

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA) CALIFORNIA ORGANIC PRODUCTS ADVISORY COMMITTEE (COPAC)

May 19, 2021 Meeting Minutes Teleconference

MEMBERS PRESENT

Jeremy Johnson – Chair
Blake Alexandre – Vice Chair
Benjamin Diesl
Jamie Nessel
John McKeon
Wendy Reynolds
Sean Feder
Karen Archipley
Michelle Perro
Andrew Smith
David Will

Rosalie Burkett

MEMBERS ABSENT

Kaley Grimland Philip LaRocca Jacklyn Bowen

INTERESTED PARTIES

Jane Sooby, California Certified Organic Farmers (CCOF) Houston Wilson, University of California Nick Woodrum, California Department of Public Health (CDPH) Daniel Karavan, CDPH Jane Reick, CDPH

CDFA

Marcee Yount

Mitchell King

Scott Renteria
Mayze Fowler-Riggs
Danny Lee
Pam Rodriguez
Andrea Cano
Leslie Fernandez
Steve Patton
Carla Sanchez
Vanessa Jivan
Thomas Osborn

ITEM 1: CALL TO ORDER-INTRODUCTIONS/ROLL CALL

The meeting was called to order at 10:04 a.m. by Jeremy Johnson, Chair. Roll was called by Mitchell King, a quorum was established, and introductions were made.

ITEM 2: PUBLIC COMMENTS

Houston Wilson, University of California Kearny Agricultural Center, provided public comment describing the work conducted by the UC Organic Agricultural Institute. Wilson's comment pertained to the data collected in CDFA agricultural statistics and the impact they have on the industry throughout the state. Wilson voiced support for the collection of detailed statistical data, expressed concern regarding the limited 29 agricultural commodities that CDFA gathers information on. Wilson acknowledged the concern that gathering more detailed information from organic producers in the state may create a burden, while still advocating for expanded data gathering efforts. Wilson stated that such a burden may be avoided if the data is collected by certifiers.

There were no other public comments.

ITEM 3: REVIEW OF JANUARY 28, 2021 MEETING MINUTES

Chair Johnson requested a Motion to approve the January 28, 2021 Meeting Minutes as presented.

MOTION: David Will moved to approve the January 28, 2021 Meeting Minutes as presented. Andrew Smith seconded the Motion. A vote by roll call was taken. The Motion passed unanimously, with no abstentions.

ITEM 4: CALIFORNIA DEPARTMENT OF PUBLIC HEALTH UPDATES

Wendy Reynolds, California Department of Public Health (CDPH), provided informational updates to the committee.

i. 2020 Organic Report

Reynolds presented the 2020 Organic Processed Product Registration Program Report. Reynolds stated that there was a decrease in both revenue collected and the number of registrants, compared with the prior year. Reynolds explained that this decrease could likely be attributed to the COVID-19 pandemic. However, CDPH does not maintain detailed data on decisions to not renew registration, as registrants are not required to inform CDPH as to why they have chosen to let their registration expire.

A discussion ensued between Chair Johnson and Reynolds, Nick Woodrum (CDPH), and Jane Reick (CDPH) on the processes for reviewing applications for registration. Chair Johnson was concerned that internal delays at CDPH may discourage operations from registering as organic with CDPH. Woodrum explained that CDPH is taking steps to improve efficiency and accuracy in the registration process, including the hiring of a Student Assistant to provide customer service, and adding clarifying detail to Deficiency Letters issued to registrants. Reick encouraged Johnson to make CDPH staff aware of any challenges or delays they are experiencing in the registration or renewal process, so that CDPH can take the necessary actions to address internal deficiencies.

ii. Complaint, Expenditure, Revenue and Registration Review Daniel Karavan (CDPH) presented CDPH's Complaint, Expenditure, Revenue and Registration overview. Karavan began by presenting a monthly revenue report for the CDPH Organic Program, detailing Fiscal Year (FY) 2016/17 through 2020/21. Karavan stated that year-to-date revenue for FY 2020/21 is \$810,472. Projected revenue for FY 2021/22 is approximately \$1,200,000.

