

Grain Inspection Advisory Committee

November 17-18, 2010

Summary of Meeting Chateau Bourbon New Orleans, LA

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WELCOME

Tom Bressner, Chairperson, Grain Inspection Advisory Committee (Advisory Committee), opened the meeting with a welcome and introductions.

ACCEPTANCE OF NOVEMBER 17-18, 2009, MEETING MINUTES

The Advisory Committee approved the minutes of the June 16-17, 2010, meeting as presented.

REVIEW AND ACCEPTANCE OF NOVEMBER 17-18, 2010, AGENDA

The Advisory Committee approved the agenda after voting on and approving two changes. The first change was to add the FGIS Financial Overview and Outlook to the agenda. The second change was to move the time slots for two of the presentations, having the 1500 mt Waiver Program Requirements presentation preceded the before the Corn Grading Review-Domestic and Export presentation.

MEETING ATTENDEES

Committee Members

Tom Bressner, General Manager, Assumption Cooperative Grain Company
Theresa Cogswell, Consultant/President, BakerCogs, Inc.
Jerry Cope, Commodity Manager, South Dakota Wheat Growers
Tom Dahl, Vice-President, Sioux City Inspection and Weighing Service Company
Warren Duffy, Vice-President/Export Operations, ADM Grain
Mark Hodges, Executive Director, Oklahoma Wheat Commission
Bennie Lackey Jr., Management Director of Commodity Operations, Riceland Foods, Inc.
Marvin Paulsen, Professor Emeritus, University of Illinois
Jon Stoner, President, Stoner and Sons, Inc.

Alternate Members

Randall R. Deike, Grain Inspection Program Manager, Washington State Department of Agriculture, Grain Inspection Program
Paul Coppin, General Manager, Reynolds United Inc.
Cassie Eigenmann, Marketing Product Manager, DICKEY-john Corporation
Paul Lautenschlager, General Manager, Beach Coop. Grain Company

GIPSA

Wade Berteau, Shift Supervisor, New Orleans Field Office, GIPSA
J. Dudley Butler, Administrator, GIPSA
Tammy Chang, Financial Economist, Management and Budget Services (MBS), GIPSA
John Flemm, Federal State Manager, Washington Federal State Office, FGIS, GIPSA
Terri Henry, Management Analyst, MBS, GIPSA
Randall Jones, Deputy Administrator, FGIS, GIPSA

Donald Kendall, Acting Director, Technical Services Division (TSD), FGIS, GIPSA
George Lewis, Union Representative
Bob Lijewski, Director, Field Management Division (FMD), FGIS, GIPSA
Robert Medley, New Orleans Field Office, FGIS, GIPSA
Tom O'Connor, Director, Compliance Division, FGIS, GIPSA
Kerry Petit, Manager, New Orleans Field Office, FGIS, GIPSA
John Pitchford, Director, Departmental Initiatives and International Affairs, FGIS, GIPSA
Vincent Volpe, New Orleans Field Office, FGIS, GIPSA

Other Attendees

David Ayers, Champaign Danville Grain
Todd Camatella, Zen-Noh
Nick Friant, Cargill
Mark Fulmer, Lincoln Inspection Service
Jess McCluer, National Grain and Feed Association
Tim Paurus, CHS, Inc.
Tyrone Robichaux, GGGIS Inc.
Kevin Schnieder, Lincoln Inspection
Mike Tate, Bunge

JUNE 2010 RESOLUTIONS RECAP

Randall Jones, Deputy Administrator, FGIS, GIPSA, provided an update on the status of the resolutions from the June 2010 meeting held in Kansas City.

1. The Advisory Committee recommends that GIPSA/FGIS move forward with expediency to determine the feasibility and selection of a new federal standard moisture measurement technology and/or instrument(s) for use in the official system.

GIPSA is pursuing new moisture measurement technology to be implemented into the Official Inspection System.

2. To follow up on the President's National Export Initiative of doubling U.S. exports in 5 years, the Advisory Committee recommends GIPSA identify opportunities to work with appropriate governmental agencies to determine and help reduce trade barriers that are limiting exports of U.S. grains and grain products. The Advisory Committee recognizes the value of existing market programs. The Advisory Committee recommends GIPSA identify opportunities to secure adequate funding to fully utilize existing market promotion programs for this initiative.

