

CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (Department)

**FEED INSPECTION ADVISORY BOARD (FIAB)
SPRINGHILL SUITES - SACRAMENTO
2555 VENUTRE OAKS WAY 95833 / HYBRID**

**July 29, 2025
9:00 AM – 12:00 PM**

MINUTES

BOARD MEMBERS

Marit Arana, Chair
Jed Asmus
Jeremy Banducci
Eric Benziger
Alejandro Hernandez
Michael DeGroot
Michael Koewler
Dan Rice

MEMBERS ABSENT

Shay Rambur, Vice Chair

CDFA STAFF

Amanda Staudinger
Amber Hayter
Angelia Johnson
Ashley James
Brandi Alston
Brittnie Williams
Elizabeth Moseby
Erika Lewis-Ortega
Frankie Aguilar
Jenna Leal
KC Gutenberger
Lindsey Collier
Mike Davidson
Rachelle Kennedy
Ryan Kyeremeh
Samantha Moran-Defty
Shelly King
Ted Bert
Valerie White

INTERESTED PARTIES

Chris Zanolini
Jessica Lawrence
Jim Langston
Karyn Bischoff
Rani Youngman

INTRODUCTIONS AND ANNOUNCEMENTS

Dr. Marit Arana, Chair, called the meeting to order at 9:02 AM. Self-introductions were made, and a quorum was established at 9:08 a.m. Vice Chair, Shay Rambur, was absent.

APPROVE MARCH 4, 2025 MEETING MINUTES

Chair Arana requested the FIAB review the meeting minutes from March 4, 2025.

MOTION: Michael Koewler moved to approve the March 4, 2025 minutes as presented. Dan Rice seconded. The motion passed unanimously by all members present with a vote of 7* to 0. Alejandro Hernandez was absent during this motion.

DEPARTMENT / DIVISION / BRANCH UPDATES

Jenna Leal, Branch Chief, presented Department, Division, and Branch updates.

**Alejandro Hernandez arrived at 9:10 a.m. Votes taken later in the meeting will indicate eight members and will be reflected in the minutes.*

Leal reported that the Department is setting up a meeting in September with Kyle Diamantas, the U.S. Food and Drug Administration Deputy Commissioner including a trip to the Salinas Valley.

The Department is continuing to monitor the State budget and reductions. There are cuts that will be presented at the fall budget meeting. Leal reported that the Feed Program has a few position vacancies. Due to budget issues with the Antimicrobial Use and Stewardship (AUS) Program and the unknown status of Animal Feed Regulatory Program Standards (AFRPS) contract, several positions are now included in the Feed Program and Safe Animal Feed Education Program (SAFE) budgets. Additionally, the Branch is in the interview process for hiring a Fertilizer Research and Education Program (FREP) Senior Environmental Scientist (SES) (Supervisory).

Leal mentioned that the Department is monitoring the bargaining unit negotiations, including return to office and pay raises and cuts.

The Administrative Services Division (ASD) has requested the Program to evaluate the use of the Bank of America account. It is estimated that it costs approximately \$40,000 annually for Financial Services staff to manage the account. Board members addressed concern that in years past legislative entities have attempted to acquire money from various industry funded programs during tight budget years. The Board discussed their preference to keep the Bank of America intact and asked that Jody Lusby, ASD Director, be invited to discuss the situation at the next board meeting and to explain why having an external savings account is costing the Department \$40,000.

Rachelle Kennedy, Environmental Program Manager I, reported personnel updates. Ted Bert has been assigned as SES (Supervisory) for Central Valley/Southern California. Justin Jacobson, a new hire to state service and newly appointed Environmental Scientist (ES), begins on September 2, 2025, in the Oakdale territory. Two vacant lead SES (Specialist) positions are being advertised. Kennedy announced that there is a hiring freeze and Chris Hansen's former Special Investigator position was purposely not backfilled for cost savings. Kennedy announced Frankie Aguilar, who processes license and tonnage, was reporting under the Branch Office Support Services (BOSS) unit but is now reporting directly to the Feed Program. Mike Davidson, Supervising Special Investigator I, is retiring effective October 1, 2025.

