Legislative Agriculture Chairs 2018 Summit State Ag and Rural Leaders

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FDA FOOD SAFETY MODERNIZATION ACT

THE FUTURE IS NOW

Current Landscape for Food Safety Modernization Act

- Much has changed with FSMA since 2016 presentation to SARL by Mike Taylor
- Foundational regulations finalized May 2016
- Implementation now underway
- Collaboration with federal and state partners
- Work with state associations (NASDA, ASTHO, AFDO)
- Collaborative agreement program (CAP) with states funded for produce safety implementation Sept. 2016

FSMA Compliance Dates

- Initial compliance dates
 - Preventive controls for human food-Sept. 2016
 - Preventive controls for animal food-Sept. 2016
 - Produce safety rule (sprouts only)-Jan. 2017
 - Produce safety rule (non sprouts)-Jan. 2018
 - Sanitary transportation- April 2017
 - Foreign supplier verification program May 2017
 - Third party accreditation-June 2017 (website)
 - Intentional adulteration- July 2019

FSMA Implementation

- Flexibility built into rules
- Educate before & while we regulate
- Committed to assist producers to "get it right"
 - Continued engagement as they implement
- Alliance training for all the rules
- Initial inspections designed to be "educational" in nature
 - Unless egregious conditions or violations found
- High rates of compliance are crucial for success
- Committed to domestic and import parity

Central Wisconsin – Vegetables Oct 2017





Northern Alabama – Cotton Ginning Oct 2017







Hawaii – Produce Safety Aug 2017







FSMA "Fixes"

- Working to resolve unanticipated issues due to nuances of the law or regulations
 - Differential treatment of "like" activities
 - Decrease under-appreciated burdens
 - Examples:
 - Packinghouses/holding facilities
 - Secondary activities farms
 - Coloring of raw agricultural commodities
 - Cotton ginning
 - Certain processing of human food by-products for animal feed
 - Issued enforcement discretion guidance on Jan 4
 - While regulatory solutions put in place

The Produce Safety Rule

Science-based standards associated with known routes of contamination of produce:

- Agricultural Water
- Biological Soil Amendments
- Domesticated and Wild Animals
- Worker Training and Health and Hygiene
- Equipment, Tools, and Buildings

Produce Safety Compliance Dates by Farm Size

- Jan 2018 large farms (>\$500k 3-year annual sales)
- Jan 2019 small farms (\$250-499k)
- Jan 2020 very small farms (\$25-249k)





Exemptions

Full Exemptions

- Farms with annual sales <\$25,000
- Farms that grow for personal or on-farm consumption
- Fruits and vegetables rarely consumed raw
- Food grains

Qualified Exemption

- Small or very small farms where
 - >50% of food sales is produce sold directly to consumers or to restaurants/retail establishments in the same state or within 275 miles of farm
- Estimated 47% of covered farms fit this exemption

Next Steps for Implementation of Produce Safety Rule

- Biological soil amendments
- Agricultural water
 - Microbial quality standards:
 too complex to understand and costly to implement
 - Examine ways to simplify standards while still protecting public health
 - Proposed earliest compliance date for water: January 2022







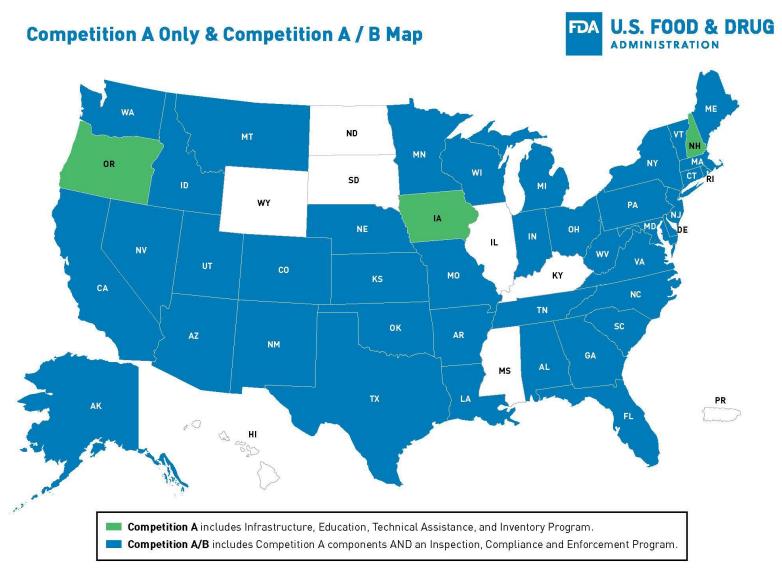
FEB. 27-28, 2018 WATER SUMMIT

RADISSON HOTEL – CINCINNATI RIVERFRONT

Next Steps for Implementation of Product Safety Rule (cont.)