GIPSA will provide a briefing on the many initiatives in this area in the International Trade and Outreach presentation.

3. The Advisory Committee recommends that GIPSA work closely with the vendors and industry to improve the timely acceptance and approval of mycotoxin test kits to help facilitate the movement of grain.

GIPSA will provide information on its implementation of the revised Rapid Test Evaluation Program in the Rapid Test Evaluation Program presentation.

4. The Advisory Committee recommends that the Board of Appeals and Review adopt the guidelines of the GIPSA Quality Management Program, procedure 4.8 Local Quality Plan, to assist the Board of Appeals and Review in tracking and documenting Grading Services Lab performance.

A Quality Management Program for the Board of Appeals and Review and the Grading Services Laboratory has been approved. Additional information will be provided in the Quality Management Program Board of Appeals and Review Grading Services Laboratory presentation.

5. The Advisory Committee recognizes that GIPSA's Yamamoto sheller evaluation substantially addressed the need identified at the November 2009 Grain Inspection Advisory Committee meeting. The Advisory Committee recommends that GIPSA continue to work with all stakeholders to reach a decision regarding rice sheller technology for California short and medium grain rice in time for the 2010 rice harvest.

GIPSA completed the Yamamoto Sheller Study in July 2010 and provided the data from this study to the California Rice Commission for discussion among their stakeholders. Additional information will be provided in the Yamamoto Sheller Study presentation.

6. The Advisory Committee recommends that a subcommittee be formed and charged with the task of reviewing allocation of the tonnage fee. This would include a review of component portions of current 520 allocations and a review of current unassessed export tonnage. The Advisory Committee gives the subcommittee authority to make a recommendation to GIPSA regarding tonnage fees.

A subcommittee was formed consisting of the following members: Warren Duffy, Cassie Eigenmann, Randy Deike, and Mark Hodges. Several teleconference meetings were held with two recommendations to be presented to the full Advisory Committee for discussion and consideration. Additional information for discussion will be provided in the Export Tonnage Fee Sub-Committee presentation.

7. The Advisory Committee is very concerned about food safety. Therefore, we recommend the testing, retesting and appeals process for sample evaluation for processed commodities be reviewed and communicated in further detail to the Advisory Committee.

GIPSA will provide a briefing in the Processed Commodities Testing presentation.

8. The Advisory Committee recommends that GIPSA review the 15,000 metric ton exemption for possible regulatory compliance issues pertaining to container shipments.

GIPSA will provide an overview of the 15,000 mt waiver program in the 15,000 MT Waiver (Exemption) Program presentation.

9. Encourage GIPSA to explore, in conjunction with the U.S.A. Dry Pea and Lentil Association, the feasibility of establishing a pulse crop grading lab in Eastern Montana or Western North Dakota.

GIPSA will provide a briefing in the Corn Grading Review-Domestic and Export presentation.

FGIS OPERATIONS

Randall Jones, Deputy Administrator, FGIS, GIPSA, gave a general overview of FGIS operations for the last few months focusing on services in Canada, corn-soy blend testing, and a market overview.

The Grain Standards Act (Act) allows FGIS inspections on U.S. grains moving along the St. Lawrence Seaway, provided the grain is not comingled with non-U.S. grain. This service is voluntary, FGIS only provides weighing, inspection, and shiphold inspections upon request. In 1978 FGIS entered into a Memorandum of Understanding with the Canadian Grain Commission (CGC) that established the terms and conditions for FGIS to enter Canada to provide services. At this time, FGIS stationed staff in Canada. In 2006, FGIS closed its Canadian office and the CGC provided service for us. However, in 2009 the CGC determined it was no longer able to provide services for FGIS. Beginning January 1, 2010, FGIS began providing services from our Toledo Field Office. As there is little traffic on the St. Lawrence Seaway at that time, it allowed FGIS time to position operations to accomplish the services. FGIS officials met with various Canadian stakeholders and industry to explain the changes. Cost-wise, FGIS does not expect much difference for customers as the travel expenses are offset by FGIS' lower than CGC hourly rate. However, the space at the export facilities that were used by CGC do not meet FGIS policy and must be addressed. Most services are provided October through December.

