

MONTANA ORGANIC COMMODITY ADVISORY COUNCIL
Business Meeting — December 18, 2002
Helena, Montana

CONFERENCE CALL ATTENDEES:

Council Members

- Judy Owsowitz, Producer
- Bob Quinn, Producer (participated on and off throughout the meeting)
- John Hoffland, Consumer
- David Oien, Producer
- Nancy Matheson, Producer
- Mikel Lund, Producer
- Bob Boettcher, Producer (was absent during the first half of the meeting)

MDA Staff Members

- Greg Ames, ASD Administrator acting as chairperson on behalf of Ralph Peck, the MDA Director
- Doug Crabtree, Organic Certification Program Manager
- Debbie Stone, Administrative Assistant

Greg Ames called the meeting to order at 8:40 am. Greg's opening comments expressed Director Peck's gratitude to everyone for the contributions they have made to the MDA Organic Certification Program. Greg also stated that Director Peck wished to convey the importance of reviewing the Administrative Rules.

Greg requested a formal approval of the December 4, 2002 meeting minutes.

A motion was made by Judy Owsowitz to approve the minutes with the following changes to be made by the department:

Page 2, Old Business, amend Nancy's motion to read:

- (4) "Mixed operation" means organic and non-organic production on the same production operation.

Page 3, amend Nancy's motion to Rule V, 2(b), last sentence to read:

However, a Certified producer may clean, wash, grade, dry, package, transport, or do similar preparation of their own production without handler certification.

This change will also be made in the Administrative Rules.

Page 4, assignments given will read:

An assignment was given to get information from the OCIA chapters on most recent gross sales. Bob Quinn will contact north central, Mikel will contact northeastern, David will contact OCIA #4, Judy will contact OCAM. Mikel will also contact OCIA International and ask how they are verifying sales and using the TC system after implementation of the NOP.

Mikel Lund seconded the motion.

The motion to passed with 5 votes.

Nancy Matheson requested that upon completion of amendment of the December 4, 2002 minutes, a new copy be distributed to the council members.

New Business

- Doug Crabtree gave a short report on the MDA's accreditation audit with the USDA. The audit went very well and the MDA passed with only 4 minor non-conformities.
- Doug also stated that he would be out of the office from December 23, 2002 until January 6, 2003 due to the holidays.

Old Business

Review of Draft Administrative Rules

Rule IV. STATE SEAL was tabled until we hear from the graphic artist.

Discussion of Rule VII. BIENNIAL REPORT AND ASSESSMENT FEES:

A motion was made by Nancy Matheson to amend Rule VII, subsections (1) through (4) by replacing the words "gross sales" with "gross organic sales" throughout the rule.

Mikel Lund seconded the motion. **The motion to amend Rule VII, subsections (1) through (4) by replacing the words "gross sales" with "gross organic sales" throughout the rule was passed with 5 votes.**

A motion was made by Nancy Matheson to move to a flat assessment fee for handlers. The council members will work out the details of the fees and categories and come to the next meeting with their proposals.

David Oien seconded the motion. **The motion to move to a flat assessment fee for handlers was passed by 4 votes.**

A motion was made by Judy Owsowitz to change Rule VII from "biennial" reports and fees to "annual" reports and fees.

Nancy Matheson seconded the motion. **The motion to change Rule VII from "biennial" reports and fees to "annual" reports and fees was passed by 6 votes.**

A motion was made by Bob Quinn to amend Rule VII, subsections (1) (a) and (b) to read:

- (a) The annual report of gross sales and handling charges is due at the time of annual renewal of certification.
- (b) Assessment fees are based on gross organic sales made during the previous calendar year. Assessment fees are due and payable with the annual sales report.

David Oien seconded the motion. **The motion to amend Rule VII, subsections (1) (a) and (b) to read:**

- (a) The annual report of gross sales and handling charges is due at the time of annual renewal of certification.
- (b) Assessment fees are based on gross organic sales made during the previous calendar year. Assessment fees are due and payable with the annual sales report.

was passed by 6 votes.

Rule VIII. CERTIFICATION OF EXEMPT AND EXCLUDED OPERATIONS

A motion was made by Judy Owoswitz to approve Rule VIII as is.

David Oien seconded the motion. **The motion to approve Rule VIII as is was passed by 5 votes.**

Rule IX. CONVERSION PROGRAM

A motion was made by David Oien to approve Rule IX as is.

Judy Owoswitz seconded the motion. **The motion to approve Rule IX as is was passed by 6 votes.**

Rule X. TRANSACTION DOCUMENTATION FORMS

A motion was made by Bob Boettcher to adopt Rule X with the following amendments to subsections (1)(a) through (d):

- (1) Transaction documentation forms (TDFs) may be used in transactions of certified organic products to identify products that were produced or handled in accordance with rules adopted under this chapter. TDFs provided by the department can be used only by operations certified by the department and only for products covered by department certification. Use of TDFs is voluntary and two types are available.

- (a) TDFs may be issued as sequentially numbered forms with the producer's or handler's identification and expiration date beyond which use is not valid. Users shall enter shipment information that must include product name, production date, quantity sold, lot number (if applicable), sale price and date of sale.
- (b) The department shall issue a completed TDF to a producer and/or a handler upon written request. Requests must include payment, must be submitted on forms approved by the department and must contain all information requested on the request form including product name, production date, quantity sold, lot number (if applicable), sale price, date of sale and name and address of buyer.
- (c) When a TDF is part of a sale, the sales record required by Rule XI for certified operations shall include the TDF number.
- (d) Unused, expired TDFs shall be returned to the department, or they may be collected by an inspector.

David Oien seconded the motion. **The motion to adopt Rule X with the above amendments to subsections (1)(a) through (d) was passed by 6 votes.**

Rule XI. RECORDS

A motion was made by Nancy Matheson to adopt Rule XI, subsection (1) as is.

David Oien seconded the motion. **The motion to approve Rule XI, subsection (1) was passed by 6 votes.**

A motion was made by Nancy Matheson to adopt Rule XI, subsection (2) as is.

John Hoffland seconded the motion. **The motion to approve Rule XI, subsection (2) was passed by 6 votes.**

Further discussion on Rule XI will continue at the next conference call, scheduled for January 15th, 2003, 8:30 am to 11:30 am.

Specific topics and proposals may be e-mailed to council members for discussion prior to the next meeting.

David Oien made a motion to adjourn the meeting at 11:20 am.

Judy Owsowitz seconded the motion.

The meeting was adjourned at 11:25 am.