

# Olive Oil Commission of California Board of Directors

Minutes of Meeting  
June 3, 2014  
Sacramento, CA

A meeting of the Olive Oil Commission of California was called to order by Chairman Jeff Colombini at 1:05 p.m. on June 3, 2014 at the California Department of Food and Agriculture – Gateway Oaks office in Sacramento, California. Self-introductions were made by those present, and a quorum was established with the following in attendance:

## **Producer Members**

Jeff Colombini, Lodi Farming  
Adam Englehardt, Boundary Bend USA  
Larry Maben, Maben Farms  
Richard Marchini, Marchini Ag  
Dick Neilsen, McEvoy Ranch  
John Williams, Big W Ranch Corp.

## **Producer Alternates**

Gregg Kelley, California Olive Ranch  
Rich Mathews, Moon Shadow Grove  
Pat Ricchiuti, P-R Farms, Inc.

## **Handler Members**

Jim Lipman, California Olive Ranch  
Brady Whitlow, Corto Olive

## **Handler Alternates**

Vincent Ricchiuti\*, Enzo Olive Oil Co

## **Public Member**

Bruce Golino, Santa Cruz Olive Tree Nursery

## **Guests**

Patti Andrade, Borges USA  
Susan Boyd, California Senate  
Patricia Darragh, California Olive Oil Council  
Lillian Dickson, Dickson Napa Ranch  
Dan Flynn, UC Davis Olive Center  
Ryan Grossman, Enzo Olive Oil Co  
Kimberly Houlding, AOOPA  
Paul Riordan, Boundary Bend USA  
Jonathan Sciabica, Nick Sciabica & Sons  
Nick Sciabica, Nick Sciabica & Sons

## **Commission Staff**

Spencer Halsey, AAMSI  
Chris Zanobini, AAMSI

## **CDFCA**

Bob Maxie, Marketing Branch  
Joe Monson, Marketing Branch

*\*Acting in place of absent member*

## **Minutes from Previous Meeting**

Draft minutes from the previous Commission meeting held on May 8, 2014 were reviewed by those present. Chairman Colombini asked if there were any additions or correction regarding the minutes. No comments were made.

**A motion was made, seconded, and unanimously approved to accept the minutes from the May 8, 2014 Olive Oil Commission of California meeting as presented.**  
*(Motion 6-3-14 #1)*

### **Nominations and Elections of Vacant Positions**

Chairman Colombini reviewed the Commission's current Board of Directors roster and mentioned that vacancies exist in the following positions: District 2 producer alternate, District 2 handler alternate, and alternate public member. It was mentioned that Blair Voelz of SB Voelz Farming in Woodland, CA previously expressed interest in serving in the available producer position and Mike Polit of Polit Farms in Maxwell, CA previously expressed interest in serving in the available handler position. No other nominations were set forth to fill the three vacant positions.

**A motion was made, seconded, and unanimously approved to elect Blair Voelz to fill the vacant District 2 producer alternate position on the Olive Oil Commission of California for the unexpired portion of the term ending on June 30, 2017.**  
*(Motion 6-3-14 #2)*

**A motion was made, seconded, and unanimously approved to elect Mike Polit to fill the vacant District 2 handler alternate position on the Olive Oil Commission of California for the unexpired portion of the term ending on June 30, 2016.**  
*(Motion 6-3-14 #3)*

There was consensus among the Commission to table the nomination of an alternate public member until the next meeting.

### **Request for Management Service Proposals**

Chairman Colombini reported that a request for management service proposals was issued on May 12, 2014, and the Commission received four proposals from interested parties in response. Colombini stated that the Executive Committee met on May 28, 2014 to review the four proposals and voted to invite the top two candidates to today's meeting to participate in an open interview process. Colombini indicated that both of the management candidates have extensive experience managing agricultural marketing programs and have sufficient staff in their respective organizations to provide the desired administrative services to the Commission.

### **Presentations from Management Candidates**

Each management candidate was allotted approximately 30 minutes to provide a presentation to the Commission and those in attendance. Following each presentation, the candidate fielded questions from the audience.

### **Selection of Management**

At the conclusion of the presentations, general discussion ensued regarding the strengths and weaknesses of each management candidate.

**After discussion, a motion was made, seconded, and unanimously approved to hire Ag Association Management Services, Inc. to provide management and administrative services to the Olive Oil Commission of California per the terms outlined in its proposal. (Motion 6-3-14 #4)**

Chris Zanobini and Spencer Halsey, both on staff of AAMSI, rejoined the meeting. Chairman Colombini congratulated the Commission's newly hired management firm and welcomed Zanobini and Halsey to the meeting.

### **Olive Oil Grade and Labeling Standards Proposal**

Chairman Colombini stated that the Grades and Labeling Standards Committee met three times over the last three weeks and has developed a comprehensive olive oil grade and labeling standards proposal for the Commission to review and consider recommending to CDFA for implementation (Attachment 1). Colombini asked Bruce Golino to provide an overview of the proposal.

Golino began by stating that the proposed standards only apply to California handlers who process olives grown in the state into olive oils in the amount of 5,000 gallons or more during a marketing season. Golino reviewed the proposed levels for each quality parameter in the standard and mentioned that some are tighter than other existing olive oil standards. Golino then reviewed the proposed levels for each purity parameter in the standard and mentioned that they have been adjusted, based on data provided by the UC Davis Olive Center, to account for variation in region, climate, and olive varieties that exist in California. Golino pointed out that a traceability component has been included for oils that fall outside of specified ranges for some purity parameters.

Golino reviewed the proposed labeling requirements and mentioned that they are designed to eliminate confusion among consumers. Golino indicated that the use of a "best before" would be optional under the proposed labeling requirements.

Lastly, Golino summarized the proposed sampling, testing and grading procedures developed by the Grades and Labeling Standards Committee. Golino stated that it is the intent of the Committee to have every lot of olive oil subject to the standards sampled by a third-party and tested by an accredited laboratory. However, due to resource limitations, the Committee is recommending a three-year phase-in period. Golino explained that during the first year, sampling and testing would be done using a two-pronged approach. Namely, CDFA or a designed third-party would collect samples from five lots per handler to be tested for quality parameters, and a fixed number would be randomly tested for purity parameters. All costs associated with collecting and grading these samples would be paid for by the Commission. Secondly, handlers would be required to sample all additional lots of olive oil produced at their own expense. These samples would be required to be tested for quality parameters only, either in-house at the handler's facility or by a laboratory of the handler's choice.

Discussion ensued regarding the proposed grade and labeling standards.

**After discussion, a motion was made, seconded, and unanimously approved to recommend to the California Department of Food and Agriculture adoption of the proposed olive oil grade and labeling standards as presented. (Motion 6-3-14 #5)**

Monson stated the Department will be calling a hearing to allow an opportunity for the state's olive oil industry and the general public to provide comments regarding the implementation of

the proposed standards. Discussion ensued regarding the date and location of the hearing. There was a general consensus that the hearing should be held in Sacramento on July 15, 2014, in order to provide adequate notice to parties interested in participating in the hearing process. Golino suggested that the Commission organize a few witnesses who could provide expert testimony at the hearing and that the Commission consider allocating funding to pay travel expenses of the expert witnesses.

**After discussion, a motion was made, seconded, and unanimously approved to authorize the Grades and Labeling Standards Committee to expend up to \$10,000 to cover travel expenses of experts invited to provide testimony at the public hearing to consider implementation of the proposed grade and labeling standards.**

*(Motion 6-3-14 #6)*

### **Commission Bylaws and Other Organizational Documents**

Chairman Colombini reported that the Steering Committee met on May 28, 2014 to review six organizational documents drafted by the Commission's legal counsel: Bylaws, Conflict of Interest Policy, Grievance Procedures, Assessment Collection Procedures, Voter Access Procedures, and Election Procedures. Chairman Colombini asked Adam Englehardt to present each document to the Commission for its consideration. Englehardt stated that he will provide a general overview of the content of each document following a brief explanation by Monson of the purpose of each document.

Monson explained the purpose of establishing Bylaws and stated that the adoption of this document requires a two-thirds affirmative vote of the Commission. Englehardt referred those present to the draft Bylaws (Attachment 2) and presented the highlights of the document.

**After discussion, a motion was made, seconded, and unanimously approved to adopt the Bylaws for the Olive Oil Commission of California as presented.**

*(Motion 6-3-14 #7)*

It was suggested that the Commission vote on the remaining organizational documents at the conclusion of Englehardt's report. Monson explained the purpose of establishing a Conflict of Interest Policy. Englehardt referred those present to the draft Conflict of Interest Policy (Attachment 3) and presented the highlights of the document.

Monson explained the purpose of establishing Assessment Collection Procedures. Englehardt referred those present to the draft Assessment Collection Procedures (Attachment 4) and presented the highlights of the document. Zanolini suggested modifying the language in item 6 of the procedures to include electronic mail as an option, in addition to regular U.S. mail, for the Commission to provide blank assessment report forms to handlers. A question was asked regarding how assessments will be collected from producers who are slightly above or slightly below the 5,000 gallon minimum volume threshold. There was a consensus among those present to ask the Commission's legal counsel to draft language to be incorporated with item 7 of the procedures to specify that producer volume needs to be reported on a monthly basis, but assessments will not be due to the Commission until a given producer's cumulative volume reaches 5,000 gallons.

Monson explained the purpose of establishing Grievance Procedures. Englehardt referred those present to the draft Grievance Procedures (Attachment 5) and presented the highlights of the document. Englehardt stated that Commission's Executive Committee would serve as the Grievance Committee.

Monson explained the purpose of establishing Voter Access Procedures. Englehardt referred those present to the draft Voter Access Procedures (Attachment 6) and presented the highlights of the document. It was noted that the Commission's lists cannot be accessed and used for matters unrelated to the business of the Commission.

Englehardt stated that due to a lack of time, the Steering Committee decided to table its review of the draft Election Procedures until a future date.

**A motion was made, seconded, and unanimously approved to adopt the Conflict of Interest Policy, Grievance Procedures, and Voter Access Procedures for the Olive Oil Commission of California as presented, and to adopt the Assessment Collection Procedures for the Olive Oil Commission of California with the noted revisions to items 6 and 7 of the procedures. (Motion 6-3-14 #8)**

#### **Budget and Assessment Rate for 2014-2015 Fiscal Year**

Chairman Colombini reported that the Budget and Finance Committee met on May 21, 2014 and asked Brady Whitlow to provide an update to the Commission regarding the meeting. Whitlow stated that the Committee developed a draft budget to provide a starting point for further discussion and consideration of the Commission (Attachment 7). Whitlow pointed out that the draft budget is based on a projected industry volume of 2.5 million gallons and an assessment rate of \$0.15 per gallon. Whitlow mentioned that CDFA Marketing Branch charges will be higher during the upcoming year than they will be in subsequent years, due to extra work involved in starting up the Commission and considering implementation of grade and labeling standards. Whitlow stated that money has been allocated in the draft budget to cover costs associated with conducting quality and purity testing as proposed in the grade and labeling standards. Whitlow further stated that additional money has been allocated in the draft budget, under the research category, to cover expenses associated with developing and maintaining a database to house data collected from the olive oil samples tested under the proposed standards.