Next, recent work on sampling and inspecting corn-soy blend for the Farm Service Agency (FSA) of USAID shipments was explained. FSA, with USAID, buys a large number of commodities to donate to countries around the world. Until the late 1990s, FGIS provided extensive testing on these products. In the late 1990s, FSA decided it no longer required governmental sampling and testing. However, in the last 2 to 3 years some poor quality products were received by other countries so FSA and USAID have brought FGIS back into testing and sampling for corn-soy blend products. The corn-soy blend products are produced by three companies, official agencies provide the sampling service, and plans and samples are analyzed for various tests according to the FSA contact in Kansas City. A critical issue for FSA was the turnaround time on test results; FSA and GIPSA agreed to 5 business days as an acceptable turnaround time. In terms of test results, one issue observed has been bacteria testing, where several lots were rejected because they exceeded the threshold allowed. There is a lot of discussion within USDA on whether or not to continue government testing at this time. FGIS' expectation is that there will be more testing in the future.

Last, market overview data was presented that showed all export services are up from last year. During October, total grain inspections were 66 percent ahead of last year, and 30 percent ahead of the 5 year average. The increase at FGIS is primarily driven by an increase in soybean shipments, mostly through FGIS' League City field office. China has been the primary driver of export demand and main destination so far, accounting for 20 percent of total inspection volume. Nearly 93 percent of this has been soybeans, and as a result, soybean exports are 104 percent ahead of last year. Other major grains are also outpacing last year: corn is up 30 percent, wheat is up 40 percent, and sorghum is up 46 percent. Graphs depicting the various aspects of export grain inspections and historical overview of export inspections were presented.

INTERNATIONAL PROGRAMS

John Pitchford, Director, Departmental Initiatives and International Affairs, FGIS, GIPSA, provided an update on discrepancies (complaints), the Korean Corn Sampling Project, the China Soybean Memorandum of Understanding (MOU), an update on China's corn imports, Egypt's wheat import standards change, Egypt's corn complaints, and the preliminary results of the Wheat Weed Survey.

FGIS continues to receive a larger-than-normal number of complaints from importers of U.S. grain. About 0.5 percent of all grain exported in FY 2010 was involved in grain quality discrepancies, compared to 0.6 percent in FY 2009. In FY 2010, FGIS received 17 complaints from importers in 11 countries. About half of the complaints involved China's allegations of finding treated soybeans in their shipments; another quarter involved damaged and heat-damaged soybeans.

China complained about corn quality in one shipment, and a Taiwanese corn importer complained about a large containerized shipment. Korea, Taiwan, and others have been dissatisfied with corn quality for the past 2 years.

The North American Export Grain Association (NAEGA) developed a program in conjunction with the Korean Feed Association (KFA) to monitor the quality of three U.S. corn shipments between origin and destination, in response to these complaints. NAEGA asked FGIS to assist in the project by helping sample the cargoes at origin and destination and analyzing the samples.

To address several Chinese concerns, the Foreign Agricultural Service (FAS), the Animal and Plant Health Inspection Service (APHIS), and the Food and Drug Administration traveled with FGIS to Beijing, China and negotiated draft language for a non-binding Memorandum of Understanding (MOU) to address China's concerns over soybean quality, plant health, and food safety. The MOU has not yet been signed.

Early in 2010, Egypt made changes to their wheat import standards which U.S. exporters could not meet; wheat exports to Egypt were essentially stopped. FGIS worked with FAS and U.S. Wheat Associates (USWA) to bring a high level team of Egyptian officials to visit the United States in June so they would have a better understanding of our grain inspection system. Wheat exports to Egypt normalized.

This fall, Egypt detained several corn shipments upon arrival, alleging poor quality and aflatoxin. An FGIS representative spent nearly a month in Egypt working side-by-side with their officials in an effort to have some of the corn released.

In response to the Advisory Committee's resolution for "GIPSA to identify opportunities to work with appropriate governmental agencies to determine and help reduce trade barriers that are limiting exports of U.S. grains and grain products" and the President's National Export Initiative of doubling U.S. exports in 5 years, FGIS worked on the China soybean MOU, and with FAS and U.S. Wheat Associates on the Egypt wheat issue.

