

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA) CALIFORNIA ORGANIC PRODUCTS ADVISORY COMMITTEE (COPAC) May 23, 2023 Meeting Minutes Teleconference

MEMBERS PRESENT

Blake Alexandre – Chair Phillip LaRocca – Vice Chair Wendy Reynolds Sean Feder Amanda Felder Matthew Grieshop Kaley Grimland David Will

INTERESTED PARTIES

Nick Woodrum, CDPH Thu Dinh, CDPH Houston Wilson, UC OAI Jane Sooby, CCOF Eddy Greynolds, Kern Co. Omar Luna, San Joaquin Co.

<u>CDFA</u>

Marcee Yount Danny Lee Jefferson Scott Andrea Cano Scott Renteria Mayze Fowler-Riggs Pamela Rodriguez Leslie Fernandez Sarah Cardoni Martin Burger

MEMBERS ABSENT

Will Daniels Stefan Parnay

ITEM 1: CALL TO ORDER-INTRODUCTIONS/ROLL CALL

The meeting was called to order at 10:03 a.m. by Blake Alexandre, Chair. Roll was called, a quorum was established, and introductions were made.

ITEM 2: PUBLIC COMMENTS

Houston Wilson, University of California (UC) Organic Agriculture Institute (OAI), commented on the collection of California organic production statistics. The goal is to understand the extent and geography of California organic production and statistics. Wilson found problems exist within each organic production dataset utilized by the State Organic Program (SOP), the United States Department of Agriculture (USDA) National Agricultural Statistics Service (NASS), and County Agricultural Commissioners (CAC). For example, collapsed and aggregated crop categories in the various datasets would need to be streamlined to be meaningful. Equivalent datasets for organic and nonorganic production are important to capture, as it allows CDFA to track changes over time and is a tool for research and writing grant proposals, which ultimately brings more resources to California. Wilson added that Accredited Certifying Agents (ACA) have valuable data; however, not all the applicable information they have is required to be reported it to USDA's Organic Integrity Database (OID). Wilson suggested the formation of a taskforce to identify solutions to obtaining aggregate statistics on organic production that is parallel to the California Annual Production Statistics published by CDFA annually.

Jane Sooby, California Certified Organic Farmers (CCOF), requested an update on the completion timeline for the California Department of Public Health's (CDPH) Organic Program online registration system. Nick Woodrum, CDPH, responded that because CDPH's online registration system is part of current pending legislation, CDPH cannot comment at this time.

ITEM 3: REVIEW OF JANUARY 19, 2023 MEETING MINUTES

Chair Alexandre requested a motion to approve the January 19, 2023, Meeting Minutes as presented.

MOTION: Vice Chair Phillip LaRocca moved to approve the January 19, 2023, Meeting Minutes as presented. Amanda Felder 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, CDPH, provided a CDPH Organic Program update. For organic complaints received for Fiscal Year (FY) 2022/23, 17 have been completed and 15 remain open. Two complaints remain open from FY 2021/22. For 2022, there were 2,834 licenses issued for organic processors.

Woodrum presented the CDPH Organic Program's budget information. For FY 2022/23, total projected salaries and benefits are \$720,119. Total direct costs are \$12,290. Total indirect costs are \$198,307, bringing the total projected program cost to \$930,716.

Woodrum also provided an overview of the CDPH Organic Program's revenue report. For FY 2021/22, the program collected \$1,139,073. For FY 2022/23 as of March 2023, the program collected \$773,763. FY 2022/23 total revenue is projected at \$1,031,684. For reasons unknown, revenue has declined each year since FY 2020/21.