FUND CONDITIONS/TONNAGE

Kennedy reported the beginning balance as of July 1, 2024, for Feed and SAFE was \$4,594,061. Revenue for Feed and SAFE was \$4,219,673; expenditures were \$3,201,496 and encumbrances were \$187,877. The low expenditures reflect vacant personnel positions. The ending balance as of June 30, 2025, for Feed and SAFE was \$5,612,239 with an adjusted balance of \$5,424,362. Kennedy noted one more quarter remaining under the Food Safety and AFRPS contracts which are currently calculated at \$584,318 in recovery. Program is still finishing billing and to receive the remaining of the \$525,000 for AFRPS. The Livestock Drugs Program fund condition appears high but they will be redirecting to bring that amount down.

Kennedy reported a total of \$2,868,664 of tonnage revenue including tons reported at \$0.13 \$.065 for incentivized byproducts, and all monies received from penalties. Kennedy presented on a loss of overall revenue because tonnage reporting at the incentivized rate for diverted byproducts. The incentivized program did not bring in many new reporters, but has allowed existing users to lower their costs. It was put in place with best intentions, however, and should be discussed later as to whether this tiered system is accomplishing what it was intended to do.

Michael Koewler praised the efforts of incentivizing food waste diversion reporting and stated the reason for the diversion incentive is to demonstrate sustainability and diversion from landfills in the Feed Industry. This effort translates into greenhouse gas reduction and should be quantified. In addition, the diversion efforts will bolster Secretary Ross' influence to support Industry's responsible management of resources.

Leal added the data from the study by Dr. Ed DePeters, program's data reporting collected, and by-product data utilized in California can be used to quantify the Feed Industry's diversion and reduction. Leal stated that California is unique and uses more by-products than any other state.

KC Gutenberger stated tonnage reports starting in 2022 are available online and in the beginning, diverted waste was underreported. In 2022, incentivized reports totaled about 700,000. By 2024 that increased to 1.8 million. CDFA used actual reports to estimate higher totals with 2024 being approximately 2 million tons. Kennedy said the information of incentivized versus not incentivized will be analyzed further.

Kennedy reported AUS funding has been cut \$250,000 over the past two years. Savings reflected are due to keeping personnel positions open as mentioned earlier and projection of Davidson's position not be filled upon his retirement. If AUS funds continue to decline, the Program will need to reevaluate what can be done for AUS and what are mandated AUS activities.

Ted Bert, SES (Supervisory), gave a tonnage audit summary. The program conducted six randomly selected firms for audits that are almost closed out. The program reviewed firm supplier lists to determine potential for new licenses. A total of \$66,368.55 was recovered from one audit in 2024. The program developed tonnage policies for refunds and recoveries.

Dan Rice shared that in Texas, industry expects tonnage discussions when inspectors arrive on site. Bert added that the Program is also adding tonnage questions to the California Inspections.

PROGRAM UPDATES

Samantha Moran-Defty, SES (Supervisory), reported sampling and labeling inspections. Inspection numbers reflect 69.7% were for Food Safety and 30.3% was for labeling with a 13.3% violation rate. Single ingredients, complete/formula feed and vitamin/mineral

make up for majority of feed types sampled, followed by grain and ingredient mix, liquid feed, total mixed ration and those designated as “other”. For 2025, there were 22 feed safety inspections for state and contract work, 64 commercial feed licensee inspections, and seven retail inspections.

Bert reported out of 50 notices of warnings, 44 were delinquent tonnage, two missing weight certificates, one feed safety plan related, one mixing plan violation and two sample violations. Out of the six feed complaints, three were quality complaints, two were reports of dead animals, one was unapproved feed being fed to lactating cows. The two quarantine and removal from sale was one for damaged feed and the other for quality. The 40 violations inspection reports were for 25 follow-ups with 15 still in process and an additional 35 regulatory notes on lab reports.

Leal reported that there was a complaint lodged against the feed program regarding the program's findings in a previous complaint investigation. The Branch conducted a thorough investigation into the complaint against the program and found that the program had thoroughly investigated the original consumer's complaint and followed all department policies and procedures. The program had actually gone above and beyond and offered additional resources to the complainant including connecting the complainant with UC Davis for species specific ongoing education and outreach. As a result, the complaint against the program was determined to be unfounded, a thorough report was documented, and the complaint was closed.