Discussion ensued regarding the proposed budget, estimated crop projections, and the appropriate level of assessment to levy on the industry.

**After discussion, a motion was made, seconded, and unanimously approved to set the producer assessment rate for the Olive Oil Commission of California's 2014-2015 fiscal year at \$0.16 per gallon of olive oil. (Motion 6-3-14 #9)**

**A motion was made, seconded, and unanimously approved to adopt the proposed budget for the Olive Oil Commission of California's 2014-2015 fiscal year and authorize management to fine tune the final budget as necessary. (Motion 6-3-14 #10)**

**Other Business**

Monson updated the Commission that the Advisory Committee held its first meeting on May 27, 2014 and announced that Albert Katz was elected as Chair of the Committee and will be serving in an ex-officio capacity on the Commission’s Board of Directors. Lillian Dickson, Vice Chair of the Advisory Committee, mentioned that Katz could not be in attendance for this meeting due to a schedule conflict and thanked the Commission for allowing small-scale producers to provide input into the Commission’s activities.

**Next Meeting**

Chairman Colombini announced that a date has not been set for the next meeting of the Commission and would be scheduled as needed. Colombini said that the following items will be included on the next meeting agenda: appointment of Research Committee, election of Secretary/Treasurer, and approval of revised budget, if necessary.

**Adjournment**

There being no further business, the meeting adjourned at 4:47 p.m.

**Certification of Minutes**

I, Joe Monson, Senior Agricultural Economist for the California Department of Food and Agriculture, do hereby certify that to the best of my knowledge, the foregoing is a true and correct copy of the minutes of the meeting of the Olive Oil Commission of California held in Sacramento, California on June 3, 2014.

**October 7, 2014**

Date



Joe Monson, Senior Agricultural Economist  
California Department of Food and Agriculture  
Marketing Branch

**Olive Oil Commission of California  
Grade Standards  
For**

**Olive Oil  
Refined-Olive Oil  
Olive-Pomace Oil**

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## **1 SCOPE**

Pursuant to Chapter 29, Part 2, division 22 of the California Food and Agricultural Code (section 79800et seq.) this standard applies California handlers of olives that are processed into olive oils, refined-olive oils and olive-pomace oils in the amount of 5000 gallons or more during the period beginning July 1 through June 30 of any year and who sell their oil into the commercial channels of trade. Handlers who process and/or market less than 5000 gallons of olive oil during any year defined above are deemed to be engaged in casual sales of olive oil and are not subject to this standard.

This standard:

- (a) defines grades of olive oils, refined-olive oils and olive-pomace oils;
- (b) specifies purity parameters and quality parameters for these grades;
- (c) establishes requirements for labeling and packaging; and
- (d) lists acceptable methods of analysis.

## **2 OBJECTIVE**

The purpose of this standard is to:

- a) ensure the quality of oil produced from olives in California,
- b) enhance the continued growth of olive oil production through greater consumer and trade confidence in the consistent, high quality of California olive oils, and
- c) provide the producers, handlers, buyers and consumers of California oil with reliable and trustworthy information concerning the quality and grade of the product.

## **3 PRODUCT DESCRIPTION AND DEFINITIONS**

### **3.1 OLIVE OIL**

Olive oil is the oil obtained solely from the fruit of the olive tree (*Olea europaea L.*), solely by mechanical or other physical means under conditions, including thermal conditions, that do not lead to alterations in the oil, and which has not undergone any treatment other than washing, crushing, malaxing, decantation, pressing, centrifugation, and filtration and to the exclusion of oils obtained using solvents or re-esterification processes and of any mixture with oils of other kinds.

### **3.2 REFINED-OLIVE OIL**

Refined-olive oil is oil obtained from olive oil by refining methods including but not limited to; degumming, neutralization, bleaching, and/or deodorization that do not lead to alterations in the initial glyceridic structure (basic glycerin-fatty acid structure) and to the exclusion of oils obtained using solvents or re-esterification processes and of any mixture with oils of other kinds.

### **3.3 OLIVE-POMACE OIL**

Olive-pomace oil is the oil obtained by treating olive pomace (the product remaining after the mechanical extraction of olive oil) with solvents or other physical treatments, to the exclusion of oils obtained by synthetic processes or by re-esterification processes and mixture with oils of other kinds.

### **3.4 REFINED OLIVE-POMACE OIL**

Refined olive-pomace oil is the oil obtained from crude olive-pomace oil by refining methods including but not limited to; degumming, neutralization, bleaching, and/or deodorization that do not lead to alterations in the initial glyceridic structure (basic glycerin-fatty structure) and to the exclusion of oils obtained by synthetic processes or by re-esterification processes any mixture with oils of other kinds.

## **4 GRADES OF OLIVE OIL, REFINED-OLIVE OIL, AND OLIVE-POMACE OIL**

### **4.1 GRADES OF OLIVE OIL**

Olive oils are graded based on the criteria outlined in this standard, as appropriate. The hierarchy for grades of olive oil is extra virgin olive oil, virgin olive oil, and crude olive oil.

**4.1.1 Extra Virgin Olive Oil** is olive oil that has a free acidity, expressed as free oleic acid, of not more than 0.5 grams per 100 grams, a median of defects equal to 0, and the other characteristics which correspond to the limits fixed for this grade in this Standard. Extra Virgin olive oil is fit for consumption without further processing.

**4.1.2 Virgin Olive Oil** is olive oil that has a free acidity, expressed as free oleic acid, of not more than 1.0 grams per 100 grams, a median of defects equal to or less than 2.5, and the other characteristics which correspond to the limits fixed for this grade in this standard. Virgin olive oil is fit for consumption without further processing.

**4.1.3 Crude Olive Oil** is olive oil that has a free acidity, expressed as free oleic acid, of more than 1.0 grams per 100 grams or a median of defects greater than 2.5 and other characteristics which correspond to those fixed for this grade in this standard. Crude olive oil is not fit for human consumption without further processing and is intended to be used for refining or for technical use. **NOTE: These criteria are not required to be concurrent for crude olive oil, one is sufficient.**

### **4.2 GRADES OF REFINED-OLIVE OIL**

Refined-olive oils are graded based on the criteria outlined in this standard as appropriate. The hierarchy of grades from highest to lowest is refined-olive oil blend and refined-olive oil. Refined-olive oil blend and refined-olive oil fall below the olive oil category but above the olive-pomace category in terms of hierarchy.

**4.2.1 Refined-Olive Oil Blend Composed of refined-olive oil and virgin (or extra virgin) olive oil** is composed of refined-olive oil and olive oil fit for consumption without further processing. It has a free acidity, expressed as free oleic acid, of not more than 0.8 grams per 100 grams, a median of defects equal to or less than 2.5, and its other characteristics correspond to those fixed for this grade in this Standard. Refined-olive oil blend shall not be labeled as “olive oil”. The addition of alpha-tocopherol is permitted.

**4.2.2 Refined-Olive Oil** is oil obtained from olive oil by refining methods including deodorization that do not lead to alterations in the initial glyceridic structure. Refined-olive oils have a free acidity, expressed as free oleic acid, of not more than 0.3 grams per

100 grams, and other characteristics that correspond to those fixed for this grade in this Standard.

### 4.3 GRADES OF OLIVE-POMACE OIL

Olive-pomace oils are graded below the quality of olive oil and refined-olive oil. Olive-pomace oils are graded based on the minimum criteria outlined in table 1, as appropriate. The hierarchy for grades from highest to lowest is refined olive-pomace oil blend, refined olive-pomace oil, and crude olive-pomace oil. Crude olive-pomace oil must be refined before consumption. Olive-pomace oils shall not be labeled as “olive oil”. Olive-pomace oils fall below both olive oil and refined olive oil in terms of hierarchy.

**4.3.1 Refined Olive-Pomace Oil Blend Composed of refined olive-pomace oil and virgin (or extra virgin) olive oils** is the oil composed of a blend of refined olive-pomace oil and olive oils fit for consumption without further processing. It has a free acidity, expressed as oleic acid of not more than 0.8 grams per 100 grams, a median of defects equal to or less than 2.5, and its other characteristics correspond to those fixed for this grade in this Standard.

**4.3.2 Refined Olive-Pomace Oil** is the oil obtained from crude olive-pomace oil by refining methods that do not lead to alterations in the initial glyceridic structure. It has a free acidity expressed as oleic acid, of not more than 0.3 grams per 100 grams and its other characteristics correspond to those fixed for this grade in this Standard.

**4.3.3 Crude Olive-Pomace Oil** is the olive-pomace oil whose characteristics correspond to those fixed in this Standard. Olive pomace-oil that falls into this classification shall not be graded above “Crude Olive-Pomace Oil” (this is a limiting rule). It is intended for refining for use for human consumption or for purposes other than food use.

## 5 DEFINITIONS OF TERMS

For the purpose of this standard the following definitions apply.

**5.1 Absorbency in Ultraviolet (UV).** Spectrophotometric test which examines the oil and measures the absorption under ultraviolet light. These absorptions are expressed as K (extinction coefficient) for the specified wavelength. The wave regions examined, 232 nanometers (nm) to calculate K<sub>232</sub> and 270 nm to calculate K<sub>270</sub> and 264-274 to calculate delta K ( $\Delta K$ ). This test provides information on the quality of the oil, state of preservation, and changes brought through processing.

**5.2 Apparent  $\beta$ -sitosterol.** The sum of the concentrations of  $\beta$ -sitosterol,  $\Delta$ -5avenasterol,  $\Delta$ -5,23-stigmastadienol,  $\Delta$ -5,24-stigmastadienol, cholesterol, and sitostanol.

**5.3 Aroma.** A volatilized chemical compound that is perceived by olfaction.

**5.4 Cold pressed.** Olive oil obtained by pressing crushed olives with a mechanical, hydraulic, or centrifugal press at a temperatures that does not lead to significant thermal alterations.

