

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
 DF-46 (REV 08/15)

Fiscal Year 2016-2017	Business Unit BU_3930	Department Department of Pesticide Regulation	Priority No. 3
Budget Request Name 3930-003-BCP-DP-2016-GB		Program 3540_PESTICIDE PROGRAMS	Subprogram 3540046_MONITORING AND SURVEILLANCE

Budget Request Description
 Augmentation of the Food Safety Program

Budget Request Summary

The Department of Pesticide Regulation (DPR) requests additional resources to address workload issues associated with the Department's Food Safety Program. DPR requests an appropriation of \$ 391,000 (\$313,000 Ongoing) from the DPR fund and three permanent Environmental Scientist positions and three vehicles.

Requires Legislation <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed	
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <i>If yes, departmental Chief Information Officer must sign.</i>	Department CIO	Date
For IT requests, specify the date a Special Project Report (SPR) or Feasibility Study Report (FSR) was approved by the Department of Technology, or previously by the Department of Finance. <input type="checkbox"/> FSR <input type="checkbox"/> SPR Project No. Date:		

If proposal affects another department, does other department concur with proposal? Yes No
 Attach comments of affected department, signed and dated by the department director or designee.

Prepared By <i>[Signature]</i>	Date 08.20.15	Reviewed By <i>[Signature]</i>	Date 8-21-15
Department Director Brian Leahy	Date 8/20/15	Agency Secretary <i>[Signature]</i>	Date 8/31/15

Department of Finance Use Only

Additional Review: Capital Outlay ITCU FSCU OSAE CALSTARS Dept. of Technology

JP Type: Policy Workload Budget per Government Code 13308.05

PPBA	Original Signed By: Ellen Moratti	Date submitted to the Legislature 11/7/16
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A. Budget Request Summary

The Department of Pesticide Regulation (DPR) requests additional resources to address workload issues associated with the Department's Food Safety Program. DPR requests an appropriation of \$391,000 (\$313,000 Ongoing) from the DPR fund and three permanent Environmental Scientist positions and three vehicles.

B. Background/History

The DPR California Pesticide Residue Monitoring Program is a mandated program with DPR's authorities and directives set forth in California Food and Agricultural Code Sections 12531-12674, and 12999.4, which include enforcing pesticide residue tolerances set by the U.S. Environmental Protection Agency (US EPA). Under the Pesticide Residue Monitoring Program, Environmental Scientists in DPR's Enforcement Branch's three Regional Offices located in West Sacramento, Fresno, and Anaheim, annually collect 3,000 to 3,600 fruit and vegetable samples statewide.

Residue monitoring is directed toward enforcement of U.S. EPA tolerances. If illegal residues are found (either above the tolerance or with no tolerance for that combination of commodity and pesticide), DPR immediately removes the illegal produce from sale, and then verifies that the produce is either destroyed or returned to its source. In addition, if the owner of the commodity has similar produce from the same source, DPR quarantines those lots until the laboratory verifies it is free from illegal residues. Further, DPR traces the distribution of the illegal produce by contacting distributors throughout California, imposing quarantines and conducting extra sampling as needed. DPR works with FDA and federal Immigration and Customs Enforcement (ICE) to identify and eliminate sources of illegal residues in imported produce.

DPR samples commonly consumed commodities, with special emphasis on food consumed by infants and children and pesticides listed as causing cancer or reproductive toxicity. In addition, to ensure protection of all subpopulations, DPR selects commodities and sampling locations to reflect differences in consumption patterns of different cultural, ethnic and socioeconomic groups.

These samples are delivered to the California Department of Food and Agriculture's (CDFA) Centers for Analytical Chemistry Pesticide Residue Laboratories located in Sacramento and Anaheim where they are analyzed for pesticide residues.

Center for Analytical Chemistry Pesticide Residue Laboratory

Prior to 2012, the CDFA laboratories used analytical methods and instrumentation that gave them the ability to detect less than 200 compounds. In January 2012, the CDFA Pesticide Residue Laboratories began replacing their analytical equipment with new instrumentation—Liquid Chromatograph-Tandem Mass Spectrometers (LC-MS/MS) and Gas Chromatograph-Tandem Mass Spectrometers (GC-MS/MS)—which increased the number of pesticide compounds they can detect to over 300. This increase has allowed DPR to not only address compounds with historical residue compliance issues, but to also look at some of the newer compounds introduced to the marketplace.

By 2014, the new instrumentation was fully deployed and in use by the two CDFA Pesticide Residue Laboratories. The new instrumentation has resulted in a much higher rate of pesticide residue detections. In 2013-14, the CDFA laboratories detected (any level) pesticide residues in approximately 62.2 percent of the DPR samples (2,225 of 3,577 samples). In comparison, the CDFA laboratories detected pesticide residues in only 38.7 percent of the fiscal year 2010-2011 DPR samples (1,098 of 2,835 samples).

