

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

May 10, 2022 Meeting Minutes Teleconference

MEMBERS PRESENT

Jeremy Johnson – Chair David Will Jaclyn Bowen Wendy Reynolds Sean Feder Amanda Felder John McKeon Brandon Nauman Stefan Parnay

Karen Archipley Phillip LaRocca

MEMBERS ABSENT

Blake Alexandre – Vice Chair Kaley Grimland

INTERESTED PARTIES Jane Sooby, California Certified

Organic Farmers (CCOF)
Nick Woodrum, California
Department of Public Health (CDPH)
Daniel Karavan, CDPH
Jane Reick, CDPH
June Nakagawa, CDPH
Mario Gutierrez, Kings County
Alexa Schieferecke, Pacific Coast
Farmers' Market Association

CDFA

Steve Patton
Marcee Yount
Danny Lee
Scott Renteria
Mayze Fowler-Riggs
Pamela Rodriguez
Vanessa Jivan
Thomas Osborn
Sarah Cardoni

ITEM 1: CALL TO ORDER-INTRODUCTIONS/ROLL CALL

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

ITEM 2: PUBLIC COMMENTS

Jane Sooby, CCOF, shared that CCOF is moving forward to endorse Assembly Bill (AB)1870 Organic products. Its purpose is to update and streamline the CDPH side of the State Organic Program (SOP). The four specific elements of AB 1870 are: one, establish an online registration and payment procedure; two, consolidate the multiple application forms; three, develop a process for moving forward and clearing vintage complaints; and four, give official numbers/dollars for program revenues and expenses annually. It is now in the Assembly Appropriations Committee.

Sooby also requested an update on the California Agricultural Statistics Review that Mayze Fowler-Riggs mentioned in the January 27, 2022, COPAC meeting.

ITEM 3: REVIEW OF JANUARY 27, 2022 MEETING MINUTES

Chair Johnson requested a motion to approve the January 27, 2022, Meeting Minutes as presented.

MOTION: Jaclyn Bowen moved to approve the January 27, 2022, Meeting Minutes as presented. Stefan Parnay seconded the motion. A vote by roll call was taken. The motion passed unanimously.

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) 2021/22, seven have been completed and 18 remain open. Six complaints remain open from previous fiscal years. For calendar year 2021, there were 2,831 licenses issued for organic processors.

Chair Johnson asked if there was any data on the types of complaints that are most likely to be substantiated so that CDPH can focus their efforts in closing those complaints that remain open. Reynolds responded that there is a statutory requirement to close complaints within 90 days and that CDPH focuses enforcement efforts on complaints that are received to meet that deadline.

Nick Woodrum, CDPH, presented data on the reasons why application deficiency letters are issued to applicants. Common reasons include missing contact information, missing signatures, and omitted commodity information.

Woodrum presented the CDPH Organic Program's budget information. For FY 2021/22, total projected salaries and benefits are \$864,361. Total direct costs are \$58,431. Total indirect costs are \$273,470, bringing the total projected program cost to \$1,196,262. Total projected revenue is \$1,218,904.

Woodrum also provided an overview of the CDPH Organic Program's revenue report. For FY 2020/21, the program collected \$1,284,750. For FY 2021/22 as of February 2022, the program collected \$704,694. It is projected that FY 2021/22 revenue will be slightly lower than the previous fiscal year.

ITEM 5: FUND USE RECOMMENDATIONS/STATUS OF STATE ORGANIC PROGRAM UNIVERSITY OF CALIFORNIA CONTRACT UPDATE

Danny Lee provided an update on the SOP University of California (UC) contracts. The contracts support the recommendation made to the CDFA Secretary at the COPAC meeting on September 23, 2021, that the SOP spend \$1 million of the Program's reserve funds as presented in CCOF's proposal; integrating socially disadvantaged farmers and organic operations that are not fruit or vegetable farmers and working with the UC Agriculture and Natural Resources (ANR) and the UC Organic Agriculture Institute (OAI). CCOF's proposal was to support the UC Cooperative Extension Organic Production Specialist and establish a permanent organic research endowment within the UC OAI.