- 5.5 Cold extracted.** Olive oil obtained by separating the oil by any mechanical or other physical means at a temperature that does not lead to significant thermal alterations.
- 5.6 Desmethylsterol Composition.** A test used to indicate the origin and purity of the Oil, reported as Total Sterols.
- 5.7 Diacylglycerol (DAG).** A glyceride consisting of two fatty acids chains covalently bonded to a glycerol molecule through ester linkages. In mechanically extracted olive oils, DAGs are present in a range of 1% to 3% and they are found as 1,2- and 1,3- isomers.
- 5.8 Equivalent Carbon Number 42 (ECN 42).** The determination of the difference between the actual Equivalent Carbon Number triacylglycerol content of the oil molecules determined by High Performance Liquid Chromatography (HPLC) and the theoretical amount of ECN 42 triacylglycerol using fatty acid composition. It is used for the detection of seed oils and verifies authenticity and origin of oils.
- 5.9 Erythrodiol and Uvaol.** Two triterpene dialcohol components found in olive oil and olive-pomace oil. The levels present differentiate oils that were physically extracted from oils that were produced by solvent extraction.
- 5.10 First extraction.** First mechanical process to separate the oil from the olive paste by centrifugation, decantation, or pressing. This does not include the second mechanical extraction or solvent extraction used to chemically separate the oil remaining in the pomace.
- 5.11 Flavor.** The sensory impression of oil, determined mainly by the senses of taste and smell. Refers to the typical flavor of olive oil produced from olives and the degree of positive or negative attributes as listed in sections 5.17-5.23.
- 5.12 Free fatty acid content/free acidity.** Expressed as a percentage by weight of grams per 100 grams, as free oleic acid. The free fatty acid is a measure of the quality of the oil, and reflects the care taken in producing the oil and the quality of the in-coming fruit.
- 5.13 Handler.** A “Handler” is a person who engages, in this state, in the operation of marketing olive oil that he or she has produced, or purchased or acquired from an olive producer, or that he or she is marketing on behalf of an olive producer, whether as an owner, agent, employee, broker, or otherwise.
- 5.14 Initial glyceridic structure.** The pattern of mono-, di-, and tri-glycerides present in olive oils or crude olive-pomace oils as extracted prior to any refining process.
- 5.15 Lot.** A lot is a quantity of oil contained in one or more vessels that is declared by the handler to have uniform characteristics and that is marked in accordance with section 11.3.8 of the Standard.

- 5.16 Malaxing.** Malaxing is the mechanical mixing of the olive paste after crushing of the olives. Malaxing serves to break down emulsions and cell walls in order to facilitate the extraction of the oil.
- 5.17 Median of defects. (Md).** A calculation of the median score of the oils negative flavor and aroma attributes according to the method in section 9.12 or an equivalent method according to section 9.1.
- 5.18 Median of defects-Fusty.** A flavor defect attributable to poor storage conditions usually promoting the bacterial growth of the *Clostridium* and *Pseudomonas* genera.
- 5.19 Median of defects-Muddy-sediment.** A flavor defect caused by the storage of olives in contact with oil sediment for long periods of time giving the oil a putrid flavor and aroma. The resulting oil has moldy aroma.
- 5.20 Median of defects-Musty.** A flavor defect occurring when low temperatures and high humidity promote mold growth, mainly of the *Aspergillus* and *Penicilium* genera.
- 5.21 Median of defects-Rancid.** A flavor defect caused by the oxidation of the oil and subsequent formation of aldehydes during the production process or during storage giving the oil an oxidized flavor and aroma.
- 5.22 Median of defects-Winey-vinegary.** A flavor defect caused by storage condition of the olives that causes aerobic fermentation by the growth of yeasts that produce ethanol, acetic acid, and ethyl acetate.
- 5.23 Median of Fruity (Mf).** A calculation of the median score of the intensity of the positive fruity characteristics of the oil according to the method in section 9.12 or an equivalent method according to section 9.1.
- 5.24 Monopalmitate (2-Glycerol) content determination.** A test used to determine if oil has been re-esterified by synthetic means or by the addition of animal fat.
- 5.25 Organoleptic analysis.** An analysis based on flavor and aroma characteristics.
- 5.26 Peroxide value.** A measure of the oxidation of oil expressed as milliequivalents of active oxygen per kilogram of oil.
- 5.27 Pressing.** An oil extraction method consisting of pressing the malaxed paste utilizing a hydraulic or centrifugal press.
- 5.28 Producer.** A “Producer” is any person that produces or causes to be produced olives that are processed into olive oil in the amount of 5,000 gallons or more during the marketing season and that shall upon request of the commission provide proof of commodity sale.

- 5.29 Pyropheophytin a.** A degradation product of Chlorophyll a that results from the thermal or age related degradation of the oil.
- 5.30 Refining.** A process in which oil undergoes treatment using but not limited to the following, heat (typically stripping steam) or chemicals (typically caustic soda or sodium carbonate) in combination with heat. Soft Column refining, also sometimes known as deodorization, is a type of refining using lower temperatures under vacuum often used to neutralize flavor and aroma.
- 5.31 Shelf Life.** A date on the container that signifies the end of the period during which the intact package of oil, if stored in accordance with stated storage conditions, will retain any specified qualities for which express or implied claims have been made. Terminology used on packaging can appear as “Best Before”, “Best By”, “Best if Used By”, etc.
- 5.32 Sterols.** A subgroup of steroids with a hydroxyl group at the 3-position of the A-ring. Sterols comprise one of many minor constituents of oils that are characteristic indicators of impurity.
- 5.33 Trans fatty acid.** A group of compounds consisting of all the geometrical isomers of monounsaturated and polyunsaturated fatty acids having one or more non-conjugated carbon-carbon double bond in the trans configuration interrupted by at least one methylene group. As they are not present in olive oil in its natural state their presence indicates if processing such as deodorization or de-coloring has taken place.
- 5.34 Triglyceride.** A major component of oil comprised of an ester of three fatty acids and glycerol, also known as triacylglycerol.
- 5.35 Wax content.** A minor component of olive oil that is found in the skin of the olive fruit.

## **6 QUALITY AND PURITY PARAMETERS**

- 6.1** The quality parameters and limits for grades of olive oil, refined-olive oil, and olive-pomace oil shall be as set out in Table 1.
- 6.2** The purity parameters of olive oils, refined-olive oils, and olive-pomace oils shall be set out in Tables 2-5.
- 6.3** The limits established for each parameter take account of the precision values of the respective recommended methods of determination specified in section 9.

**Table 1**  
**QUALITY PARAMETERS**

Parameter	OLIVE OIL			REFINED-OLIVE OIL		OLIVE-POMACE-OIL		
	Extra Virgin olive oil	Virgin olive oil	Crude olive oil <sup>1</sup>	Refined olive oil blend	Refined olive oil	Refined olive pomace oil blend	Refined olive pomace oil	Crude olive pomace oil
Free Fatty Acid Content (%m/m)	≤0.5	≤1.0	>1.0	≤0.8	≤0.3	≤0.8	≤0.3	N/A
Peroxide Value (PV) (meq O <sub>2</sub> /kg oil)	≤15.0	≤20.0	>20.0	≤15.0	≤5.0	≤15.0	≤5.0	N/A
Absorbency in ultraviolet K <sub>232</sub>	≤2.40	≤2.60	>2.60	N/A	N/A	N/A	N/A	N/A
Absorbency in ultraviolet K <sub>270</sub>	≤0.22	≤0.25	>0.25	≤0.90	≤1.10	≤1.70	≤2.00	N/A
Absorbency in ultraviolet Delta K	≤/0.01/	≤/0.01/	≤/0.01/	≤/0.15/	≤/0.16/	≤/0.18/	≤/0.20/	N/A
Moisture and volatile matter (MOI)(%m/m)	≤0.2	≤0.2	≤0.3	≤0.1	≤0.1	≤0.1	≤0.1	≤1.5
Insoluble impurities (INI) (%m/m)	≤0.1	≤0.1	≤0.2	≤0.1	≤0.1	≤0.1	≤0.1	N/A
Pyropheophytin a (PPPs) (%)	≤17	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1,2 Diacylglycerols (DAGs) (%)	≥35	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Organoleptic Analysis Median of Defects(MeD)	=0.0	0.0<MeD≤2.5	>2.5	≤2.5	≤2.5	≤2.5	≤2.5	N/A
Organoleptic Analysis Median of Fruity(MeF)	>0.0	>0.0	N/A	>0.0	N/A	>0.0	N/A	N/A

<sup>1</sup>. Note: These criteria are not required to be concurrent for crude olive oil, one is sufficient.

**TABLE 2**  
**PURITY PARAMETERS**

Parameter	OLIVE OIL			REFINED-OLIVE OIL		OLIVE-POMACE-OIL		
	Extra Virgin olive oil	Virgin olive oil	Crude olive oil	Refined olive oil blend	Refined olive oil	Refined olive pomace oil blend	Refined olive pomace oil	Crude olive pomace oil
Total sterol Content (mg/kg)	$\geq 870^3$	$\geq 870^3$	$\geq 870^3$	$\geq 1000$	$\geq 1000$	$\geq 1600$	$\geq 1800$	$\geq 2500$
Wax Content (C40+C42+C44+C46)(mg/kg)	$\leq 250$	$\leq 250$	$\leq 300^1$	$\leq 350$	$\leq 350$	$> 350$	$> 350$	$> 350^2$
Trans fatty acid content (C 18:1 T %) (% trans fatty acids)	$\leq 0.05$	$\leq 0.05$	$\leq 0.10$	$\leq 0.20$	$\leq 0.20$	$\leq 0.40$	$\leq 0.40$	$\leq 0.20$
Trans fatty acid content (C 18:1 T % +C 18:3 T %) (% trans fatty acids)	$\leq 0.05$	$\leq 0.05$	$\leq 0.01$	$\leq 0.30$	$\leq 0.30$	$\leq 0.35$	$\leq 0.35$	$\leq 0.10$
Maximum difference between the actual and theoretical ENC 42 triacylglycerol content	$\leq 0.2/$	$\leq 0.2/$	$\leq 0.3/$	$\leq 0.3/$	$\leq 0.3/$	$\leq 0.5/$	$\leq 0.5/$	$\leq 0.6/$
Stigmastadienes content (mg/kg)	$\leq 0.10$	$\leq 0.10$	$\leq 0.50$	N/A	N/A	N/A	N/A	N/A
Content of 2-glycerol monopalmitate (%)	$\leq 1.5$	$\leq 1.5$	$\leq 1.5$	$\leq 1.8$	$\leq 1.8$	$\leq 2.2$	$\leq 2.2$	$\leq 2.2$

<sup>1</sup> When the oil has wax content between 300mg/kg and 350mg/kg, it is considered a crude olive oil if the erythrodiol + uvaol content is  $\leq 3.5\%$  and the total aliphatic alcohol content is  $\leq 350\text{mg/kg}$ .

<sup>2</sup> When the oil has a wax content between 300mg/kg and 350mg/kg, it is considered a crude olive-pomace oil if the erythrodiol + uvaol is  $> 3.5\%$  and the total aliphatic alcohol content is  $> 350\text{mg/kg}$ .

