinoids in milk, feces, urine, and tissue residue. There is no data to report due to this. The Asparagopsis feeding trial for Straus Dairy starts in early August 2021. The sampling plan includes three samples at beginning, middle, and end of trial. The dairy will be taking the samples and will be working with Blue Oceans Consulting; there will be data sharing.

McCandless reported on the collaboration with King in Southern California. SAFE is doing a VFD outreach; partners include Food Animal Residue Avoidance Databank (FARAD) through UC Davis and online training. More updates will be available as the project proceeds.

Erika Lewis-Ortega discussed that administrative penalty regulations will be assigned per type and severity of offense. The program's overall goal is to work with firms to bring about compliance and use enforcement tools as needed. A three-step approach will be to review the enforcement strategy for consistency, update the compliance policy, and release the draft of the penalty regulations. Food and Agricultural Code (FAC) Section 15071.1 provides legal premise and guidelines for creating and developing enforcement policy and regulations. Bert added that the use of old and new scenarios is being used to create usable tools.

Leal shared that compliance and regulation policies need to be reviewed by the regulations subcommittee before making recommendations to the board. Leal requested the subcommittee review information and hold a discussion in a public meeting per Bagley-Keane guidelines. Jeremy Banducci, Paul Parreira, Shay Rambur and David Meeker agreed to reconvene the subcommittee to review the policies and regulations prior to the next FIAB meeting. Lewis-Ortega will provide members with a draft of the document. A meeting notice and agenda will be posted according to regulations prior to the meeting.

Leal shared that changes were implemented for tonnage reporting, licenses and renewals, and byproduct regulations.

TECHNICAL ADVISORY SUBCOMMITTEE (TASC) UPDATE AND RECOMMENDATIONS

McCandless reported on recommendations by the TASC for the hemp byproduct cattle feeding trial and the proposed camelina feeding trial. There are safety concerns regarding the camelina feeding trial; therefore, the TASC is not proceeding with this project right now. TASC will discuss concerns at the next meeting and decide to proceed or deny.

A concept proposal was presented at the recent meeting regarding byproduct capacity planning. There is a need to determine the total amount of byproducts produced and

what is the capacity for California to use the byproducts for feeding livestock; it is an extensive project. There will also be outreach to nutritionists with the American Registry of Professional Animal Scientists (ARPAS) regarding byproduct capacity planning.

TASC held a discussion about the influx of funding opportunities. There is a desire to look at and increase the budget research line item of because it is not enough for two current proposals for the hemp cattle feeding trial and the byproducts capacity planning. Two Requests for Proposals (RFP) need to be written and should specifically address whether there needs to be matching funds. TASC needs to define what topics should be addressed. There was a request for a motion to move forward with presenting RFPs to industry for byproduct capacity research.

Discussion ensued regarding focusing on a need for technology's best use and other state agency funds that have been available for project opportunities in other departments.

MOTION: Jeremy Banducci moved to recommend the Feed Inspection Advisory Board move forward with full request for proposals (RFPs) for the hemp cattle feeding trial and the byproduct capacity planning in California. Michael Koewler seconded. The motion passed unanimously by all present with a vote of 9 - 0.

After the vote, Banducci asked about byproduct outreach and work group opportunities. Leal replied that Diversion Strategies, a consulting group, is working with local governments. Collaborating efforts will provide a platform and ability to identify and communicate. It was recommended that Diversion Strategies finish creating the platform and others can work within those parameters. A more formal presentation will be made at the next meeting.

UC DAVIS LABS UPDATE

Mike Filigenzi updated the board on CAHFS lab transitions. Filigenzi reported that the Laboratory Flexible Funding Model (LFFM) was originally known as Food Emergency Response Network (FERN) which was initiated in 2005 by FDA in response to attacks on the nations' food supply. The CAHFS laboratory participates in analyses that pertain to the LFFM but also participates with CDFA's Feed Program. CDFA's partnership has provided trained investigators and oversight as a state regulatory agency. The CDFA Feed program provides samples for assays. Because CDFA is part of the partnership, it has access to all the data. Sampling plans include analysis of poultry and dairy feed for aflatoxins, fumonisins in horse feed, zearalenone in swine, and meat and bone meal samples regarding pentobarbital. Clarification was asked about pet food and pentobarbital in meat and bone meal.

Ranjani Youngman reported there were instrument delivery glitches at AnLab. The acid hydrolysis device from Germany had a virus and needed corrections. AnLab will make arrangements with another department to complete the work, so it is not delayed any

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longer. The food fiber instrument was delivered but the installers flight was delayed. The installers were due that evening and training would be conducted later in the week. AnLab staff were eager to get going with the almond hull analysis and method validation.

CENTER FOR ANALYTIC CHEMISTRY (CAC) LAB UPDATE

Dr. Barzin Moradi introduced Khasayare Ghazianzad who provided the CAC update. From January 1, 2021 through May 31, 2021, there were 67 samples. The CAC ran 207 assays and details of routine, priority, and rush samples which was an average of 3.1 assays per sample. The samples ran for almond hulls from January 1, 2021 through May 31, 2021 included crude fiber, neutral detergent fiber (NDF) and moisture. CAC will no longer test NDF, effective July 1, 2021.

CALIFORNIA GRAIN AND FEED ASSOCIATION (CGFA) UPDATE

The CGFA annual meeting and golf tournament will be held in person in Fresno on August 7, 2021.

PUBLIC COMMENTS

Chair Arana informed the board that the California Animal Nutrition Conference (CANC) will be held at the Sacramento Hyatt Thursday, September 30 - Friday, October 1, 2021. The ARPAS business meeting will be on Thursday morning prior to the CANC meeting.

NEXT MEETING / AGENDA ITEMS

The next meeting will be in late October or early November 2021. A poll will be conducted to determine method, date, and time of the next meeting.

Agenda items for the next meeting include:

- Budget
- TASC updates
- Regulation Subcommittee Update
- Ad Hoc GMO workgroup with SOP

MOTION: Paul Parreira moved to adjourn the meeting. Jeremy Banducci seconded. The motion passed unanimously by all board members present with a vote of 9 - 0.

ADJOURNMENT

The meeting was adjourned at 10:41 AM.

ORIGINAL SIGNED BY JENNA LEAL

Jenna Leal, Feed Program Manager Feed, Fertilizer, and Livestock Drugs Regulatory Services <u>07/28/2021</u> Date