ITEM 5: UPDATE ON STATE ORGANIC PROGRAM AND UNIVERSITY OF CALIFORNIA CONTRACT DELIVERABLES

Danny Lee provided an update on the UC Agriculture and Natural Resources (ANR) contract deliverables. Joji Muramoto, UC ANR Organic Production Specialist, produced an interim report that is available upon request. Muramoto is also preparing three papers on soil borne disease and nitrogen management in organic production. A needs assessment of organic growers was conducted, utilizing a list of SOP registrants. The assessment had 418 responses to date, which is an 11 percent response rate. To develop the nitrogen mineralization database for crop management, Muramoto compiled existing data on nitrogen mineralization of organic fertilizers and amendments, crop residues, and soil organic matter. Lastly, Muramoto and SOP staff visited three biointensive no-till farms in the Bay Area, a first step in outreach and education that was attended by students of UC Berkeley, UC Davis, UC Santa Cruz, and UC San Diego.

Wilson, UC OAI Director, gave an update on the UC OAI contract objectives. To better identify trends, an analysis of organic acreage and production practices in California is underway. To better understand organic practices, another dataset is being created by

extracting and summarizing data of a large representative sample of organic system plans. For the objective of *developing direct organic extension with training events*, demonstration sites, written and video outreach materials, and four training events are being conducted this year. The focus for the events is both thematic, such as seed saving and soil quality management, as well as commodity specific, such as rice and citrus production. The statewide needs assessment for organic agriculture that is in progress assists in the formation of the California Organic Agriculture Knowledge Network, known as the Cal OAK Network, which will connect UC experts with organic growers, processors, producer organizations, certifiers, crop consultants, community groups and state agencies. Lastly, a network of organic demonstration sites spread across the state is being established, with annual subsidies provided to participating growers to assist with their costs and time.

ITEM 6: FISCAL YEAR 2023/24 PROPOSED BUDGET

Lee presented the FY 2023/24 Proposed Budget. Projected revenue is \$1,773,599, with a total proposed budget of \$3,152,032 that includes \$1,116,909 for personnel services; \$1,442,150 for operating expenses and equipment; \$487,313 for departmental expenses; a pro rata cash adjustment of \$232,000; with a gas tax credit of \$30,000, and a direct charge recovery from the Cost Share Program of \$96,340. Trends show that revenue has been increasing for various reasons, such as increased production, more consumers, and industry rebounding from the COVID-19 Pandemic.

Chair Alexandre asked for a motion to approve the FY 2023/24 Proposed Budget as presented.

MOTION: David Will moved to approve the Fiscal Year 2023/24 Proposed Budget as presented. Amanda Felder seconded the motion. A vote by roll call was taken. The motion passed unanimously, with Wendy Reynolds abstaining.

i. State Organic Program Fund Condition

Lee provided the SOP Fund Condition update. Lee stated that as of March 31, 2023, the beginning fund balance for FY 2022/23 was \$2,400,237. Total revenue was \$1,423,571, and available cash was \$3,823,808. Total expenditures were \$1,499,888, cash adjustments were \$173,782, with an ending balance of \$2,150,138.

ITEM 7: STATE ORGANIC PROGRAM UPDATES

i. Vacancies and Terms

Sarah Cardoni provided the Vacancies and Terms report. Current vacancies include: two producers; one wholesale distributor; one processor; one consumer; one technical representative; one environmental representative; six producer alternates; one wholesale distributor alternate; two processor alternates; one consumer alternate; one accredited certifier alternate; one retail representative alternate; one environmental representative alternate; and two technical representative alternates.

ii. Revenue from Registration/New Registrations

Andrea Cano presented information on organic registration fees collected by month and year. For FY 2021/22, \$1,671,987 in registration fees were collected. For FY 2022/23 as of March 2023, \$1,230,496 in registration fees have been collected. A total of 303 new operations registered with the SOP in FY 2022/23; of these 243 are producers, 87 are handlers, and 12 are processors. The total number of registrants for 2022 was 4,110 registrants, a slight increase from 4,030 registrants in 2021.

iii. Registration Process Questions/Suggestions

Cano opened the discussion for registration process questions and suggestions. Sean Feder received comments from the CCOF Certification Department stating that certifiers must verify SOP registration per National Organic Program (NOP) policy; however, some operations are being told by the SOP that they're not required to register. If there are categories of operations that are not required to register with the SOP, that should be made clear to certifiers and operations, preferably on the SOP website, so that information can be referenced. Until certifiers receive clear guidance, written confirmation will be requested from SOP staff that registration is not required.