<sup>3</sup> Values between 870mg/kg and 1000mg/kg shall be subject to the traceability requirements of Section 12.



**TABLE 3**  
**FATTY ACID COMPOSITION**  
**(Expressed as % m/m Methyl Esters)**

Myristic acid (C 14:0)	≤0.05
Palmitic acid (C 16:0)	7.0-22.0
Palmitoleic acid (C16:1)	0.25-3.5
Heptadecanoic acid (C17:0)	≤0.3
Heptadecenoic acid (C17:1)	≤0.5
Stearic acid (C 18:0)	0.5-5.0
Oleic acid (C 18:1)	50.0-85.0
Linoleic acid (C 18:2)	2.5-22.0
Linolenic acid (C18:3)	≤1.5
Arachidic acid (C20:0)	≤0.6
Gadoleic acid (eicosenoic) (C20:1)	≤0.5
Behenic acid (C22:0)	≤0.2 <sup>2</sup>
Lignoceric acid (C24:0)	≤0.2

<sup>2</sup> ≤ 0.3 for olive-pomace oils

**TABLE 4**  
**STEROL AND TRITERPENE DIOLCOHOLS COMPOSITION**  
**(Expressed as % of Total Sterols)**

Cholesterol	≤0.8 <sup>1</sup>
Brassicasterol	≤0.1
Campesterol	≤5.4 <sup>2</sup>
Stigmasterol	≤1.9
Δ-7 stigmastenol	≤0.6
Apparent β-sitosterol	≥91.5 <sup>3</sup>
Erythrodiol+Uvaol (olive oils/refined-olive oils)	≤5.1 <sup>4/5</sup>

<sup>1</sup>. Values between 0.5% and 0.8% shall be subject to the traceability requirements of Section 12.

<sup>2</sup>. Values between 4.8% and 5.4% shall be subject to the traceability requirements of Section 12.

<sup>3</sup>. Values between 91.5% and 92.5% shall be subject to the traceability requirements of Section 12.

<sup>4</sup>. Values between 4.5% and 5.1% shall be subject to the traceability requirements of Section 12.

<sup>5</sup>. >4.5 Erythrodiol+Uvaol for olive-pomace oils

**TABLE 5**  
**TRACE METALS**  
**(Expressed as mg/kg)**

Iron (Fe)	≤3.0
Copper (Cu)	≤0.1

## 7 FOOD ADDITIVES

- 7.1 Olive oils and crude olive-pomace oil.** Olive oils and crude-olive pomace oils shall not contain food additives.
- 7.2 Refined-olive oils, olive-pomace oil and refined olive pomace oil.** Tocopherols may be added to refined-olive oil, olive-pomace oil and refined olive-pomace oil to restore the natural tocopherols lost in the refining process up to a maximum level of 200mg/kg of total alpha-tocopherol in the final product. Use of tocopherols shall be in compliance with the Food and Drug Administration (FDA) 21 C.F.R. Sub Chapter B Part 170, Part 178, and Part 182 (*Food Additives, Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers, and Substances Generally Recognized as Safe (GRAS)*).
- 7.3 Processing aids.** Processing aids are allowed to be used during oil extraction to the extent allowed by the Food and Drug Administration (FDA) 21 C.F.R. Sub Chapter B Part 178 (*Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers*).

## 8 CONTAMINANTS

- 8.1 Halogenated Solvents.** The maximum permissible content for refined olive-pomace oil of each halogenated solvent is 0.1 mg/kg. The maximum permissible content of all halogenated solvents is 0.2mg/kg.
- 8.2 Pesticide Residues.** The products covered by this standard shall comply with the maximum residual level (MRL) limits established by the U.S Environmental Protection Agency (EPA) 40 C.F.R Sub Chapter E Parts 150 to 180 (*Pesticide Programs*).

## 9 METHODS OF ANALYSIS

### 9.1 General

The following methods shall be used to determine the characteristics of the olive oil, refined olive oils, and olive pomace oils. Alternative methods may be used provided they have been recognized as official methods IOC, AOCS, ISO (International Organization for Standardization), or Codex Alimentarius and shown to give equivalent results. At all times the most recently published version of the listed method or their alternatives shall be used.

- 9.2 Sampling.** According to the ISO standard 5555:2001 and Appendix A.
- 9.3 Preparation of the test sample.** According to ISO 661 “Animal and vegetable fats and oils- Preparation of the test sample”.
- 9.4 Determination of the fatty acid composition.** Preparation of methyl esters in accordance with AOCS Ce 2-66 or ISO 5509 or COI/T.20/Doc.24. Methyl esters of fatty acids shall be analyzed by gas chromatography in accordance with ISO 5508 or AOCS Ch 2-91.

- 9.5 Determination of the trans fatty acid content.** According to AOCS Ch 2a-94 (Rev. 2002) or ISO 15304 or COI/T.20/Doc.17.Rev.1.
- 9.6 Determination of the sterol composition and total sterol content.** Sterol composition and total sterol content shall be determined in accordance with ISO 12228 or COI/T.20/Doc.10.Rev.1 or AOCS Ch 6-91.
- 9.7 Determination of the content of erythrodiol + uvaol.** Erythrodiol + uvaol content shall be determined in accordance with IUPAC no. 2.431; capillary columns are recommended or IOC/T.20/Doc. 30.
- 9.8 Determination of wax content.** According to COI/T.20/Doc.18.Rev.2 or AOCS Ch 8-02 (Rev.2007).
- 9.9 Determination of the stigmastadienes content.** Stigmastadienes shall be determined in accordance with AOCS Cd 26-96 or COI/T.20/Doc.11.Rev.2.
- 9.10 Determination of the content of 2-glyceryl monopalmitate.** According to COI/T.20/Doc.23.
- 9.11 Determination of the difference between the actual and theoretical ECN 42 triglyceride content.** The difference between the actual and theoretical ECN 42 triglyceride content shall be determined in accordance with AOCS Ce 5b-89 or COI/T.20/Doc.20.Rev.3.
- 9.12 Determination of organoleptic characteristics.** Organoleptic characteristics shall be determined in accordance with COI/T.20/Doc. 15.Rev.2.
- 9.13 Determination of free fatty acid content.** Free fatty acid content shall be determined in accordance with ISO 660 or AOCS Ca 5a-40.
- 9.14 Determination of the peroxide value.** Peroxide value shall be determined in accordance with AOCS Cd 8b-90 or ISO 3960.
- 9.15 Determination of absorbency in ultraviolet.** Absorbency in ultraviolet shall be determined in accordance with ISO 3656 or AOCS Ch 5-91 or COI/T.20/Doc.19.Rev.2.
- 9.16 Determination of moisture and volatile matter.** Moisture and volatile matter shall be determined in accordance with ISO 662 or AOCS Ca 2c-25.
- 9.17 Determination of insoluble impurities in light petroleum.** Insoluble impurities shall be determined in accordance with ISO 663 or AOCS Ca 3a-46.
- 9.18 Determination of trace metals.** Determination of copper and iron by direct graphite furnace atomic absorption spectrometry shall be in accordance with ISO 8294.

**9.19 Determination of alpha-tocopherol.** Tocopherols and tocotrienols contents, using high-performance liquid chromatography, shall be determined in accordance with ISO 9936.

**9.20 Determination of pyropheophytins.** The degradation products of chlorophylls a and a' (pheophytins a, a' and pyropheophytins) shall be determined in accordance with ISO 29841.

**9.21 Determination of 1,2-Diacylglycerol content.** Relative amounts of 1,2- and 1,3-diacylglycerols shall be determined in accordance with ISO 29822.

## 10 HYGIENE

**10.1** Products covered by this standard shall be prepared and handled in accordance with the Food and Drug Administration (FDA) 21 C.F.R. Sub Chapter B and E Parts 110 and 589 (*Current Good Manufacturing Practices in Manufacturing, Packaging, or Holding of human food*).

## 11 PACKAGING

**11.1 General.** Olive oils, refined-olive oils, and olive-pomace oils intended for trade should be packaged in containers complying with the *General Principles of Food Hygiene* by the Codex Alimentarius Commission (CAC/RCP 1) and shall comply with the Food and Drug Administration (FDA) 21 C.F.R. Sub Chapter B and E Parts 110 and 589 (*Current Good Manufacturing Practices in Manufacturing, Packaging, or Holding of human food*).

**11.2 Packaging materials.** Only packaging materials fit for the intended use, selected to minimize the deterioration of oil quality, and selected to ensure continued compliance with the grade of the oil of the shall be used.

### 11.3 Labeling

**11.3.1 General.** In addition to the requirements set out herein handlers of olive oils, refined-olive oils and olive-pomace oils shall comply with the Food and Drug Administration (FDA) 21 C.F.R Sub Chapter A, B, D, E, F, G Part 101 (*Food Labeling*).

**11.3.2 Product name.** The labeling on each container shall indicate the specific grade of the product as specified and determined by this Standard in section 4. The designations shall be prominent and clearly legible in the principal display panel of the label. The following are the only grade designations permitted:

- (a) **Extra Virgin Olive Oil**
- (b) **Virgin Olive Oil**
- (c) **Crude Olive Oil\***
- (d) **Refined-Olive Oil Blend composed of refined-olive oil and virgin (or extra virgin) olive oils**
- (e) **Refined-Olive Oil**

**(f) Refined Olive Pomace-Oil Blend composed of refined olive-pomace oil and virgin (or extra virgin) olive oils**

**(g) Refined Olive Pomace-Oil\***

**(h) Crude Olive Pomace-Oil\***

\*Note: Grades for trade only, not fit for consumption without further processing.

**11.3.3 Prohibited Terminology.** Indications shown on the labeling shall not mislead the purchaser as to the characteristics of the oil contained therein by attributing to it characteristics that it does not possess. Examples of designations prohibited but not limited to; “Pure”, “Pure Olive Oil”, “Lite”, “Lite Olive Oil”, “Light”, “Light Olive Oil”, “Extra Light”, “Extra Light Olive Oil” “Extra Lite” or “Extra Lite Olive Oil”, “Super Virgin” shall not be used.

**11.3.4 Provenance.**

**(a) 100% of the oil must be from olives grown in the state of California.**

**(b) If reference is made to a specific region in California, then at least 85% of the oil (by weight) must be from olives grown in that region.**

**(c) If reference is made to a specific estate within California, then at least 95% of the oil (by weight) must be from olives grown on that estate.**

**11.3.5 Varietal Names.** If olive varietal names are used on the label, then varietals comprising 85% of the oil by weight must be listed in their order of dominance.