Karavan went on to present information on the CDPH Organic Program's expenditures. Total projected expenditures for FY 2020/21 are \$679,646. Sean Feder asked Karavan to elaborate on what happens to revenue collected that is in excess of the Organic Program's operational costs. Karavan explained that the Organic Program is one of the contributors to the CDPH Food Safety Fund, and that revenue collected by the CDPH Organic Program is held in this fund. This money is not necessarily used exclusively for CDPH's Organic Program, as there are other programs that share this same funding source. Reick also noted that CDPH has previously provided an explanation of the Organic Program and its relation to the Food Safety Fund. Reick explained that the

CDPH Organic Program is currently engaged in several ongoing projects in response to industry feedback, such as database improvements and online registration capabilities. Reick asked that the committee reference CDPH presentations from prior COPAC meetings for additional information.

Chair Johnson voiced concern that the organic industry is paying more money into the Food Safety Fund than it is receiving in return, noting the historical trend of revenues from the organic industry exceeding expenditures. Chair Johnson expressed concern that the organic industry is subsidizing CDPH work toward other industries. Woodrum reiterated that the funding structure of the CDPH Organic Program and Food Safety Fund were both established in statute. Michelle Perro asked the CDPH staff present if there were possibilities to spend the excess funding available. Woodrum explained that the Organic Program is not its own fund, but rather is a part of the Food Safety Fund. Woodrum and Reick went on to explain that the Organic Program must stay within its designated spending authority as set by the Governor's annual budget, and is only permitted under statute to spend money on specific areas of activity. Reick asked the committee to provide examples of projects that they would like CDPH to engage in. Reick asked that these be detailed examples with a defined scope of work and timeline, in order for CDPH to evaluate whether or not they have the authority to start such efforts.

Blake Alexandre, Vice Chair, explained that it is important for CDPH and CDFA to be receptive to ideas from the committee, but also noted that the committee must provide clear and concise ideas that allow CDPH and CDFA to evaluate what suggestions are and are not possible. Karen Archipley asked what portion of the Food Safety Fund is made up of organic contributions. Woodrum explained that organic revenues comprise 14 percent of the Food Safety Fund.

iii. COVID Executive Order Fee Deferment Update Reynolds explained that the COVID Executive Order Fee Deferment is no longer active.

ITEM 5: FUND CONDITION SUBCOMMITTEE UPDATE

Chair Johnson provided the Fund Condition Subcommittee Update. Chair Johnson explained that the Subcommittee met with CDFA staff to discuss areas where the State Organic Program (SOP) could increase spending to decrease the program's reserve balance. Chair Johnson went on to state that the Subcommittee had narrowed their areas of activity to research, equity, and education, with the objective of implementing these projects in FY 2022/23. Chair Johnson also invited all of those present to attend the Fund Condition Subcommittee meeting scheduled for June 7, 2021. Steve Patton encouraged those in attendance to review the California Food & Agricultural Code sections pertaining to the SOP when developing their proposals for possible spending projects. Patton stressed the benefit of having precise proposals from members of the committee to aid CDFA in evaluating possible spending efforts.

ITEM 6: STATE ORGANIC PROGRAM UPDATES

i. Vacancies and Terms

King provided the Vacancies and Terms report. Current vacancies include: one wholesale distributor representative; two technical representatives; six producer alternates; one wholesale distributor alternate; one retail representative alternate; one environmental representative alternate; two technical representative alternates; one consumer representative alternate; and one accredited certifier representative alternate. King also provided the names of members who will be eligible for reappointment as of October 31, 2021.

ii. Compliance and Enforcement/Appeals Summary
Scott Renteria provided the Compliance and Enforcement/Appeals Summary. For FY
2020/21, as of April 1, 2021, there were 99 total complaints, 54 were investigated by
SOP, CDFA, or county agricultural commissioner staff; 14 were referred to accredited
certifying agents; 29 were referred to CDPH; two were referred to the National Organic
Program (NOP); and none were referred to the Organic Input Materials Program. There
were 969 total inspections: 695 of these were conducted at Certified Farmers' Markets;
159 were conducted at production sites; 45 at a handling facility; two at a processing
facility; 67 at a retailer; and one at a location not within the above categories. A total of
330 samples were collected: 295 were surveillance samples; 20 of these contained
residues below tolerance levels and 15 contained residues above tolerance levels.
There were also 35 investigative samples: 10 of these contained residues below
tolerance levels and six contained residues above tolerance levels. Six appeals were
received, with one active and five closed.