Lee stated that Food and Agricultural Code Section 46013.1 (a) states that "every person engaged in this state in the production or handling of raw agricultural products sold as organic shall register with the secretary before the first sale of the product." NOP Policy Memo 11-8 dated June 9, 2020, approved additional requirements such as that "organic producers and handlers of raw agricultural products with facilities located within the State of California must register with CDFA." This has caused confusion with operations that are exempt from registering with the SOP, such as storage facilities that are not selling product but are required to be certified per NOP policy.

Feder provided suggestions from the CCOF Certification Department on the SOP registration process. There is an elevated occurrence of clients having their registration placed in a pending or expiring status because their organic production value was not entered, or their organic certificate was not uploaded. One suggestion is to update the SOP registration process to not allow clients to move through the registration process without entering this information. Feder questioned if the SOP could use the OID to verify certification or if the SOP can request organic certificates from certifiers to keep the registration processes moving forward to avoid expiration.

Mayze Fowler-Riggs responded that the suggestions provided to the SOP on the registration process will be considered. Moreover, when reviewing registration applications, SOP staff look at multiple sources including the OID to verify certification.

a. Spanish Language Materials

Lee stated the SOP received a request to have portions of the SOP website available in Spanish. In response, the SOP will work with CDFA's Office of Information Technology Services (OITS) to explore translation possibilities. The SOP currently provides materials in Spanish such as applications and registration forms, the Cost Share Program application letter, and the SOP Frequently Asked Questions document. If further translation services are needed, CDFA's Office of Civil Rights provides translation services via phone and video conference meetings. Furthermore, SOP staff Andrea Cano and Leslie Fernandez are certified Spanish translators and are available.

iv. Compliance and Enforcement/Appeals Summary

Scott Renteria provided the Compliance and Enforcement/Appeals Summary. For FY 2022/23 as of April 2023, there were 154 total complaints of which 110 were investigated by SOP, CDFA, or CAC staff; seven were referred to ACA; 29 were referred to CDPH; eight were referred to the NOP; and no complaints were referred to the Organic Input Materials Program. There were 1,060 total inspections: 706 of these were conducted at farmers' markets; 128 were conducted at production sites; 49 at handling facilities; 10 at processing facilities; 158 at retailers; and nine at locations not within the above categories. A total of 282 samples were collected of which 253 were surveillance and 29 were investigative. Of the 253 surveillance samples, 14 contained residues above tolerance levels and 13 contained residues below tolerance levels. Of the 29 investigative samples, 10 tested above tolerance levels and five tested below tolerance levels. Nine appeals were received in which five have been closed and four remain active.

v. Complaint Activity Report

Renteria provided the Complaint Activity Report. For FY 2022/23 through April 2023, a total of 70 open complaints were active, in which 23 were open for more than 120 days; 12 were open for between 90 and 120 days; seven were open for between 60 and 90 days; five were open for between 30 and 60 days; and 23 were open for less than 30 days. An additional 84 complaints had been closed.

vi. Complaint Summary Log

Renteria presented the Complaint Summary Log, detailing complaints and investigations that were assigned and closed for FY 2022/23 through April 2023.

vii. Surveillance Sampling Summary Updates

Renteria provided the Surveillance Sampling Summary updates, detailing the results of samples collected by the SOP during routine and investigative efforts. For FY 2022/23 as of April 2023, there were 253 surveillance samples: 49 at farmers' markets; 60 at production sites; 1 at a handling facility; and 143 at retail wholesale facilities. Of the 26 samples with residues detected: five were at farmers' markets; three at production sites; and 19 at retail wholesale facilities.

viii.Cost Share Update

Renteria provided an update on the Cost Share Program. The Cost Share Program for 2022 approved 1,816 applications and issued \$1.3 million to organic operations. The Cost Share Program for the 2023 period will open June 12, 2023, and will remain open until November 1, 2023. Reimbursement has increased to refund up to 75% of certification costs, not to exceed \$750 per certification scope.