**11.3.6 Year of Harvest.** If reference is made to a harvest date, then 100% of the olives used to make the oil must have been harvested during that time period. Because the harvest typically runs from October through January, the dating refers to it by the calendar year; for example the 2014-2015 harvest season is deemed to be the 2015 harvest. When oils from multiple years are combined and the year of harvest is indicated the label must indicate each of the harvest years contained therein. If the month and year of harvest are indicated then 100% of the oil must be from that period. If the season and year are indicated then 100% of the oil must be from that period.

**11.3.7 Food ingredients.** When olive oils, refined-olive oils, or olive pomace-oils are used as ingredients of food the label of the food product shall specify the grade of the oil used in accordance with section 11.3.2.

**11.3.8 Lot identification.** Each container shall be permanently marked to identify the producing factory and the lot in accordance with the relevant US and California codes. Every lot must include a date of manufacture; in either closed or open format.

**11.3.9 Shelf Life and Harvest Date.** Declaration of a best-before date is optional, if used must be supported by technical evidence. The Shelf Life can be displayed as but not limited to: “Best Before”, “Best if Use By”, “Best By”. If a shelf life is declared the label shall include storage conditions necessary to ensure the validity of that date. In no case however, shall a best before date greater than two years from the date of the packaging be used. A harvest date may also be included on the label.

**11.3.10 First Cold Pressing/ Cold Extraction.** The indication “First Cold Pressing” Cold pressing”, Cold extraction”, “Cold Crushed”, or similar language may be used only for “Extra Virgin Olive Oil “or “Virgin Olive Oil” extracted by mechanical means that do not lead to significant thermal alterations in the oil.

## **12 TRACAEBILITY**

**12.1** All containers of oil shall be clearly labeled as to their contents and be identified by a lot number. The lot number shall provide the ability for the handler to identify the following:

**12.1.1** The location including the address, county and assessor’s parcel number(s) of the land where the olives were grown.

**12.1.2** The pesticide records for that location.

**12.1.3** The name of any harvesting company used in harvesting the olives

**12.1.4** The name of the transportation company that transported the olives

**12.1.5** Total quantity by weight of olives delivered to the mill for processing.

**12.1.6** Applicable processing and quality records.

**12.1.7** Total quantity of oil by weight or volume produced from the tonnage as stated in section 12.1.5.

**12.1.8** Final lot numbers identified on the goods that were sold.

**12.2** Product traceability documents and identification records shall be maintained and available for review. All records shall be maintained for a minimum of 3 years.

**12.3** All traceability, documentation, verification, and validations shall be in accordance with 21 C.F.R Part 120 (*Hazard Analysis and Critical Control Point (HACCP) Systems*).

**12.4** In the event that purity testing results are in the ranges footnoted in tables 2 and 4, the handler shall provide the documents identified in section 12.1 to the commission for review.

**Olive Oil Commission of California**

**Appendix A: Sampling, Testing and Grading**

**For**

**Olive Oil**

**Refined-Olive Oil**

**Olive-Pomace Oil**

## PREFACE

The goal of the Olive Oil Commission of California is to further the objectives of the standard by requiring mandatory testing and grading of olive oil produced in California under the jurisdiction of the Commission using accredited laboratories prior to the oil being sold. The resources necessary to achieve this goal are limited by:

- the current level of olive oil production in California;
- the lack of a local laboratory that is accredited for testing olive oil; and
- the time required to submit samples to an accredited lab off shore and to receive test results.

Therefore, a period of transition is required. This testing appendix is thus a beginning only and will develop as resources allow. The commission is committed to full implementation for the 2016 fiscal year.

### 1 GENERAL

- 1.1** Applicability. This appendix shall apply to all oil under the jurisdiction of the California Department of Food and Agriculture (CDFA) Olive Oil Commission of California (the Commission), Chapter 29 of Part 2, Division 22 of the California Food and Agricultural Code.
- 1.2** Method of Sampling. According to International Standards Organization (ISO) 5555:2001- International Standard, Animal and Vegetable Fats and Oils-Sampling as applicable.
- 1.3** Controlling rule. Where differences exist between this appendix and ISO 5555-2001 this appendix shall be controlling.
- 1.4** Requirement of Sampling. All lots of olive oil shall be sampled, tested and graded.
- 1.5** Sample results are only valid for 16 months from the date of testing. Oil sold after expiration of the test results must be re-sampled retested and re-graded.

### 2 DEFINITIONS

- 2.1.1 Lot.** A lot is a quantity of oil contained in one or more vessels that is declared by the handler to have uniform characteristics and that is marked in accordance with section 11.3.8 of the Standard of the Olive Commission of California.
- 2.1.2 Increment.** Per ISO 5555:2001 Section 2.3 “a quantity of fat taken at one time from one place in a lot”.
- 2.1.3 Bulk Sample.** Per ISO 5555:2001 Section 2.4 “quantity of fat obtained by combining the various increments from a lot in amounts proportional to the quantities they represent”.
- 2.1.4 Laboratory sample.** Per ISO 5555: 2001 Section 2.5 “quantity of fat obtained from the bulk sample after suitable homogenization and reduction in size which is representative of the lot and intended for laboratory examination”.

### 3 SAMPLING BY COMMISSION

- 3.1** Five samples will be taken at random from each handler subject to the jurisdiction of the commission under the direction of the CDFA or by a CDFA and Commission approved



independent third party (sampling party). Samples will be taken following the procedures and sampling plan in accordance with ISO 5555:2001 as applicable.

- 3.2** Sample Timing. The date of the sampling as well as which lots are to be sampled will be determined by the sampling party and shall not be disclosed prior to the sampling day to the handlers. All sampling testing and grading must be completed by March 31 of the fiscal year. All results must be reported to the commission by the same date.
- 3.3** Bulk samples per lot. A single bulk sample is required per lot.
- 3.4** Quantity and volume of laboratory sample containers per lot. A minimum of five laboratory samples in containers of 250ml or larger are required per lot.
- 3.5** Sampling technique. The sampling technique shall be in accordance with Section 5 of ISO 5555:2001 as appropriate.
- 3.6** Methods of sampling shall be applicable to the container in which the oil is stored in accordance with Section 6 ISO 5555:2001.
- 3.7** Samples shall be packed and handled in accordance with ISO 5555:2001 as appropriate.
- 3.8** Samples shall contain the information identified in Section 7.2 items e, f, h, j, k, l, m, and n of ISO 5555:2001 as appropriate.
- 3.9** All laboratory samples shall have a tamper evident seal placed on the container and marked by the sampling party.
- 3.10** The maximum lot size is 200,000 gallons.
- 3.11** The sampling party shall send to an accredited edible oil analytical laboratory designated by the Commission three laboratory samples for each lot sampled in accordance with this section for analysis and grading based on the quality parameters in Table 1 of the Standard of the Olive Commission of California and for the analysis of the purity parameters as described in the following paragraph.
- 3.12** The Commission shall direct the sampling party to randomly select from the samples of lots taken by the sampling party from handlers a number, fixed annually, of samples to be tested for the purity parameters in tables 2-5 of the Standard of the Olive Commission of California at an analytical laboratory designated by the commission.
- 3.13** The sampling party shall retain two containers of the laboratory sample for the purpose of replacement of a lost sample, or retesting. The laboratory samples shall be retained until the end of the fiscal year. Additional laboratory samples may be taken by sampling party and retained by the handler.

- 3.14** The results of the tests shall be distributed to the handler and to Commission administrator, and shall include the name of the handler. The name of the handler shall be confidential. The results shall be reported to the commissioners referenced by only the lot. The results shall include the information listed in section 5.
- 3.15** The Commission shall pay the cost of sampling, shipping testing, grading and reporting of the samples under this section.

#### **4 SAMPLING BY HANDLERS**

- 4.1** All handlers subject to the jurisdiction of the commission shall be required to sample, test and grade all lots of olive oil for the quality parameters listed in Table 1 of the standard. Sampling and testing may be done by the handler or by a laboratory chosen by the handler following an official testing method as described in section 9 of the Standard of the Olive Commission of California. The handler is required to assign a distinct number to each lot.
- 4.2** The handler shall retain two containers of the sample for the purpose of retesting. The retained samples shall be a minimum of 250ml and be retained until the end of the fiscal year in which the oil was produced.
- 4.3** The handler shall pay the cost of sampling, quality testing and retention of samples required under this section.
- 4.4** The results of the quality tests and grades assigned under this section shall be sent to the Commission administrator, and shall include the name of the handler. The results of sampling shall be reported to the commissioners. Reports shall include the lot number to the commissioners without the name of the producer or handler.
- 4.5** The results of the sampling testing and grading must be reported to the Commission no later than March 31 of the fiscal year of production and must include all information required by section 45.

#### **5 REPORTING**

- 5.1** The designated sampling party or the or handler shall send to the Commission or its representative the following information:
- (a) The identifying number of each lot sampled.
  - (b) The volume or weight of each lot.
  - (c) The date and time each lot was sampled.
  - (d) The percentage of all varieties in each sample to the extent known.
  - (e) A complete copy of the laboratory report or reports.
  - (f) The grade assigned to each sample.

#### **6 GRADING**

- 6.1** Based on the results of the testing each lot will be assigned a grade.

**6.2** Lots that fail purity testing are not eligible to be graded and shall not be sold as olive oil, refined-olive oil or olive-pomace oil.

**7 RIGHT TO REVIEW AND RETEST**

**7.1** Any handler is entitled to a retest of any or all lots of oil tested by the Commission; provided however that the retesting is at the sole expense of the handler.

**7.2** The handler must notify the commission of his or her desire to retest within 15 days of receipt of test results.

**7.3** All retests must be done using retained laboratory samples.

**7.4** The results of the retest if the same as the original test shall be final. If however the retest results in the assignment of a different grade the handler may request a third test the result of which will be final.

**DRAFT  
5/29/14**

BYLAWS  
OF  
OLIVE OIL COMMISSION OF CALIFORNIA

Article I  
NAME AND LOCATION

1. Name.

The name of this organization shall be the Olive Oil Commission of California (hereinafter referred to as "Commission") organized under the provisions of Division 22, Part 2, Chapter 29, beginning with § 79800, of the California Food and Agricultural Code.

2. Location.

The principal office of the Commission for its transaction of business shall be located in the County of Sacramento, State of California. The Commission has full power and authority to establish and change the specific location of the principal office so long as it remains in the State of California, and may establish other offices as it deems appropriate. Any change or establishment of other locations shall not be considered an amendment of these Bylaws.

3. Definitions.

All definitions in Commission law, as amended from time to time, shall apply to these Bylaws.