Two one-year contracts have been established with UC ANR Santa Cruz with facilitation from Dr. Joji Muramoto, UC ANR Organic Production Specialist. Each contract will cost \$250,000 and will begin October 1, 2022. Objectives include: publish a peer review of integrated soil health management; examine soil borne disease suppressive crop rotations for organic strawberries and soil health management; conduct a needs

assessment of organic growers in California; develop a nitrogen mineralization database; test effective high carbon amendment applications; lead research efforts at the UC Santa Cruz Center for Agroecology; conduct statewide extension training and education of sustainable organic production of food systems for organic farmers in California; and educate students and the general public on sustainable organic production and sustainable food systems in California.

The SOP also worked with Dr. Houston Wilson, UC OAI Director, to establish two one-year contracts with OAI. The contracts total \$350,000 and will start July 1, 2022. The six key objectives are: summarize organic acreage and practices in California; launch the organic agriculture knowledge network; develop organic extension and training events; establish an organic demonstration orchard in the San Joaquin Velley; create video outreach materials; and organize a statewide conference on organic agriculture.

Funding from the \$1 million Program reserve has also been earmarked for translation and interpretation services to support underserved communities. The SOP is working with the CDFA Office of Civil Rights to explore the types of services that can be provided.

Chair Johnson requested that there be regular updates provided to the COPAC on the progress of the UC ANR and UC OAI contracts, as well as how the funds are being utilized by the CDFA Office of Civil Rights.

i. Budget Change Proposal Update

Marcee Yount provided an update on the Budget Change Proposal (BCP). The BCP is on track to be fully approved. For FY 2022/23, a \$537,000 increase in spending authority was requested, which includes funding an Environmental Scientist position that will assist with education and outreach, as well as provide technical assistance for organic growers. The Environmental Scientist will work closely with County Agricultural Commissioners (CAC) to host workshops for organic growers. An additional \$395,000 increase in spending authority was requested for external contracts. This will include the first year for \$350,000 for the UC ANR and UC OAI contracts, as well as up to \$45,000 for translation and interpretation services. For FY 2023/24 and thereafter, \$720,000 total spending authority was requested. \$595,000 is earmarked for external contracts and will include \$500,000 for the second year of UC ANR and UC OAI contracts, with an additional \$95,000 for translation and interpretation services.

ii. Sliding Registration Fee Schedule Subcommittee

Yount recommended that COPAC sustain the current Registration Fee Schedule in statute and utilize the regulatory process to make changes to the fees if needed. Furthermore, it is advised that changes to the Registration Fee Schedule be postponed until the SOP understands the impacts of the UC ANR and UC OAI contracts and the Environmental Scientist position to the SOP's Ag Fund reserve.

The Sliding Registration Fee Schedule Subcommittee formation will be revisited during the September 2022 meeting.

ITEM 6: FISCAL YEAR 2022/23 PROPOSED BUDGET

Lee presented the FY 2022/23 Proposed Budget. Projected revenue is \$1,727,145, with a total proposed budget of \$2,917,202 that includes \$1,110,899 for personnel services; \$1,310,050 for operating expenses and equipment; \$452,534 for departmental expenses; a pro rata cash adjustment of \$145,335; with a gas tax credit of \$30,000 and a direct charge recovery from the Cost Share Program of \$71,616.

Chair Johnson asked for a motion to approve the FY 2022/23 Proposed Budget as presented.

MOTION: Amanda Felder moved to approve the Fiscal Year 2022/23 Proposed Budget as presented. Sean Feder seconded the motion. A vote by roll call was taken. The motion passed unanimously.

i. State Organic Program Fund Condition

Lee provided the SOP Fund Condition update. Lee stated that as of March 31, 2022, the beginning fund balance for FY 2021/22 was \$3,066,471. Total revenue was \$1,176,455, and available cash was \$4,242,926. Total expenditures were \$1,560,757, cash adjustments were \$98,820, with an ending balance of \$2,583,349.