Bert reported there were 2,144 licensees in 2025. Delinquent license renewals totaled 117. Fees collected for delinquent tonnage reports in the third quarter of 2024 totaled \$5,239.20, in the fourth quarter totaled \$29,070.27, and the first quarter of 2025 was \$19,211.15. Bert noted that the first quarter of 2025 report was not complete because more information is still being received. Delinquent fees are not assessed until after based on a multi-step reminder procedure.

Moran-Defty updated on the Federal Emergency Response Network (FERN) sampling that began July 2024 and runs through 2025. There were three dried distiller grains (DDGs) and fifty corn samples. Mycotoxin levels in the samples were below established regulatory limits.

Moran-Defty reported that the Program is streamlining the complaint process for animal illness and death. Current procedures take a lot of time and resources from the Program that could be handled by the complainant. The updated process will require the complaint to have veterinary reports, a necropsy, and/or feed analysis for the Program to become involved.

Michael DeGroot asked for the number of complaints. Moran-Defty stated there were six this past year. Investigations conducted by the program found that most of the deaths were likely caused by an issue with improper feeding of the product to the intended animals, and not an issue with feed quality or adulteration of any kind.

Bert reported there was a complaint received in May 2025 regarding camelina meal being fed to lactating cattle. The complaint alleged that seven dairies were involved, and that three different nutrition groups formulated camelina meal into lactating cattle rations from November 2023 until April 2024 disregarding that Camelina Meal is not approved to be fed to lactating dairy cattle.

Leal said this complaint highlights the current lack of authority over nutritionists in CA. Leal continued that nutritionists have various levels of education from master's degrees and doctorate degrees to no degree. They do not have any specific requirements they must meet, and they are responsible for feeding millions of food producing animals in CA. Currently, the Department does not have authority to address issues related to nutritionists, to ensure responsible feeding practices by nutritionists, or hold nutritionists accountable for animal feed issues. These animals fed rations by unlicensed nutritionists can end up in the human food supply and therefore affect human lives as well as the animals well being and safety.

Dr. Arana agreed with Leal and suggested training and licensing of nutritionists should go through a program that has expertise and mentoring capabilities. Chris Zanobini suggested it could be addressed at California Animal Nutrition Conference (CANC). Kennedy said it can go through CGFA, but some nutritionists will still be missed. A long-term solution still needs to be developed to require all nutritionists to be involved with required training and/or licensing in order to have the ability to hold them accountable. DeGroot suggested licensing individuals and requiring them to understand the effects of ingredients they incorporate into the rations they formulate. DeGroot also mentioned that continuing education units should also be considered.

Leal stated at the next FIAB meeting the program will present existing regulatory frameworks and requirements of CCAs and other similar programs and propose some options for the board consideration regarding oversight of nutritionists.

Erika Lewis-Ortega, Research Data Specialist II, discussed federal recoveries used for personnel during the period of 2020 through 2025. The award from AFRPS was \$525,000 each year for five years and one year of \$100,000 from the Laboratory Flexible Funding Model (LFFM). Offsets totaled \$2,725,000 used to cover the Feed Program staff to conduct AFRPS activities.

The Program applied for a new AFRPS funding opportunity that could be awarded from FDA for \$300,000 a year for three years. The application was submitted in July. It will still be \$225,000 less per year over the three years. There was a Mutual Reliance Option that the Program did not apply for because the expectation of data sharing was not clear and could possibly have an adverse effect on the State of California. The Program will monitor how other states incorporate the Mutual Reliance Option and work with the FDA and may reconsider applying for this in year two and year three of the agreement.

If funding lapses there will be a reduction and possibly no opportunities for national participation, continuing education, industry training, equipment updates, inspector audits, in-person staff meetings, and laboratory expenses as part of ISO accreditation expansion.

Lewis-Ortega provided an overview of regulations and legislation updates. Article 14 ingredient definitions updates were approved and are effective. The Label Modernization package is expected to be noticed this fall. The Innovative Feed Enhancement and Economic Development (iFEED) Act that was introduced in March in the United States House of Representatives and is still in committee. Once it passes, updated terminology will be necessary in California laws and regulations.

Legislation discussions recommended definition of livestock, certificate of free sale authority and licensing / tonnage clarifications.