The ability to detect 100 additional compounds has more than doubled the number of illegal residues detections. In 2013-14, illegal pesticide residues were detected in 6.1 percent of the DPR samples (218 of 3,577 samples). In comparison, illegal pesticide residues were detected in 2.5 percent of the DPR samples in 2010-11 (72 of 2,835 samples).

Illegal Residue Detection

When illegal pesticide residues are detected on a produce sample, DPR's Human Health Assessment Branch (HHA) performs a dietary analysis to determine if the residue(s) pose a potential health risk to consumers of that produce. In its analysis, HHA researches and evaluates consumer consumption information for the subject produce and applies the appropriate safety factors to determine the potential acute health risk for infants, children and pregnant women who may consume the produce.

If HHA determines that the illegal residue(s) pose a potential health risk to consumers, Enforcement Branch staffs are immediately redirected to prioritize and focus on tracking down all of the contaminated lot(s) of produce and removing it from the channels of trade to protect the public. These illegal residue cases involve collecting information to document where and from whom the commodity was purchased, where and to whom it was sold, and witnessing the reconditioning or destruction of the contaminated produce. While these health concern cases are extremely time and resource intensive, due to the short window of opportunity, staff must then track down and remove the contaminated produce from the channels of trade.

While not all illegal residue case is a potential public health risk, significant work is involved for each illegal residue case. For each illegal residue case, Environmental Scientists in the three regional offices must contact the business where the sample was collected to quarantine any of the sampled produce that remains, acquire a purchase invoice for that produce, and witness the reconditioning or destruction of that produce. The Environmental Scientists then must trace the lot of adulterated produce back through channels of trade through the collection of invoices and shipping documentation to identify the point of origin which may be a California grower or importer responsible for first allowing the adulterated produce into the State. All along the way, the Environmental Scientists quarantines any of the contaminated produce that is found in the channels of trade, documents the violation(s) and issues an official notice(s) of violation to each business that packed, shipped or sold the produce in California. Some of these duties require Environmental Scientists to drive a State vehicle up to six hours in a single day.

To address the recent increased non-compliance, the Enforcement Branch has established new enforcement response procedures including (1) identifying companies that repeatedly import produce into California with illegal pesticide residues, (2) conducting compliance interviews with those companies advising them of potential penalties, and (3) developing cases for referral to DPR's Office of Legal Affairs, particularly those involving companies that continue to import produce with illegal pesticide residues. This increased level of enforcement response requires staff to conduct more detailed and in-depth investigations, spend more time interviewing produce vendors, and collect more evidence to support violations.

In addition to the Food Safety Program, the Enforcement Branch has primary responsibility for oversight and training of the County Agricultural Commissioners (CACs) throughout the state who carry out the State's pesticide regulatory activities at the local level. These activities include but are not limited to: conducting oversight inspections of CAC staff, conducting investigations or assisting CAC's with investigations, training CAC staff, complaint handling, and evaluating and documenting CAC's performance. To meet the increased work demands of the Food Safety Program, several Enforcement staff have been redirected from CAC activities. CACs are expected to maintain an effective pesticide use enforcement program; however, because DPR staff have been redirected to address the short comings of the Food Safety Program, DPR's ability to ensure the effectiveness of the CAC's programs is compromised. The Branch has hired additional temporary staff in each Regional Office to assist with the increased work associated with the Pesticide Residue Monitoring Program, but knowledge and skill of these staff is limited, as well as temporary.

Resource History
(Dollars in thousands)

Program Budget	PY - 4	PY - 3	PY - 2	PY - 1	PY
Authorized Expenditures	2,201	2,902	3,012	3,161	3,390
Actual Expenditures	2,059	2,140	2,743	2,840	3,327
Revenues					
Authorized Positions	14.9	14.4	13.6	14.1	14.2
Filled Positions	12.8	12.2	13.1	13.5	13.4
Vacancies	2.1	2.2	.6	.7	.8

Workload History

Workload Measure	PY - 4	PY - 3	PY - 2	PY - 1	PY	CY
No. of Samples	2,835	3,189	3,487	3,577	3,531	3,600**
No. of T-cases	72	94	177	218	179	190*
No. of Residue Repeat Offenders Cases	2	NA	NA	NA	1	5*
T-case Rate (%)	2.5	2.9	5.1	6.1	5.1	5*

*Projected numbers for current and budget years

**State residue program sample target

C. State Level Considerations

This proposal directly supports the first goal of DPR's Strategic Plan: Assure California's environment is not adversely affected by pesticides and that all people are protected from unacceptable pesticide risks. This proposal supports this objective by sampling and analyzing produce sold in California for illegal pesticide residues and taking necessary action when illegal pesticide residues are found. In addition, this proposal supports another goal of the Strategic Plan: Enforce and Achieve Compliance: Maintain and continuously improve strong and equitable compliance and enforcement programs to ensure people and the environment are not exposed to unacceptable pesticide risks. The objectives supported by this proposal are working with vendors to educate them on laws and regulations to prevent repeat offenses.