ITEM 7: STATE ORGANIC PROGRAM UPDATES

i. Vacancies and Terms

Sarah Cardoni provided the Vacancies and Terms report. Current vacancies include: one wholesale distributor representative; two technical representatives; one consumer representative; one producer representative; one retail representative; six producer alternates; one wholesale distributor alternate; one retail representative alternate; one environmental representative alternate; two technical representative alternates; and one consumer representative alternate. Chair Johnson, Jaclyn Bowen, and Karen Archipley have reached their term limit on October 31, 2022, and will not be eligible for reappointment.

ii. Revenue from Registration/New Registrations

Fowler-Riggs presented information on organic registration fees collected by month and year. For FY 2021/22 as of March 30, 2022, \$1,208,737 in registration fees have been collected. A total of 516 new operations registered with the SOP in 2021; of these 429 are producers, 125 are handlers, and 16 are processors. The total number of registrants for 2021 was 4,739 registrants, a slight decrease from 4,935 registrants in 2020.

Fowler-Riggs responded to the request for an update on the California Agricultural Statistics Review. The report is being finalized by the CDFA Marketing Services Division. COPAC will be notified once the report is released.

iii. Compliance and Enforcement/Appeals Summary

Scott Renteria provided the Compliance and Enforcement/Appeals Summary. For FY 2021/22 as of April 12, 2022, there were 100 total complaints of which 53 were

investigated by SOP, CDFA, or CAC staff; 17 were referred to Accredited Certifying Agents; 26 were referred to CDPH; two were referred to the National Organic Program; and two were referred to the Organic Input Materials Program. There were 1,022 total inspections: 670 of these were conducted at farmers' markets; 156 were conducted at production sites; 64 at a handling facility; three at a processing facility; 122 at a retailer; and seven at a location not within the above categories. A total of 299 samples were collected of which 282 were surveillance and 17 were investigative. Of the 282 surveillance samples, 11 contained residues above tolerance levels and 16 contained residues below tolerance levels. Of the 17 investigative samples, none tested above tolerance levels and nine tested below tolerance levels. Seven appeals were received in which four have been closed and three remain active.

iv. Complaint Activity Report

Renteria provided the Complaint Activity Report for the period of July 1, 2021, through April 12, 2022. A total of 32 open complaints were active in which 14 were open for more than 120 days; four were open for between 90 and 120 days; two were open for between 60 and 90 days; four were open for between 30 and 60 days; and eight were open for less than 30 days. An additional 68 complaints had been closed.

v. Complaint Summary Log

Renteria presented the Complaint Summary Log, detailing complaints and investigations that were assigned and closed from July 2021 through April 2022.

vi. 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 2021/22 as of April 12, 2022, there were 282 surveillance samples: 83 at farmers' markets; 78 at production sites; 20 at a handling facility; 100 at a retail wholesale facility; and one at a location not within the above categories. Of the 27 samples with residues detected: six were at farmers' markets; four at production sites; two at a handling facility; and 15 at a retail wholesale facility.

vii. Cost Share Update

Renteria provided an update on the Cost Share Program. To date, 1,826 applications have been reviewed and approved. There were 98 incomplete applications for instances such as omitting required information or not including the Payee Data Record form that is required for CDFA to issue payment. In the event that an application was received and was incomplete, a notification was sent to the entity with instructions for completing their application. Of the \$1.4 million in funds available, the Cost Share Program issued \$1.3 million to organic operations. The Cost Share Program for the 2022 period will open June 1, 2022, and will remain open until November 1, 2022.

ITEM 8: NEXT MEETING/AGENDA ITEMS

The next meeting will be held in September of 2022. A Doodle Poll will be conducted to determine the meeting date.

Chair Johnson asked that a status on the UC OAI contract and funding utilized by the CDFA Office of Civil Rights be included as an agenda item for the next meeting.

ITEM 9: ADJOURNMENT

The meeting was adjourned at 11:57 a.m. by Chair Johnson.

Respectfully submitted by:

Danny Lee, Supervising Special Investigator State Organic Program