iii. Complaints Activity Report

Renteria provided the Complaint Activity report for the period of July 1, 2020 to March 31, 2021. A total of 30 open complaints were active. Twelve complaints were open for more than 120 days; two were open for between 90 and 120 days; three were open for between 60 and 90 days; three were open for between 30 and 60 days; 10 were open for less than 30 days. An additional 69 complaints had been closed.

iv. Complaint Summary Log

Renteria presented the Complaint Summary Log, detailing complaints and investigations that were assigned and closed from July 2019 through June 2020.

v. Pesticide Residue Updates

Renteria provided Pesticide Residue Updates, detailing the results of samples collected by the SOP during routine and investigative efforts.

vi. Impacts of COVID-19 and Wildfires

Mayze Fowler-Riggs provided Impacts of COVID-19 and Wildfires updates. The SOP has received correspondence from two operations that have chosen not to renew their registration due to COVID-19. One operation has chosen not to renew their registration due to effects of California wildfires.

vii. Revenue from Registration/New Registrations

Fowler-Riggs presented information on organic registration fees collected by month and year. As of December 2020, \$1,166,794 has been collected in registration fees. A total of 504 new operations registered with the SOP during the 2020 calendar year; of these 424 are producers, 116 are handlers, and 24 are processors. The total number of registrants is 4,935; the majority of which are producers.

viii. Agricultural Data and Statistic Update

Fowler-Riggs directed those in attendance to view the most recent agricultural data and statistics information on the CDFA website.

ITEM 7: FISCAL YEAR 2021/22 PROPOSED BUDGET REVIEW

Danny Lee presented the FY 2021/22 Proposed Budget. The total proposed SOP budget is \$2,259,502, with projected revenue of \$1,715,581. Total Personnel Services expenses are \$899,341, total Operating Expenses and Equipment are \$906,120, and total Departmental expenses are \$410,286.

Michelle Perro requested clarification on what the County Contracts line item entails, as well as the number of staff employed by the SOP. Lee explained that the SOP maintains agreements with 54 counties throughout California, who collect samples and perform local enforcement activities on behalf of the SOP. The SOP currently has eight staff members, all of whom are full-time.

David Will asked whether Senate Bill (SB) 84 pension fund repayments had been accounted for in the proposed budget. Will also asked for additional detail as to what the Cash Adjustments line item entails. Thomas Osborn clarified that the Cash Adjustments is composed of both SB 84 pension fund repayment and pro rata statewide administrative costs.

MOTION: David Will moved to approve the Fiscal Year 2021/22 Proposed Budget as presented. Blake Alexandre seconded the Motion. A vote by roll call was taken. The Motion passed unanimously, with no abstentions.

ITEM 8: NATIONAL ORGANIC STANDARDS BOARD UPDATE

Lee provided the National Organic Standards Board (NOSB) Update on behalf of Philip LaRocca. Lee explained that the agenda and materials from the NOSB's Spring 2021 are online, and available to view. Lee went on to explain that topics of discussion included the Origin of Livestock Rule, as well as analysis of organic input materials. Archipley added that additional money has been allocated for the training of inspectors.

ITEM 9: NEXT MEETING/AGENDA ITEMS

The next meeting will take place via Zoom in September of 2021. Chair Johnson asked that King conduct a Doodle poll survey to confirm the date for the September 2021 meeting.

Chair Johnson asked that discussion of agricultural data collected by Wilson be included on the meeting agenda. Chair Johnson also requested an update from the Fund Condition Subcommittee.

ITEM 10: ADJOURNMENT

The meeting was adjourned at 12:45 p.m. by Chair Johnson.

Respectfully submitted by:

Danny Lee, Supervising Special Investigator

State Organic Program