The second resolution made by the Advisory Committee was to identify opportunities to secure adequate funding to fully utilize existing market promotion programs for this initiative. In response to this resolution U.S. Grains Council plans to fund travel to Egypt to conduct training on corn and sorghum grading. Also, FAS funded our travel to Korea to address their concerns over corn quality.

15,000 mt WAIVER PROGRAM REQUIREMENTS

Tom O'Connor, Director, Compliance Division, FGIS, GIPSA, provided a briefing on the 15,000 metric ton Waiver Program in response to a resolution adopted at the June 16-17, 2010, meeting of the Advisory Committee that asked GIPSA to review the program "for possible regulatory compliance issues with respect to container shipments."

Mr. O'Connor noted that, under the 15,000 metric ton waiver program, exporters on an individual facility basis can request a waiver from GIPSA of the requirement that export grain be officially inspected and weighed if the facility has exported less than 15,000 metric tons in the previous calendar year or will export less than 15,000 metric tons in the current calendar year.

He also discussed other waivers of official inspection and weighing requirements that GIPSA has initiated, including overland grain shipments to Mexico and Canada as well as grain sold in bond and high quality specialty grain.

Mr. O'Connor briefed the Advisory Committee on the background for the program, explaining that the Advisory Committee had recommended and supported the tonnage limit to provide regulatory relief to small shippers and the policy decision to base the waiver on an individual facility basis.

Mr. O'Connor also provided a review of GIPSA's policies implementing the 15,000 metric ton waiver that requires a written request from the facility, the need to maintain accurate records that are to be available to GIPSA for review, and yearly termination of the waiver. He reported on the number of waivers that have been granted and violations over the past 5 years. He concluded his remarks by noting that a review of the program suggested that it is working as designed and there is general compliance with program policies and regulations.

REVIEW OF CORN GRADING-DOMESTIC AND EXPORT

Bob Lijewski, Director, FMD, FGIS, GIPSA, providing information on Corn Grading Review- Domestic and Export.

The poor quality of the 2009 corn crop caused significant problems for exporters in the New Orleans area in the summer months of 2010. Exporters faced problems with the storability of the corn in barge shipments from the interior markets and were challenged to meet contracts for U.S. No. 2 and No. 3 Yellow Corn due to excessive amounts of damaged kernels.

On August 20, 2010, the North American Export Grain Association (NAEGA) and the National Grain and Feed Association (NGFA) submitted a letter to Secretary Vilsack expressing concerns related to alleged inconsistencies in GIPSA's grading of corn moving through New Orleans for export and the impact these alleged inconsistencies were having on the volume of corn moving through the New Orleans port.

Recognizing the potential for problems GIPSA took actions to specifically address concerns by NAEGA and NGFA. Specifically, GIPSA posted several "Early Alert" warnings to advise official personnel of the corn crop quality and the high levels of damaged kernels, and conducted numerous grain grading seminars with GIPSA and official agency personnel to fine tune their grading line for corn damage. In addition to these measures GIPSA increased supervision on the GIPSA graders at the export facilities in the New Orleans Field Office and the official agencies that performed official inspections on corn that was loaded on barges and destined for the New Orleans export market.

Over 500 sample inspection reviews were conducted by the GIPSA New Orleans and GIPSA Kansas City offices (Board of Appeals and Review) in late July and through the month of August. On average, the GIPSA inspector's results were within 0.1 percent of the supervision results of the GIPSA Quality Assurance Specialists review. The sample inspection review data clearly demonstrates that FGIS' Official Inspection System is providing accurate and consistent inspection results. A review of the grade results (damaged kernels) between origin and destination also substantiated the claim by exporters that the percentage of damaged kernels increased while the corn was in transit from interior loading points.

NATIONAL GRAIN CENTER UPDATE

Don Kendall, Acting Director, TSD, FGIS, GIPSA, provided the Advisory Committee an update on the construction of the National Grain Center in Kansas City, Missouri. After concluding negotiations with the building owner over costs associated with delays, construction on the new facility re-commenced in September 2010.

The expanded space will include the following:

- An increase in space from 34,842 square feet to 47,050 square feet.
- A significant increase in training and meeting space.
- An increase in personnel from 70 to 110.
- The co-location of staff from FGIS' Technical Services Division, Field Management Division, Compliance Division, and the Information Technology staff.