Vice Chair Phillip LaRocca asked how COPAC could advocate the reimbursement level back to its original amount of 100% of certification costs, not to exceed \$1500 per certification scope. Marcee Yount responded that CDFA voiced their support in raising reimbursement levels to 75% of certification costs in its California 2023 Farm Bill recommendations and that those sentiments were heard and implemented. Yount suggested that COPAC place this topic on a future agenda to make a recommendation to the CDFA Secretary to support an additional increase.

ITEM 8: STRENGTHENING ORGANIC ENFORCEMENT FINAL RULE

Lee provided an update on the USDA's Strengthening Organic Enforcement Rule. The Final Rule was effective March 20, 2023, with an implementation date of March 19, 2024. Information is available on the NOP website, including a side-by-side comparison chart of changes made to the Code of Federal Regulation (CFR) Part 205. If an operation is found in violation of new regulations before the March 2024 implementation date, the SOP will issue a notice of information to the operation with an explanation of how to gain compliance before March 2024. Lastly, the SOP will put forth a legislative concept to make statutory language changes to assure its alignment with the CFR.

ITEM 9: INSPECTION/INDUSTRY DATA PROVIDED TO COPAC

i. Data Sharing between SOP and CCOF/Certifiers

Matthew Grieshop asked how the SOP could collaborate with certifiers that collect similar data to expand the range of data in terms of surveillance and maintaining organic identity and to gain a more complete picture of California organic operations. Lee responded that as a first step, the SOP reached out to the NOP to explore data exchange opportunities between the two agencies. The SOP does have access to the OID; however, the SOP has the same level of access as the public. The SOP has requested the same level of access to the OID as certifiers have, which would alleviate the need for the SOP to reach out to certifiers for that information. Once the NOP has responded and the SOP has a better picture of what can be accomplished, the second step will be for the SOP to submit a business plan to CDFA's OITS to establish a course of action for data exchanges between the agencies.

ii. Subcommittee Request for Organic Data Collection

Wilson proposed a taskforce to identify solutions to obtaining aggregate statistics on California organic production. Discussion ensued regarding avenues that could be explored to obtain new datasets, such as acquiring data from ACA and NOP's OID. Lee responded that the SOP would invite COPAC members to participate in future discussions on organic data collection.

ITEM 10: SOP INTERACTIONS WITH NOSB

Lee stated that the SOP was asked what their interactions were with the National Organic Standards Board (NOSB). Lee reported that SOP staff attend NOSB meetings. Moving forward, attendance information and recommendation updates can be provided

to COPAC. Grieshop questioned if there is an existing mechanism for COPAC to make comments to the NOSB on behalf of industry. Lee responded that COPAC can make a recommendation to the CDFA Secretary to make a public comment to the NOSB.

ITEM 11: REGISTRATION PROCESS AND STATUS REQUESTS FOR NOP COMPLIANT PLANT PROTECTANTS (INSECTICIDES/FUNGICIDES)

Martin Burger, Senior Environmental Scientist with the CDFA Fertilizing Materials Inspection Program, provided a presentation on the Organic Input Material (OIM) registration process. The role of the OIM Fertilizer Program is to register OIM labels and to verify compliance with USDA NOP standards and California Fertilizing Materials Law and Regulations. Registration is required every two years for specialty fertilizers, packaged agricultural minerals, bulk agricultural minerals, packaged soil amendments, bulk soil amendments, auxiliary plants and soil substances, and commercial fertilizers. Burger discussed application requirements, labeling requirements, registration timelines, and the renewal process.

ITEM 12: NEXT MEETING/AGENDA ITEMS

The next meeting will be held in September 2023. A Doodle Poll will be conducted to determine the meeting date. Agenda items will include the Cost Share Program recommendation.

ITEM 13: ADJOURNMENT

The meeting was adjourned at 1:13 p.m. by Chair Alexandre.

Respectfully submitted by:

Danny Lee, Supervising Special Investigator State Organic Program