

**Food Safety Advisory Committee**  
**October 18, 2017**  
**10 am – 2 pm**

**Meeting Summary**

**Attendees**

Advisory Committee members:

Jenny Dresler, Oregon Farm Bureau, Co-Chair  
Shawn Miller, NW Grocery Association, Co-Chair  
Jana McKamey, Oregon Wine Growers Association  
Tami Kerr, Oregon Dairy Farmers Association  
Bob Beck, NORPAC  
Dave Wright, Pacific Seafood  
Dave Martin, Oregon Health Authority  
Paul Cieslak, Oregon Health Authority  
Steve Ramsey, Safeway  
Jamie Wiggins, Northwest Food Processors Association  
Anneliese Koehler, Oregon Food Bank  
Jovana Kovacevic, OSU

Staff:

Stephanie Page, ODA  
Gabrielle Redhead, ODA  
John Burr, ODA  
Frank Barcellos, ODA  
Karen Apiado, ODA  
Rusty Rock, ODA  
Lindsay Eng, ODA  
Jack Noble, ODA  
Kathryn Nelson, ODA  
Sue Davis, ODA

Interested parties:

Azure Edwards, member of the public

**ODA Budget and Financial Outlook**

Jack Noble presented the Food Safety Program Other Fund Cash Balance outlook for the current and next two biennia. He reviewed some key terms, including explaining what comprises General Fund (GF; taxpayer dollars appropriated by the Legislature) and Other Funds (OF; fee payer funds and FDA contract inspection revenue). Jack summarized some recent financial history and the changes to the program's budget between the 2015-2017 and 2017-2019 biennia. He explained that a \$1.4 million fund shift from GF to OF for the current biennium will have a significant effect on the program's cash balance going

forward. He also reviewed some of the factors affecting expenditures in the Food Safety program, including cost of living increases and PERS costs, and also identified some other factors that will affect the program's cash balance, such as the number of licenses and the gross sales of each licensee (which determines the fee level that they pay on the fee schedule).

Jack displayed projections for the next 3 biennia, including the current biennium, under four different scenarios. Under the four scenarios, the program's Other Fund cash balance will eventually dip below the required 3-month reserve. Shawn Miller noted that we have been living at close to 60% OF-40% GF for years without a fee increase. He said he doesn't see an issue with the one-time 3% fee increase; the 3% annual fee increase allowance, which sunsets after the 2018-2019 licensing year, was agreed to several years ago during budget negotiations.

The group discussed strategies going forward, including the possibility of proposals to reverse the fund shift in 2019 and a bill to extend the annual % allowance for fee increases. Stephanie Page will do some research on whether ODA is going to introduce a bill to extend the sunset or if ODA prefers for industry to put it forward. Several committee members commented that the industry position will be a 50-50 GF-OF split. Dave Wright noted the importance of efficiency improvements so that the industry feels it is getting something for its investment and support.

### **Proposed DRAFT Rules**

Stephanie Page went through proposed administrative rules to implement a 3% license fee increase across the various rules that affect various types of food establishments. The proposed 3% fee increase would take effect for the 2018-2019 licensing year. The proposed rules also specify when ODA would consider a firm to be operating without a license. In addition to standard language across multiple rules establishing fee schedules, initial approval license fee due dates, and renewal fee due dates, she explained that the draft egg rules make some changes to put HB 3116 into effect, which exempted farm-direct egg sales from egg grading requirements except for candling. She explained the proposed rule making, public comment, and rule adoption timeline for the fee increase rules, and asked for advisory committee member feedback by November 1st in order to finalize the rules in time for the 2018-2019 licensing year and allow time for outreach to licensees.

She also introduced a proposed rule that would adopt part of the new FSMA requirements for manufacturing firms, but would wait on adopting the more extensive new requirements. The time frame on the public comment period and adoption of these rules is in the spring of 2018 (the comment period will likely begin sometime after the short legislative session wraps up). Dave Wright noted that record keeping is a matter of law when you do your HACCP plan. He noted that it seems like a lot of businesses are already following a lot of this and receive inspections from a variety of programs, agencies, and organizations. He asked what can be done to promote efficiency and Lindsay Eng suggested that we get a clear list of what all of those inspections are. Dave suggested that we reach out to John Lin at their Warrenton plant.

## **Working Lunch: Secretary of State Audit Implementation Update**

During the working lunch, the Food Safety Program management team provided an update on the program's progress to implement the Secretary of State's audit recommendations. Stephanie Page explained that the backlog of overdue inspections has been reduced significantly through a combination of improved data and inspection schedule prioritization by staff, and that the backlog of inspections at least 90 days overdue currently stands at 817. Shawn Miller asked when we think the backlog will be eliminated based on the pace of reduction so far - for example, will it be eliminated by the end of 2018? Rusty Rock noted that the program will always likely have a small backlog (i.e. 200 firms) due to reasons such as avoiding firms that we know FDA is about to inspect, trying to track down milk tankers and mobile slaughter units, and trying to reach domestic kitchen operators that work outside the home. Shawn noted that we will need some talking points to discuss the backlog and the reasons we anticipate that it will continue at whatever level we anticipate.

Other accomplishments to implement the audit include field supervisors spending time with staff in the field and recording their time, converting from paper daily activity reports to electronic reports, and analysis of electronic data of how staff are spending their time. Rusty explained he is working on some calculations to update the program's estimates of how many staff it needs.

## **Food Safety Modernization Act produce safety project**

Sue Davis introduced herself. She is ODA's Produce Safety Development Specialist hired with funds from the FDA cooperative agreement. Gabrielle Redhead is also assisting as an intern for the next few months with support from the FDA grant. Over the past few months, Sue has been working to track some of the major changes as the produce safety rule is getting rolled out, to identify produce safety training needs and schedule the trainings required by the rule for Oregon's produce farmers, host a pilot On Farm Readiness Review in Oregon, and set up tours and opportunities for FDA produce safety staff to learn about Oregon's produce industry and how the rule will affect them.

Sue and Gabrielle shared information about upcoming produce safety trainings and other FSMA related updates. Sue explained that one bottleneck to scheduling more trainings has been the lead trainer accreditation process. Jovana Kovacevic explained that several OSU faculty are part of the way through the accreditation application process to become lead trainers and that she and Sue have been working closely together to build partnerships between ODA and OSU to support produce safety rule implementation.

Sue explained that FDA has delayed produce safety rule inspections until 2019 at the earliest. Oregon has chosen to hold off on applying for inspection funds until we see how the programs are working in other states and understand more about how the final rule will work.

Sue also explained that the state FDA grant recipients are working on farm inventories, but the due date for this information will likely be pushed back due to privacy concerns. ODA is working with our legal counsel and other states are asking their attorneys for advice on issues such as whether certain farm inventory information can be considered trade secrets.

Jenny Dresler noted that FDA has proposed to postpone the ag water provisions of the rule until 2022 at the earliest. Stephanie Page noted that the federal register notice for this proposal was in the committee members' packets and that ODA would like to coordinate with the committee members on our comments. Comments are due November 13, 2017.