Phase 1, which is the new building, is scheduled to be completed in March 2011. At that time, all FGIS staff located in the Kansas City, Missouri, area will be relocated to the National Grain Center.

Phase 2, renovation of the 2nd floor of the existing facility, will be completed in October 2011. After completing the renovation, select operations that had been temporarily moved to the new facility would be relocated to the renovated space.

Phase 3, renovation of the 1rd floor of the existing facility to accommodate GIPSA staff, will be completed in February 2012. After completing the renovation of the lower floor, select operations that had been temporarily moved to the new facility would be relocated to the renovated space.

FGIS and GSA are negotiating to rent additional space that is needed to support the increased workload in the commodity testing laboratory. FGIS expects negotiations on the additional space to have minimal impact on the current construction schedule.

NEW MOISTURE MEASUREMENT TECHNOLOGY

Don Kendall, Acting Director, TSD, FGIS, GIPSA, provided the Advisory Committee information on FGIS' plans with regards to pursuing new moisture measurement technology to be implemented into the Official Inspection System. The moisture measurement updates are in response to two resolutions passed by the Advisory Committee with the first resolution from the November 2009 meeting and the second from the June 2010 meeting.

FGIS is creating a team with broad representation to develop the selection and acquisition process to include identifying performance criteria and standards, establishing procurement procedures, and implementing the new technology. The current official moisture meter, the GAC 2100, has served the official system very well in most respects, however, it suffers from some limitations that are not correctable without changing basic measurement technology. During the last 14 years since the Agency last selected new official moisture measurement technology, there have been

significant advancements that offer improved accuracy, better stability over time and crop conditions, easier calibration maintenance, and reduced support cost that would promote competition among multiple suppliers of official moisture meters. The intent is to identify an open technology that could be utilized by multiple manufacturers to develop equivalent instruments, which would foster competition.

RAPID TEST EVALUATION PROGRAM

Don Kendall, Acting Director, TSD, FGIS, GIPSA, provided the Advisory Committee information on FGIS' implementation of the revised Rapid Test Evaluation Program. Mr. Kendall reported that performance specifications have been revised based on the historical performance of certified tests, and reference materials have been obtained and are in the process of being evaluated for homogeneity by scientists at the Technical Services Division. The backlog of approximately 20 qualitative and quantitative rapid tests is expected to be cleared by March 31, 2011.

QUALITY MANAGEMENT PROGRAM FOR THE BAR, AND THE GSL

Don Kendall, Acting Director, TSD, FGIS, GIPSA, reported to the Advisory Committee that a Quality Management Program for the Board of Appeals and Review and the Grading Services Laboratory has been approved by FGIS' Compliance Division.

The review and subsequent approval was in response to a resolution from the June 2010 Advisory Committee meeting which stated, "The Advisory Committee recommends that the BAR adopt the guidelines of the GIPSA Quality Management Program, Procedure 4.8 Local Quality Plan to assist the Board of Appeals and Review in tracking and document Grading Service lab performance."

YAMAMOTO SHELLER STUDY

Don Kendall, Acting Director, TSD, FGIS, GIPSA, reported to the Advisory Committee that FGIS completed the Yamamoto Sheller Study in July 2010.

The data from this study was provided to the California Rice Commission for discussion among their stakeholders. The California Rice Commission had requested that FGIS allow the Yamamoto rice sheller to be used in California as a replacement for the GrainMan rice sheller. The study showed that there were statistically significant differences with regards to rice brokens and head rice yield between the Yamamoto Sheller and the GrainMan for both medium grain and short grain rice. Given these differences, the California Rice Commission proposed continuing to keep both shellers in the system with the Yamamoto rice sheller used for medium grain rice and the GrainMan rice sheller used for short grain rice. Given these differences, the California Rice Commission and GIPSA will continue to work together to determine if the equipment should be used in the official system. A decision will be made prior to the 2011 rice harvest.

PROCESSED COMMODITIES TESTING

Don Kendall, Acting Director, TSD, FGIS, GIPSA, reported to the Advisory Committee on FGIS' processed commodities testing program, including the Retest and Appeal process.