- Produce inspections postponed until 2019
- Interim actions in 2018:
 - Guidance publication
 - On-Farm Readiness Reviews
 - Development of farm inventories by states
 - Training:
 - Domestic and foreign growers
 - Inspection workforce
 - Cooperative Agreement Program

State Produce Implementation CAP Awardees



State Produce Implementation Cooperative Agreement Program (CAP)

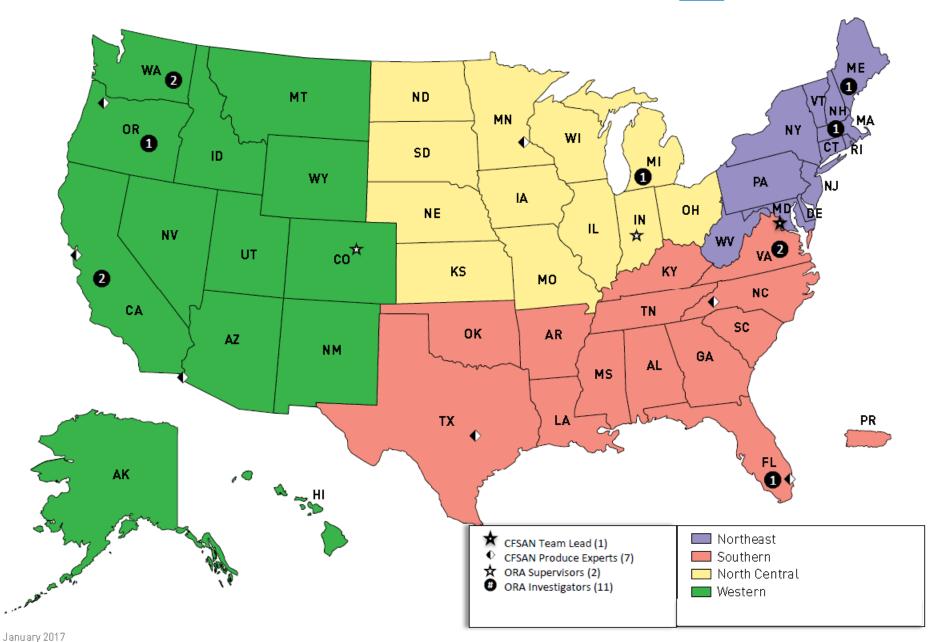
- Year 1: \$21.8 million to 42 states
- Year 2: \$30.9 million to 43 states
- Resources to:
 - hire staff
 - education, outreach and technical assistance
 - Inventory
 - Inspectional activities
- Working with NASDA to bring additional states onboard
- FDA will have to conduct activities where states elect not to

Produce Safety Network

- FDA produce experts in each region of the country
 - ➤ Staff from the Office of Regulatory Affairs and the Center for Food Safety and Applied Nutrition
- Outreach, education, and technical assistance
- Inspections and outbreak response
- Technical Assistance Network for regulators

Produce Safety Network (PSN)





Dairy Issues

- Exports to China
- Ultra-Filtered Milk
- Automated Milking Systems



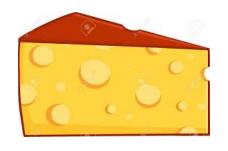




Dairy Export Certification



- Last April, FDA and China signed an MOU to provide U.S. exporters access to the Chinese market for dairy, seafood and infant formula.
- These commodities require registration when exporting to China.
- China requires exporters to meet <u>Chinese</u> food safety standards.
- FDA does not inspect against another authority's standards.
- Agreement allows 3rd parties designated by China to determine if standards are being met; determination provided to FDA.
- FDA, as the competent food safety authority, maintains and provides the list of U.S. dairly products manufacturers and processors eligible to export to China.
- List updated and supplied to China quarterly.



Ultra-Filtered Milk

- Recent changes in export market resulted in oversupply and lower prices for ultra-filtered (UF) milk.
- U.S. dairy suppliers sought new domestic market opportunities.
- Use of UF milk authorized for non-standardized cheeses; but not cheeses which have standard of identity.
- Suppliers asked FDA to use "regulatory discretion" to allow use in standardized cheese without the need to declare on labels.
- After review, request granted in Aug 2017 for both use and labeling while regulation is being finalized.

Automated Milking Systems

FDA

- Increasing use especially on larger dairy farms
- At present AMS don't fully conform to PMO standards
- Farms at risk of losing Grade A status due to "unsanitary" equipment
- In 2017, FDA took actions to ensure no shipper would lose
 Grade A status based on use of AMS alone
- Actions expire after 2019 NCIMS
 - Allows time for states, FDA and manufacturers to reach consensus
- Internal FDA workgroup focused on AMS; guidance to address questions from states and manufacturers
- Work underway with 3-A Sanitary Standards, Inc. involving manufacturers to develop sanitary standards for AMS that would resolve PMO non-conformity