Kennedy stated Federal bill HR597 has merged the Pet Food Uniform Regulatory Reform (PURR) Act into HR4121, an agricultural spending bill, and expanded to affect all animal feed and not just pet food for companion animals. The PURR Act allows any ingredients that are included in the Official Common or Usual Names and Definitions of Feed Ingredients section of chapter 6 of the 2025 edition of the 'Association of American Feed Control Officials (AAFCO) Official Publication' (or any subsequent amendments thereto or editions thereof) as General Recognized as Safe (GRAS) for animal food unless FDA has a problem with the ingredient, puts requirements on what can be labeled "natural" and prohibits states' ability to impose stricter requirements, mandates the development of guidance for animal food for Analytical Variations and menadione sodium bisulfite complex, and mandates the development of regulations for commercial feed based on AAFCO model bill.

The mandating and regulation from the AAFCO Model bill has never been considered in California. Adopting AAFCO definitions for labels as they stand is a concern about how strictly California regulates. Zanolini stated CGFA is not in favor of the bill. Leal said if the language is adopted, it could change the core foundation of how the Feed Program and California feed industry operates. The Feed program will develop talking points and can present itemize implications, impacts and how program will operate in the future.

Lewis-Ortega shared that the allowance of certain collective terms for package retail feed needs to be revised. The revisions would make current California language consistent with national terms used on retail packaged products. The specific changes will apply to 3 California Code of Regulations (CCR) Section 2694-Label Statements and 3 CCR 2778-Collective Terms.

Discussion ensued addressing issues with staff resources and time.

MOTION: Dan Rice moved to approve proposed regulation change for collective terms as presented; Jeremy Banducci seconded. The motion passed by all members present with a vote of 7 to 1.

Lewis-Ortega presented a portion of the Label Modernization package to include combining all terms related to chromium into one section. These definitions included Chromium Tripicolinate and Chromium Propionate. These terms will be in 3 CCR.2710 Labeling and Use of Feeds Containing Added Chromium. Lewis-Ortega stated the language is consistent with what AAFCO uses with the addition of a guaranteed analysis statement.

Dr. Arana expressed concern about creating new tags and labels guaranteeing amounts used for various livestock species that were previously not required. Current regulations do not define minimum or maximum guarantees. Leal explained that the language exists in various places in the regulations and this revision would pull each of those specifications out of the current regulation document. The terms would then be consolidated for Chromium additives in one section of 3 CCR. There was a question whether testing for Chromium additives was available. Jim Langston of California Animal Health and Food Safety Lab (CAHFS) said that there is testing for chromium but would check to determine availability for this specific form.

After some discussion, the decision was made to send the term, “(1) A guaranteed analysis statement for the minimum parts per million chromium. The level of chromium cannot exceed the minimum guarantee by more than 25%” to the Feed Technical Advisory Subcommittee (TASC) for review. Everything else presented would be pulled from other sections, consolidated, and become § 3 CCR 2710. Labeling and Use of Feeds Containing Added Chromium.

Break from 11:30 – 11:37 a.m.

Lewis-Ortega presented a request to recommend definition of livestock. The new term includes all animals, poultry, equines, bees, and aquatic and amphibian species which are raised, kept or used for profit. The goal is to define livestock to be consistent with the Food and Agricultural Code (FAC) 14205 in Livestock Drug regulations. There is no definition of “Livestock” in the Feed law. Using the language that exists in Livestock Drug laws and regulations will create consistency between programs. The definition would be found in § FAC 14932.5.

MOTION: Eric Benziger moved to approve the definition of “Livestock” as presented; Jed Asmus seconded. The motion passed unanimously by all members present with a vote of 8 to 0.

Kennedy explained the parameters being set for establishing a certificate of free sale and how program services will be charged fees to cover administrative costs.

MOTION: Michael Koewler moved to approve the language for FAC 15057 and charging fees for issuing certificates of free sale as presented; Dan Rice seconded. The motion was approved by all members present with a vote of 8 to 0.

Lewis-Ortega shared information regarding recommended types of licensing exemptions. The goal is consistency between license exemptions with tonnage tax exemptions. The proposed sub bullet would exempt a person dealing exclusively in whole grains, whole hays, fodder, forage, or silage when unmixed or not further process, and any other person specified by the Secretary in regulation.

MOTION: Jed Asmus moved to approve the language for licensing exemptions to be consistent with tonnage tax as presented; Michael DeGroot seconded. The motion was approved by all members present with a vote of 8 to 0.