The addition of these positions and vehicles will enable the Department of Pesticide Regulation to fulfill its mandate to ensure the food supply is safe and free of illegal pesticide residues. The positions will protect human health by ensuring produce samples that test positive for illegal pesticide residues are identified and removed from the channels of trade. The additional staff will also enable the Department to better address other unanticipated workload and activities such as mitigation of hazards associated with pesticide applications near schools and allow the Department to provide more assistance and better oversight of the counties.

D. Justification

By 2014, the new instrumentation was fully deployed and in use by the two CDFA Pesticide Residue laboratories. The new instrumentation has resulted in a much higher rate of pesticide residue detections.

The ability to detect 100 additional compounds has more than doubled the number of illegal residues detections. In FY 2013-14, illegal pesticide residues were detected in 6.1 percent of the DPR samples (218 of 3,577 samples). In comparison, illegal pesticide residues were detected in 2.5 percent of the DPR samples in FY 2010-11 (72 of 2,835 samples).

When an illegal residue is detected, a "T-case" investigation is initiated that requires staff to track down and quarantine the commodity as well as trace down the source of the commodity. DPR traces the commodity to where it was grown and if it is grown in California, DPR, along with the CAC, will

investigate to determine how the pesticide residue got on the commodity. If a commodity is imported from another State or country, DPR tracks down the commodity importer and takes enforcement action against the culpable party.

The increase in T-cases requires more staff time in the field all of which is a redirection from other duties. As a result of the increased workload of the Food Safety Program, other core mandated program areas such as CAC oversight and training have suffered.

Additionally, the Enforcement Branch has established new enforcement response procedures including (1) identifying companies that repeatedly import produce into California with illegal pesticide residues, (2) conducting compliance interviews with those companies advising them of potential penalties, and (3) developing cases for referral to DPR's Office of Legal Affairs when companies continue to import produce with illegal pesticide residues. This increased level of enforcement response requires staff to conduct more detailed and in-depth investigations, spend more time interviewing produce vendors, and collect more evidence to support violations.

E. Outcomes and Accountability

The addition of these positions and vehicles will enable the Department to fulfill its mandate to ensure the food supply is safe and free of illegal pesticide residues. The positions will protect human health by ensuring produce samples that test positive for illegal pesticide residues are identified and removed from the channels of trade. The additional staff will enable the Department to better address other unanticipated workload activities such as mitigation of hazards associated with pesticide applications near schools and allow the Department to provide more assistance and better oversight of the counties.

DPR is committed to accountability and believes that its stakeholders and the public are entitled to timely, accurate information on what California's pesticide regulatory programs accomplish, how well they work, and how much they cost to administer. To provide the public accountability, DPR uses a functional-based approach to operational planning and accounting. DPR has 11 major program functions that are meaningful to the Legislature, the public, and other stakeholders, and uses the flexibility of its accounting system to track costs and provide reports by function, as well as by branch.

DPR operates with a functional-based accounting approach and therefore can provide meaningful information about its goals, performance measures, and the cost of doing business. To illustrate, DPR's Performance and Accountability includes Cal/EPA's Strategic Vision; DPR's Strategic and Operational Plans; performance measures; and function-based cost accounting information, which interlink, provide context, and tie back to the 11 major program functions. DPR provides budget detail based on these functions, and DPR's progress report also discusses many of DPR's goals and accomplishments.

Projected Outcomes

Workload Measure	CY	BY	BY+1	BY+2	BY+3	BY+4
No. of Samples	3,600**	3,600**	3,600**	3,600**	3,600**	3,600**
No. of T-cases	190*	190*	190*	190*	190*	190*
No. of Residue Repeat Offenders Cases	5*	5*	5*	5*	5*	5*
T-case Rate (%)	5*	5*	5*	5*	5*	5*

*Projected numbers for current and budget + years

**State residue program sample target

F. Analysis of All Feasible Alternatives

1. Reduce the amount of sampling for the Food Safety program

Pro: This alternative would lower the staffing requirements and demands of the program as well as reduce the cost of the program and would allow staff to be directed back to core mandated programs.

Con: This would reduce protections for the public and provide less assurance of a safe food supply. This option may also lower pesticide use compliance if growers know that less sampling is taking place and there is a lower chance of getting caught.

2. Redirect additional DPR staff to the Food Safety Program

Pro: Reducing other core mandated programs will allow staff to accomplish many of the Food Safety program requirements.