## Article II

### PURPOSES AND OBJECTIVES

#### 1. Scope of Activity.

The Commission shall deal with the broad fields of olive oil research and grades and labeling standards. Commission activities may include, but are not limited to, the following:

- a. Establishing grades and labeling standards for olive oil produced in California.
- b. Conducting research regarding olive and olive oil production.
- c. Collecting information, including but not limited to industry statistics.
- d. Making, in the name of the Commission, contracts to receive and render services in formulating and conducting plans and programs, and any other contracts or agreements the Commission determines necessary.
- e. Doing and performing all acts and exercising all powers incidental to, or in connection with, or deemed reasonably necessary to maintain and enhance the olive oil industry.

## Article III

### MEMBERS AND ALTERNATES

#### 1. Composition.

The Commission Board of Directors shall be composed of six producers, three handlers, and one public member. Members and alternates shall be appointed or elected in accordance with Commission law and procedures established by the Commission.

#### 2. Producer Members.

A producer member and his or her alternate on the Commission shall be an individual, partner, or employee of a producer who has a financial interest in

producing, or causing to be produced, olives that are processed into olive oil. The producer member or his or her alternate shall be so qualified during the entire term of office.

3. Handler Members.

A handler member and his or her alternate on the Commission shall be an individual, partner, or employee of a handler who has a financial interest in marketing olive oil that he or she has produced, or purchased or acquired from an olive producer, or that he or she is marketing on behalf of an olive producer. The handler member or his or her alternate shall be so qualified during the entire term of office.

4. Public Member.

The public member and his or her alternate on the Commission shall have all of the powers, rights, and privileges of any other member or alternate, respectively, on the Commission.

5. Secretary of Food and Agriculture.

The Secretary or his or her representative shall be an ex officio Board member and shall be notified and may attend each meeting of the Commission and any committee meetings of the Commission except closed sessions of the Commission or a committee of the Commission called for the purpose of discussing potential or actual litigation against the Department of Food and Agriculture.

6. Advisory Committee.

The Advisory Committee shall be appointed by the Secretary from applications received from persons that produce or cause to be produced olives that are processed into less than 5,000 gallons of olive oil during the marketing season. The Advisory Committee shall meet periodically to review issues affecting the Commission and shall advise the Commission Board of Directors. The Advisory Committee shall consists of seven members who shall each serve three-year terms.

The chair of the Advisory Committee shall be selected by the members and shall be an ex officio member of the Commission Board of Directors.

7. Alternate Members.

Except for the ex officio members of the Commission Board of Directors, an alternate for each member of the Commission Board of Directors shall have an alternate member elected in the same manner as the member. An alternate member, in the absence of the member for whom he or she is an alternate, shall serve in place of the member. An alternate member may also serve in place of any other absent member of the same classification, producer or handler, if the member's alternate is also absent. However, an alternate may not serve in place of more than one absent member at a meeting. An alternate member serving in place of a member shall have and be able to exercise all the rights, privileges, and powers of the member when serving.

In the event of death, removal, resignation, or the disqualification of a member, the alternate for the member, or another alternate of the same classification if the alternate for the member is absent, shall act as a member of the Commission until a qualified successor is elected.

8. Term of Office.

The term of office of all members of the Commission Board of Directors and alternates, except ex officio members, shall be three years from the date of their election and until their successors are elected, except, that of the first producer members of the Commission, one from each district shall serve two years and one from each district shall serve three years and of the first handler members, one shall serve one year, one shall serve two years, and one shall serve three years. The determination of the term of each member shall be made by lot at the time of election.

9. Ex Officio Members.

The Commission may appoint appropriate individuals as ex officio members of the Commission. Ex officio members shall be non-voting members of the Commission, and shall serve for the terms and under the conditions prescribed by the Commission.

Article IV

OFFICERS AND DUTIES

1. Officers.

The Commission shall appoint its own officers, including a chairperson, one or more vice chairpersons, and any other officers as it determines necessary. Alternate members shall not be eligible to be elected as officers of the Commission. Elections for officers will be held at the first regular Commission meeting following the election of members and alternates.

2. Term of Office.

Officers elected by the Commission shall serve a one (1) year term or until new officers are elected. Officers may be re-elected annually to the office held or to any other office of the Commission.

3. Chairperson.

The Chairperson shall preside at all meetings of the Commission. The Chairperson may serve as a non-voting ex-officio member of all committees and shall have and perform all of the other powers and duties delegated to him or her by the Commission.

4. Vice-Chairperson.

The Vice-Chairperson shall act as and perform all the duties of the Chairperson in the Chairperson's absence. He or she shall perform additional



duties as may be assigned by the Chairperson or the Commission. The Vice-Chairperson may serve as a non-voting ex-officio member of all committees.

5. Secretary/Treasurer.

The Secretary/Treasurer shall keep, or cause to be kept, at the principal office or other place that the Commission may designate, a book of minutes of all meetings of the Commission, stating the time and place, whether regular or special, and, if special, how authorized, the notice given, the names of those present, and the proceedings of those meetings. The Secretary/Treasurer shall keep, or cause to be kept, the names of the members and alternates, their addresses and telephone numbers. The Secretary/Treasurer shall give, or cause to be given, notice of all meetings, and shall have whatever other powers and duties as may be prescribed from time to time by the Commission. The Secretary/Treasurer may delegate any and all duties of the office to the President of the Commission whenever, in his or her judgment, the action is necessary for the handling of the affairs of the Commission in a timely manner.

The Secretary/Treasurer shall be the Chief Financial Officer of the Commission. The Secretary/Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the transactions of the Commission, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital and reserve. The Secretary/Treasurer shall serve as Chairperson of the Budget and Finance Committee and shall be in general charge of the financial affairs of the Commission. The Secretary/Treasurer shall render to the Chairperson and the Commission, on request, an account of all of the transactions and of the financial condition of the Commission, and shall have whatever other powers and duties may be prescribed by the Commission. The Secretary/Treasurer may delegate any and all duties of the office to the Executive Director of the Commission whenever, in his or her judgment, the action is necessary for the handling of the affairs of the Commission in a timely manner.

Article V

MEETINGS OF COMMISSION

1. Regular Meetings.

Meetings of the Commission shall be held at such date, time and location as is designated by the Chairperson. The Commission shall meet at least three times each year for the purposes of conducting its regular business.

2. Special Meetings.

The Chairperson, any two (2) members of the Executive Committee, or a majority of the Commission members, after notifying the Chairperson, may call other meetings of the Commission as may be deemed necessary.

3. Meetings Via Teleconference.

The Commission may hold open or closed meetings by teleconference, subject to all of the requirements contained in California Government Code Section 11123, if the convening of a quorum at one location is difficult or impossible.

4. Notice of Meetings.

a. The Commission shall provide notice of regular and special meetings to members, alternates, the Secretary, the Commission's legal counsel, and to any other person who requests such notice in writing. Unless otherwise authorized by law, notice of all Commission meetings shall be given at least ten (10) days in advance of the meeting, and shall comply in all other respects with the provisions of the Bagley-Keene Open Meeting Act (California Government Code Sections 11120 et seq.).

b. The notice of all regular and special meetings shall include a specific agenda for the meeting, including the items of business to be transacted or discussed.

5. Order of Business.

The regular order of business of the Commission, unless otherwise determined by the Chairperson, shall be as follows: (1) roll call; (2) approval of minutes of previous meeting; (3) discussion and/or action on matters on written agenda; (4) issues and scheduling for next meeting; and (5) adjournment.

6. Attendance.

The absence of a member or alternate of the Commission Board of Directors at three consecutive meetings shall be grounds for the Commission to declare the seat vacant.

7. Quorum and Voting.

A quorum of the Commission Board of Directors is a majority of the members authorized to vote. Unless otherwise specified in these bylaws, the vote of a majority of the members present at a meeting at which there is a quorum constitutes the act of the Commission. The Commission may continue to transact business at a meeting at which a quorum is initially present, notwithstanding the withdrawal of members, provided any action is approved by the requisite majority of the required quorum.

Proxy voting is not allowed.

Any voting member of the Commission may request a roll call vote for any vote of the Commission and the vote shall be recorded in the minutes.

8. Closed Sessions of the Commission.

Closed sessions of the Commission may only be held for the limited purposes provided in the Bagley-Keene Open Meeting Act.

9. Rules of Order.

Unless otherwise provided in these bylaws, Roberts Rules of Order, as may be amended from time to time, shall govern meetings of the Commission.

Article VI  
COMMITTEES

1. Committees; Appointments.

a. Subject to approval by the Commission, the Executive Committee may appoint committees composed of individuals elected or appointed to the Commission as members or alternates and nonmembers of the Commission to advise the Commission in carrying out of its purposes and objectives. Any addition or deletion of committees or changes in names of committees shall not be considered an amendment of the Bylaws. Committees shall include, but not be limited to, the following:

- (1) Executive
- (2) Budget and Finance
- (3) Grades and Labeling Standards
- (4) Research

b. Committee chairpersons shall be selected by the Executive Committee. Chairpersons shall be a member of the Commission board of directors. No individual shall serve as chairperson of more than one committee.

c. Unless otherwise provided in these bylaws, Roberts Rules of Order, as may be amended from time to time, shall govern meetings of committees.

d. Unless otherwise specified, the Commission shall be the final authority on all programs, projects, activities, and policies recommended by any committee of the Commission.

2. Executive Committee.

The Executive Committee shall consist of the Chairperson, Vice-chairperson, Secretary/Treasurer, and others that may be designated by the Chairperson..

The Chairperson of the Commission shall serve as Chairperson of the Executive Committee. The Executive Committee may recommend policy relating to the Commission's purposes and objectives; immediate and long term planning; financial management; and overall administration of the Commission. The

committee shall work directly with the President of the Commission in formulating and carrying out programs and activities authorized by the Commission.

The Executive Committee shall act as the search committee relative to the retention of any President, and shall provide a recommendation for approval by the Commission. As an alternative to a President, the Executive Committee may recommend a management firm or the staff from any board, commission, or committee of the state or federal government to perform the administrative functions required by the Commission.

The Executive Committee shall have final decision making authority with respect to personnel, litigation, and government matters, subject to ratification by the Commission, and on other matters expressly delegated by the Commission. The Executive Committee may also act on behalf of the Commission in other situations under circumstances where action is of an urgent nature and necessary prior to the next meeting of the Commission. Such action shall not result in expenditures in excess of \$25,000.00 and shall be reported to the Commission at the next meeting of the Commission.

3. Budget and Finance Committee

The Budget and Finance Committee shall establish detailed and specific procedures for the disbursement of Commission funds, including procedures for the acquisition of property, the signing of checks, purchase orders, and other similar matters. The Budget and Finance Committee shall also formulate an annual budget for approval by the Commission and concurrence of the Secretary, as well as reserve and cash-flow requirements; recommend investment programs for Commission funds; supervise the preparation of financial reports which shall be made available to the Commission on a periodic basis; and do all things necessary and proper to insure accurate financial records. The Secretary/Treasurer of the Commission shall serve as chairperson of the Budget and Finance Committee.