Kennedy discussed existing tonnage tax language and the term “consumer buyer”. FAC 15061 would make the inspection tonnage tax carry a maximum rate to be paid by the guarantor. It is already in effect for retail packaged products under CCR Section 2750 (a). It would only affect if the guarantor name changes on a label. Various tonnage models have been discussed in strategic planning from 2006 through 2023. Takeaways from 2023 were for a new tonnage model. The recommendations were to look into tiered tonnage model similar to the American Feed Industry Association Model, a point-of-sale tax for packaged feed, and a higher tax on feed additives / high risk products. After sharing multiple tonnage model scenarios, a discussion about the role of various guarantors who pay the tonnage would be assigned per the situation. Discussion ensued on the scenarios.

In the discussion, there was concern about double-taxing on the same product if materials travel through multiple processing points. There were concerns that taxing for every label change would cause more work during auditing. Bert said the program believes that this will be easier to audit then current audits.

Kennedy said the purpose of these models was to remove the term “consumer buyer” and clarifying “guarantor” therefore clarifying who pays the tonnage tax and when. When the name on the label changes, the tonnage tax would be paid. Leal said the purpose is also to create transparency for everyone and is not intended as a source of revenue. Currently, very few firms are paying the majority of the inspection tonnage tax and covering the cost for the whole industry.

Program suggested a special FIAB meeting to discuss the topic of the new tonnage model and propose other specific tonnage models. Members will be polled to select a date for that meeting.

KC Gutenberger presented SAFE updates. Recent activities focused on feed safety and labeling of free choice feeds. SAFE presented at the State of Science Summit on Pathways to Regulatory Approval Workshop. Upcoming activities include attending the

California Wool Growers Association Convention Workshop and hosting a Preventive Controls Qualified Individual (PCQI) training in fall.

Gutenberger continued with updates from TASC. TASC had a meeting on June 26, 2025. There was a presentation by Elanco about Bovaer on-farm mixer studies. No recommendations were made to the Board.

UNIVERSITY OF CALIFORNIA DAVIS LABORATORIES UPDATE

Rani Youngman gave a report for AnLab. A CDFA change of order submission allows AnLab to forecast submissions and group by test type or sample type. This will make it easier to track orders. There is experimenting with cold prep grinding. This will create a comparative analysis between CDFA and CAHFS grinds. The ICP-OES machine will provide backup for CAHFS metals/minerals results except for mercury.

Jim Langston presented updates on CAHFS Lab updates. There were 537 analyses run with the majority being minerals, metals, Monensin and vitamin A. An additional 53 samples were run for LFFM program for mycotoxins, corn and DDGS. CAHFS applied for another year for LFFM. ISO accreditation is reaffirmed for next year. Langston reported that the lab is currently fully staffed and their new section head is Dr. Karyn Bischoff. The Vitamin D2 in feed method was developed and validated to 50 parts per million (ppm) and 3-NOP method was implemented to 30 ppm in TMR (Type C Feed) and 400 ppm in mineral mix (Type B feed). New equipment includes high-performance liquid chromatography (HPLC) with Ultraviolet and fluorescence detectors and an Agilent 6475 LC-MS/MS. Langston said they cannot currently analyze chromium but can develop methods.

CALIFORNIA GRAIN AND FEED ASSOCIATION / ALMOND ALLIANCE UPDATES

No updates were given.

PUBLIC COMMENTS

No public comments were made.

AGENDA ITEMS FOR FUTURE MEETINGS

Chair Arana stated the program's Bank of America account, tonnage tax scenarios, program budget, and framework about nutritionists as agenda items for the next meeting.

NEXT MEETING

A special FIAB meeting regarding tonnage tax and existing regulatory frameworks and requirements of CCAs will be scheduled for end of September in Modesto. The FIAB budget meeting will be scheduled for the first week of November in Sacramento. Members will be polled to select potential dates for both meetings.

ADJOURNMENT

MOTION: Jed Asmus moved to adjourn the meeting; Dan Rice seconded. The motion was approved by all members present with a vote of *7 to 0. *Michael DeGroot was absent at adjournment.

The meeting was adjourned at 12:42 p.m.

ORIGINAL SIGNED BY RACHELLE KENNEDY

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

07/29/2025

Date