Con: Redirection of staff would require reductions in other core mandated program activities. DPR is not fulfilling its specifically mandated programs as efficiently as possible. Available resources fall short of those needed for maintaining its pesticide use enforcement program. Redirection would require further reductions in other critical programs in the protection of human health and environment programs, putting DPR at risk of lawsuits and contempt of court for failing to meet mandated obligations.

3. Do nothing

Pro: This alternative would not require additional resources.

Con: This alternative would result in continued work load backlog as well as delay or prevent the Department from being able to fulfill its mandate to ensure local program effectiveness and to respond to issues in other core mandated areas. This alternative may also put DPR at risk of lawsuits and contempt of court for failing to meet mandated obligations.

4. Appropriate \$ 391,000 (\$313,000 Ongoing) from the DPR fund and three permanent Environmental Scientist positions and three vehicles.

Pro: This alternative would allow DPR to implement the Food Safety Program in an effective and timely manner as well as alleviate current workload backlog in other core mandated programs.

Con: This alternative would require additional resources from the DPR Fund.

5. Amend laws to reduce the workload in other core areas.

Pro: This alternative will decrease the workload depending on the laws that are amended. This alternative will also not require ongoing additional resources.

Con: Changing and implementing laws and regulations that are less restrictive would put stakeholders at risk from the adverse effects of pesticides. If changes were made in regulations to reduce protections regarding the application of pesticides, applicators could apply pesticides in a way that is detrimental to human health and the environment.

G. Implementation Plan

To ensure the outcomes identified in this proposal are achieved, DPR will take the following steps to ensure that the requested positions are filled in a timely manner:

July 2016 – complete development of duty statements and position advertisements

August 2016 – complete the hiring process

August – December 2016 – train technical field staff

September 2016 – submit paperwork for vehicle purchases

H. Supplemental Information

As stated above, the Enforcement Branch is also requesting approval to purchase three additional state vehicles in order for the new positions to conduct their duties related to the Pesticide Residue Monitoring Program. Additional vehicles are essential for staff to conduct their duties. Staff drives all over the state to collect samples of produce. They can spend up to six hours a day on the road performing their duties. When a produce sample is confirmed to have illegal pesticide residues, staff must immediately reprioritize their workloads to go back to the vendor where the sample was produced to begin their investigations.

I. Recommendation

DPR recommends alternative #4, to appropriate \$391,000 (\$313,000 Ongoing) from the DPR fund and three permanent Environmental Scientist positions and three vehicles to address workload issues associated with the Food Safety Program. The addition of these positions and vehicles will enable the Department to fulfill its mandate to ensure the food supply is safe and free of illegal pesticide residues. The positions will protect human health and the environment by ensuring produce samples that test positive for illegal pesticide residues are identified and removed from the channels of trade. The additional staff will enable the Department to better address other unanticipated workload and activities such as mitigation of hazards associated with pesticide applications near schools and allow the Department to provide more assistance and better oversight to the counties.

BCP Fiscal Detail Sheet

BCP Title: Augmentation of the Food Safety Program

DP Name: 3930-003-BCP-DB-2016-GB

Budget Request Summary

FY16

	CY	BY	BY+1	BY+2	BY+3	BY+4
Positions - Permanent	0.0	3.0	3.0	3.0	3.0	3.0
Total Positions	0.0	3.0	3.0	3.0	3.0	3.0
Salaries and Wages						
Earnings - Permanent	0	161	161	161	161	161
Total Salaries and Wages	\$0	\$161	\$161	\$161	\$161	\$161
Total Staff Benefits	0	73	73	73	73	73
Total Personal Services	\$0	\$234	\$234	\$234	\$234	\$234
Operating Expenses and Equipment						
5301 - General Expense	0	6	6	6	6	6
5302 - Printing	0	3	3	3	3	3
5304 - Communications	0	6	6	6	6	6
5320 - Travel: In-State	0	6	6	6	6	6
5322 - Training	0	3	3	3	3	3
5324 - Facilities Operation	0	38	38	38	38	38
5346 - Information Technology	0	9	6	6	6	6
5368 - Non-Capital Asset Purchases - Equipment	0	75	0	0	0	0
539X - Other	0	11	11	11	11	11
Total Operating Expenses and Equipment	\$0	\$157	\$79	\$79	\$79	\$79
Total Budget Request	\$0	\$391	\$313	\$313	\$313	\$313
Fund Summary						
Fund Source - State Operations						
0106 - Department of Pesticide Regulation Fund	0	391	313	313	313	313
Total State Operations Expenditures	\$0	\$391	\$313	\$313	\$313	\$313
Total All Funds	\$0	\$391	\$313	\$313	\$313	\$313
Program Summary						
Program Funding						
3540046 - Monitoring and Surveillance	0	391	313	313	313	313
Total All Programs	\$0	\$391	\$313	\$313	\$313	\$313