4. Grades and Labeling Standards Committee

The Grades and Labeling Standards Committee shall evaluate and recommend to the Commission actions and projects to establish and maintain grades and labeling standards for olive oil produced in California. The Grades and Labeling Standards Committee shall also advise on actions and communications with regulators, industry, and consumers to identify matters that affect the grading and labeling standards of olive oil produced in California, including enforcement of such standards.

5. Research Committee

The Research Committee shall evaluate research projects and review and recommend budgets for the projects to the Commission. Research may include, but shall not be limited to, olive tree cultivation, harvest, processing, and storage of olive oil. The Research Committee shall also monitor the activities of any approved research project, the timely reporting of research information, and proper expenditure of budgeted research funds.

6. Other Committees.

From time to time, other special or standing committees may be established by the Executive Committee, or by the Commission, as deemed necessary to carry out the purposes and objectives of the Commission.

7. Notice.

Notice of all committee meetings shall be in the manner provided in Article V, Section 4 of these Bylaws.

8. Quorum.

A majority of committee members shall constitute a quorum and the acts of a majority of the committee members present at a meeting at which a quorum is present shall constitute the acts of the committee.

9. Closed Sessions.

Closed sessions of committees may only be held for the limited purposes provided in the Bagley-Keene Open Meeting Act. A record of topics discussed and any resulting recommendations shall be presented by the committee to the full Commission at its next regularly or specially called meeting.

Article VII

EMPLOYEES AND THEIR DUTIES

1. President.

Based on the recommendation from the Executive Committee, the Commission, by a 2/3 vote, may approve a person to serve at the pleasure of the Commission as President and Chief Executive Officer of the Commission. The President shall be an at-will employee of the Commission. Any termination of the President shall be by 2/3 vote of the Commission. Compensation for the President shall be fixed by the Commission and shall be reviewed annually. The President shall:

- a. Be responsible at all times for the proper administration of all actions and policies of the Commission and for the proper performance of all duties on behalf of the Commission.
- b. Employ, establish appropriate titles, fix salaries as authorized by the Commission, supervise, and when necessary, discharge any of the employees of the Commission after consultation with the Commission's legal counsel.
- c. Serve as a non-voting ex-officio member of the Commission and all committees of the Commission.
- d. Strictly adhere to and carry out all rules and procedures adopted by the Commission as provided for in these Bylaws and in law.
- e. Sign on behalf of the Commission any contract or other instrument, the execution of which has been authorized by the Commission, except where the signing and execution thereof has been otherwise expressly reserved or delegated by the Commission to itself or some other officer, member or employee.

f. Provide any and all assistance, counsel, and advice to the Commission and committees of the Commission that may be necessary for the proper execution of the Commission responsibilities and duties.

g. Be responsible for the compilation and dissemination of industry information that will advance the purposes and objectives of the Commission.

2. Other Personnel.

The Commission may employ other personnel, including legal counsel of its choice, necessary to carry out the purposes of the Commission. As an alternative to employing a President, the Commission, by a 2/3 vote, may retain a management firm or the staff from any board, commission, or committee of the state or federal government to perform the functions prescribed by these Bylaws and the law under the direction of the Commission.

Article VIII

LIABILITY

1. Restraint of Trade.

No action taken by the Commission or by any person in accordance with the rules and regulations adopted by the Commission shall be deemed a violation of the Cartwright Act, the Fair Trade Act, the Unfair Practices Act, or any statutory or common law against monopolies or combinations in restraint of trade.

2. Payment of Claims.

Payment of all claims arising by reason of administration of the Commission or the acts of the Commission shall be limited to the funds collected by the Commission.



3. Liability of Individuals.

a. No member or alternate member of the Commission or any employee or agent thereof, shall be personally liable for the contracts of the Commission or responsible individually in any way to any producer, any handler or any other person for error in judgment, mistake, or other acts, either of commission or omission, except for the person's individual acts of dishonesty or crime. No member or alternate member shall be held responsible individually for any act or omission of any other member or alternate member of the Commission.

b. The liability of the members and alternate members shall be several and not joint, and no member or alternate member shall be liable for the default of any other member or alternate member.

Article IX

AMENDMENTS

1. Power to Amend.

The Bylaws of the Commission may be amended or repealed, or new Bylaws adopted, by a 2/3 vote of the Commission.

Article X

ADOPTION

1. Effective Date.

The Bylaws prescribed herein shall become effective upon adoption by a 2/3 vote of the Commission.

**DRAFT**  
**05/29/14**

CONFLICT OF INTEREST POLICY OF THE  
OLIVE OIL COMMISSION OF CALIFORNIA

SECTION I. PURPOSE.

The Olive Oil Commission of California ("Commission") is a nonprofit, tax-exempt statutory organization that serves the California Olive Oil industry under the oversight of the California Department of Food and Agriculture. The members, employees and contracted administrators ("Officers") have the responsibility of administering the affairs of the Commission honestly and prudently and of exercising their best care, skill, and judgment for the sole benefit of the Commission. Those persons shall exercise the utmost good faith in all transactions involved in their duties, and they shall not use their positions with the Commission or knowledge gained therefrom for their personal benefit. The interests of the organization must be the first priority in all decisions and actions.

SECTION 2. AREAS IN WHICH CONFLICT MAY ARISE:

Conflicts of interest may arise in the relations of Officers with any of the following third parties:

1. Persons and firms supplying goods and services to the Commission.
2. Persons and firms from whom the Commission leases property and equipment.
3. Agencies, organizations, and associations which may affect the operations of the Commission.
4. Persons or companies who produce or handle olives for processing into olive oil and/or the resulting olive oil.
5. Family members, friends, and other officers.

### SECTION 3. NATURE OF CONFLICTING INTEREST:

A conflicting interest may be defined as an interest, direct or indirect, with any persons or firms mentioned in Section 2. Such an interest might arise through:

1. Owning stock or holding debt or other proprietary interests in any third party dealing with the Commission.
2. Holding office, serving on the board, participating in management, or being otherwise employed (or formerly employed) with any third party dealing with the Commission.
3. Receiving remuneration for services with respect to individual transactions involving the Commission.
4. Using the Commission's time, personnel, equipment, supplies, or good will for other than Commission-approved activities, programs and purposes.
5. Receiving a personal gift, loan or gratuity from third parties dealing or competing with the Commission.

### SECTION 4. INTERPRETATION OF THIS STATEMENT OF POLICY:

The areas of conflicting interest listed in Section 3, and the relations in those areas which may give rise to conflict, as listed in Section 3, are not exhaustive. Conflicts might arise in other areas or through other relations. It is assumed that Officers will recognize such areas and relation by analogy.

The fact that one of the interests described in Section 3 exists does not necessarily mean that conflict exists, or that the conflict, if it exists, is material enough to be of practical importance; or if material, that upon full disclosure of all relevant facts and circumstances, is necessarily adverse to the interests of the Commission.

However, it is the policy of the Board of Directors that the existence of any of the interests described in Section 3 shall be disclosed before any transaction is consummated. It shall be the continuing responsibility of the employees to scrutinize their transactions and outside business interests and relationships for potential conflicts and to immediately make such disclosures.

SECTION 5. DISCLOSURE POLICY AND PROCEDURE:

Transactions with parties with whom a conflicting interest exists may be undertaken only if all of the following are observed:

1. The conflicting interest is fully disclosed, including any compensation and reimbursed expenses received by employee as a result of the activity;
2. The person with the conflict of interest is excluded from the discussion and approval of such transaction;
3. A competitive bid or comparable valuation exists; and
4. The Board of Directors has determined that the transaction is in the best interest of the organization.

Disclosure should be made to the President & CEO or the Chairman of the Board ("Chair"), who shall bring the matter to the attention of the Executive Committee. The President & CEO and Chair shall disclose his/her personal conflicts directly to the Executive Committee. The Executive Committee shall review, in closed session pursuant to the Bagley-Keene Act, and determine whether a conflict exists. In the case of an existing conflict, the matter will be referred to the Board of Directors for review. The review includes discussion of whether the contemplated transaction may be authorized as just, fair, and reasonable to the Commission. The decision of the Board of Directors on these matters will rest in their sole discretion, and their concern must be the welfare of the Commission and the advancement of its purpose.

---

I HEREBY CONFIRM that I have read and understand the Commission's conflict of interest policy for employees. I agree that if I become aware of any information that might indicate that a conflict exists, that a disclosure is inaccurate, or that I have not complied with this policy, I will notify the President & CEO or Chair immediately.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**DRAFT  
5/29/14****OLIVE OIL COMMISSION OF CALIFORNIA  
ASSESSMENT COLLECTION PROCEDURES**

Pursuant to California Food and Agricultural Code Section 79871, the Olive Oil Commission of California ("Commission") establishes the following procedures.

1. The Commission shall, no later than the beginning of each marketing season (July 1), or as soon thereafter as possible, establish the assessment to be paid by producers and collected by handlers for the marketing season. The assessment shall not be more than twenty-five cents (\$0.25) per gallon for all olive oil handled.

2. Handlers of olive oil shall keep a complete and accurate record of all olives purchased by them and olive oil handled by them with the name of the producer or producers whose olives were purchased or handled. A producer who handles olive oil made from his or her olives shall keep a complete and accurate record of the olive oil handled. The records shall contain information required by the Commission. The records shall be preserved by the producer or handler for a period of two years and shall be offered and submitted for inspection at any reasonable time upon a written demand by the Commission or its duly authorized agent.

3. Any assessment levied pursuant to Commission law is a personal debt of the producer assessed.

4. The first handler of olive oil being assessed shall deduct the assessment from amounts paid by him or her to the producer, and shall be a trustee of the funds until they are paid to the Commission. A producer who handles olive oil made from his or her olives shall pay an assessment directly to the Commission.

Every handler shall be personally liable for the payment of the assessments collected from producers, and failure to collect the assessment from any producer shall not exempt the handler from liability.

Any person who fails to file a return or pay an assessment within the time required by the Commission shall pay to the Commission a penalty of ten (10) percent

of the amount of the assessment determined to be past due and, in addition, interest on the unpaid balance at the rate of 1.5 percent per month.

5. The Commission shall contact all known handlers on an annual basis regarding their obligations under Commission law, and provide each handler with a copy of these procedures.

6. Blank assessment report forms shall be mailed to each handler on a monthly basis in order for handlers to report gallons of olive oil produced during that month.

7. Completed assessment form(s), which include gallons of olive oil produced during that month, and payment on those gallons must be received from handlers at the Commission office (or postmarked) by the 20th day after the close of the month for which the report and payment apply.

8. A handler who has not provided the required assessment forms and/or payment by the due date will be sent a written notice within five (5) working days past the due date by facsimile or other electronic means ("first notice") reminding them to provide the forms and/or payment, and notifying them that a 10% penalty will attach and interest will begin to accrue on the first day of the next month if reports and/or payments are not received by the last day of the month.

9. A handler who fails to respond to the Commission's first notice will be sent a second notice by certified mail, return receipt requested, in which the Commission demands reports and/or payments from the handler by a date not more than 30 days from the date of the second notice. The second notice will notify the handler that the 10% penalty has attached, interest is accruing, and failure to respond to the second notice will result in referral of the matter to the Commission's legal counsel.

10. Matters referred to legal counsel will result in a Notice of Intent to Take Action letter being sent by legal counsel to the handler by certified mail, return receipt requested, which gives the handler 15 days in which to provide forms and/or pay assessments.

11. If a satisfactory response is not received from the handler during the 15 day notice period, a summons and complaint, including a demand that the Commission

be reimbursed for reasonable attorney's fees and other related costs actually incurred, will be drafted and filed with the appropriate Superior Court.

12. The handler has 30 days after service of the complaint in which to respond. If the handler does not respond to the complaint, a request for entry of default will be filed with the court.

13. Upon a favorable judgment for the Commission, the court may order that the Commission be reimbursed for reasonable attorney's fees and other related costs actually incurred.

14. Once a judgment is obtained by trial or default, collection and enforcement efforts will begin.

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**5/29/14**

## OLIVE OIL COMMISSION OF CALIFORNIA

### GRIEVANCE PROCEDURES

Pursuant to Food and Agricultural Code Section 79882 the Olive Oil Commission of California ("Commission") establishes the following procedures.

Any person aggrieved by the actions or determinations of the Commission or its staff may request an informal hearing before the Grievance Committee of the Commission in accordance with the following:

1. Any claim against the Commission and request for a hearing shall be directed in writing to the Commission and contain the name and mailing address of the aggrieved party and a brief statement of the grievance. The claim shall be filed with the Commission within ninety (90) days of the date the claim first arose or, in assessment matters, ninety (90) days after the relevant assessment payment was due pursuant to the Commission's assessment procedures.
2. Within ten (10) days after receiving a request for a hearing, the Commission Chair shall appoint a person to act as Chair of a Grievance Committee who shall be a member or alternate member of the Commission. With recommendations from the Grievance Committee Chair, the Commission Chair shall appoint not more than four (4) additional persons to serve on the Grievance Committee, who may be Commission members, alternates, and other persons with an interest in the production of olive oil in California.
3. The Grievance Committee shall have up to sixty (60) days after its members are appointed in which to investigate the claim.
4. The Grievance Committee shall conduct an informal hearing of the claim within thirty (30) days after the date of completing its investigation and shall notify the requesting party of the date, time, and place of the hearing at least ten (10) days prior to the date of the hearing.
5. The Grievance Committee shall receive oral and written evidence from the requesting person and any other interested persons, including Commission staff.



6. The Grievance Committee shall submit the hearing record and its recommendation to the Commission within thirty (30) days after the informal hearing.
7. The Commission shall review the record in Executive Session and approve or deny the recommendation of the Grievance Committee at its next regular meeting. The final decision of the Commission shall be reflected in the minutes of the meeting and communicated in writing to the aggrieved party.
8. An appeal from the final decision of the Commission may be made to the Secretary of the Department of Food and Agriculture.
9. The determination of the Secretary shall be subject to judicial review upon petition filed with the appropriate Superior Court.
10. In no event shall an aggrieved party be relieved of their obligation to file assessment reports and pay assessments to the Commission during the handling of their claim.
11. If the aggrieved party prevails in their claim, and if the claim addresses assessment payments or payment of penalties or interest, the aggrieved party shall be reimbursed in an amount specified by the Commission.

**DRAFT**  
**5/29/14**

## **OLIVE OIL COMMISSION OF CALIFORNIA VOTER ACCESS PROCEDURES**

Pursuant to Food and Agricultural Code Section 79851, the Olive Oil Commission of California ("Commission") establishes the following procedures.

Commission law provides all proprietary information obtained by the Commission or the Secretary of Food and Agriculture from any source, including the names and addresses of producers, is confidential and shall not be disclosed except if required by a court order in a judicial proceeding.

To enable any producer or handler of olive oil subject to Commission law to contact producers or handlers on the Commission's List of producers and handlers regarding an election, referendum, or any act or determination of the Board of Directors, the Commission shall, upon request, conduct an informational mailing as provided by these procedures.

1. The person requesting a mailing (Applicant) shall file a Request for Mailing (Request) on a form provided by the Commission (Attachment "A"). A Request regarding an election or referendum shall be filed by the applicant during the same marketing season as the election or referendum. A Request regarding an act or determination of the Board of Directors shall be filed by the applicant not more than sixty (60) days before nor less than thirty (30) days after the act or determination.

2. The Request shall include a Statement of Compliance and Non-Commercial Use (Statement) completed and signed by the Applicant. The Statement shall include the Applicant's:

a. Acknowledgement of receipt and understanding of these voter access procedures.

b. Agreement to abide by these procedures.

c. Declaration that the mailing is for a non-commercial use associated with a Commission election referendum or any act or determination of the Board of Directors.

d. Declaration that the proposed mailing contains no defamatory, false, misleading, or obscene language.

e. Declaration that he or she, subject to Commission law, is either (1) a producer of olives that are processed into olive oil in the amount of 5,000 gallons or more during the marketing season or (2) a handler engaged in the operation of marketing olive oil that he or she has produced, or purchased and acquired from an olive producer or that he or she is marketing on behalf of an olive producer.

The Applicant shall also acknowledge that the Statement of Compliance and Non-Commercial Use is required by Commission law and that willfully providing false information is subject to the penalties provided therein.

3. Upon receipt of the completed Request and Statement, the Commission shall, within three (3) working days, notify the Applicant of the number of persons on the list (or in the category or district designated in the Applicant's request) to enable the Applicant to prepare the appropriate number of mailings. The Commission shall verify the Applicant's status as a producer or handler by checking the Applicant's name against the Commission's list of producers and handlers.

4. The Applicant shall prepare the mailings by placing them in plain, stamped, sealed envelopes and delivering them to the Commission. All mailings shall include a statement that clearly identifies the Applicant as the person responsible for the mailing. The Applicant's name and address shall not appear on the outside of the envelopes. The Applicant shall provide additional stamped envelopes as required by the Commission that will be mailed to the Commission Board Members and Alternates. If the mailings are regarding an election or referendum vote, the mailings shall be delivered to the Commission not less than twenty (20) calendar days prior to the date on which ballots are to be mailed for the applicable election or referendum.

5. Upon receipt of a properly prepared mailing, the Commission shall, within five (5) working days, place a mailing label on each envelope and deposit the envelopes in the U.S. Mail. In addition, the Commission shall affix a disclaimer to each envelope as follows:

"The material contained in this envelope is not endorsed by, nor does it necessarily reflect the views of the Olive Oil Commission of California. All costs for this mailing were paid by the author."

The Commission shall not have access to the contents of the mailing.

6. The Commission shall require payment of a fee to cover the costs of handling a requested mailing. The fee shall not exceed the Commission's actual costs.

7. Upon completion of the Applicant's mailing, the Commission shall send written confirmation to the Applicant certifying that the mailing was conducted in accordance with these procedures.

8. The Applicant shall bear all responsibility for insuring that envelopes used meet postal regulation requirements and carry sufficient postage.

9. The Applicant shall be solely responsible for the contents of the mailing and for any claims arising from the mailing. The Applicant shall further agree to indemnify and hold harmless the Commission against any and all claims, actions, losses, disputes, debts, obligations, liabilities, and reasonable attorney's fees and court costs arising from the contents of the mailing.

10. Any Applicant claiming to be aggrieved by the actions of the Commission under these procedures may file a grievance pursuant to the Commission's grievance procedures.

ATTACHMENT A  
OLIVE OIL COMMISSION OF CALIFORNIA  
REQUEST FOR MAILING/STATEMENT OF COMPLIANCE AND  
NON-COMMERCIAL USE  
(VOTER ACCESS PROCEDURES)

I hereby request the Olive Oil Commission of California to conduct a mailing of my statement regarding: (mark one)

- an election (\_\_\_\_)
- a referendum (\_\_\_\_)
- an act or determination of the Board (\_\_\_\_)

in accordance with the Commission's Voter Access Procedures.  
My mailing is directed to: (mark one)

- (\_\_\_\_) all producers
- (\_\_\_\_) producers in district(s) \_\_\_\_\_
- (\_\_\_\_) all handlers
- (\_\_\_\_) handlers in district(s) \_\_\_\_\_

I understand that within five working days of approval of this request the Commission shall provide me with the number of producers who will receive my statement so that I may prepare the mailing.

I have received, read, understand and agree to comply with the Commission's Voter Access Procedures and certify that my proposed mailing:

1. Is for a non-commercial use associated with a Commission election, referendum, or an act or determination of the Board.
2. Contains no defamatory, false, misleading or obscene language.

I further certify that I am a: (mark all that apply)

- (\_\_\_\_) producer of olives that are processed into olive oil in the amount of 5,000 gallons or more during the marketing season subject to Commission law.
- (\_\_\_\_) handler engaged in the operation of marketing olive oil that I have produced, or purchased or acquired from an olive producer, or that I am marketing on behalf of an olive producer subject to Commission law.

I agree to indemnify and hold harmless the Commission for any claims, actions, losses, disputes, debts, obligations and liabilities arising from the contents of my proposed mailing.

I understand that this document is a statement required by the Commission authorized by Food and Agricultural Code Section 79881.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Date

\_\_\_\_\_

Business Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
City/State

DRAFT

**OCC Annual Budget 2014-15**  
**DRAFT 6/2/14**

**Revenue**

Assessments	375,000	
Other	-	
<b>Total</b>	<b>375,000</b>	<b>375,000</b>

**Administrative Expense**

Management	60,000
Annual Audit	-
Annual Report	3,000
Insurance	6,000
Managers Travel	5,000
Meeting Expense	3,000
Office Supplies	2,000
Postage/Shipping	4,000
Legal Fees	5,000
Subscriptions/Fees	2,000
Director Expense	3,000
CDFA Staff	60,000
<b>Total</b>	<b>153,000</b>

**Testing Expense**

Quality Testing	50,000
Purity Testing	50,000
<b>Total</b>	<b>100,000</b>

**Research Expense**

Industry Research	50,000
Research Travel	5,000
<b>Total</b>	<b>55,000</b>

**Industry Toolbox**

Public Relations	10,000
Website Design/Management	4,000
Support Materials	500
Category Research	-
Misc.	5,000
<b>Total</b>	<b>19,500</b>

**Total Expense** (327,500)

**Total Net/Carry Forward** 47,500