In the past, the customer was allowed to request a Retest for any factor based on the original analysis. If the customer was not satisfied with the Retest result, an Appeal could then be requested, but the sample was re-analyzed for all factors. The one exception to requesting an Appeal was when salmonella was found in the sample. In 2010 FGIS changed this policy and issued a Directive that stated Appeals would no longer be allowed when Staphylococcus Aureus and/or e.coli. were found in the sample. Mr. Kendall also reported that the Farm Service Agency has provided FGIS \$2.5 million for sampling and testing in FY 2011.

FGIS FINANCIAL OVERVIEW AND OUTLOOK

Tammy Chang, Financial Economist, Management and Budget Services, GIPSA, provided an overview to the Advisory Committee on the Agency's appropriated and user fee funding. FY 2010 year end data was highlighted and a brief outlook for FY 2011 was provided as well. The status of each user fee fund was discussed in terms of business volume, revenue, and obligations.

EXPORT FEE SUBCOMMITTEE RECOMMENDATIONS

Randall Jones, Deputy Administrator, FGIS, GIPSA, explained the current structure of export tonnage fees. In order to cover costs associated with inspecting and overseeing the inspection of grain in the official system as directed in the United States Grain Standards Act, GIPSA assesses fees on grain officially inspected and/or weighed based on various components:

- Contract and hourly rates
- Unit fees
- Administrative tonnage fees are
- A supervision fee, or delegated state ship fee

For 1996 to 2004, the tonnage fee was tiered based on how much was exported. In 2004, FGIS changed to a tonnage fee based on cost for a particular area or region. In establishing a tonnage fee, FGIS has to make some presumptions on expected export tonnage. If FGIS over-predicts future tonnage, costs are not covered, if FGIS under-predicts future tonnage, more funds than required are collected.

The current system is based on costs, so areas that are under contract have lower costs in that region as served at contract rate, as opposed to areas that provide all services at the non-contract rate. There are some differences in how fees are collected from States, such as Washington, which provide export services but are charged the normal official agency oversight rate. FGIS wants to ensure that the system used is fair, not favoring exports from one site over another due to the FGIS tonnage fee.

A resolution was passed at the June 2010 meeting, "The Advisory Committee recommends that a subcommittee be formed and charged with the task of reviewing allocation of the tonnage fee. This would include a review of component portions of current 520 allocations and a review of current unassessed export tonnage. The Advisory Committee gives the subcommittee authority to make a recommendation to GIPSA regarding tonnage fees." As a result of this resolution, a subcommittee was formed and held several teleconference meetings.

The subcommittee on export fees presented two resolutions to the full Advisory Committee. Discussions followed which resulted in the passage (see Resolutions Numbers 5 and 6).

EXCEPTIONS PROGRAM

Tom O'Connor, Director, Compliance Division, FGIS, GIPSA, briefed the Advisory Committee on GIPSA's plans to issue a directive setting forth the Agency's policies implementing its Exception Program. He explained that, under the exception program, users can request to use an official agency other than the one assigned to provide official services in their area if official service cannot be provided within 6 hours of a request (known as Timely Service), or if they have not obtained official service in the past 90 calendar days (called Nonuse of Service).

Mr. O'Connor discussed the historical background that prompted GIPSA to create the Exception Program as well as initial policies implementing the programs since they were created in 2003, including utilization of a number of questions and answers that addressed how the Agency planned to manage the program. After a careful internal review of program operations, GIPSA determined that the program would benefit in terms of clarity, transparency, and consistency from a more formal structure.

Mr. O'Connor reviewed the major policies specified in the directive, including major changes in policy that are being initiated as a result of the Agency's internal review. In particular, he said that the directive will require exception requests to originate from the user and new facilities or lack of utilization will no longer automatically qualify for a nonuse of service exception. He also noted that the directive will specify the criteria the Agency will use in granting a nonuse of service exception.

Mr. O'Connor concluded his remarks with data on utilization of time service and nonuse of service exceptions as well as the barge program exception program and the current status on final publication of the directive.

For additional details, please see the attached presentation, Exceptions Program.

SORGHUM ODOR STUDY UPDATE

Don Kendall, Acting Director, TSD, FGIS, GIPSA, reported to the Advisory Committee on the Sorghum Odor Study.

In FY 2010, FGIS established an agreement with Dr. Edgar Chambers of Kansas State University to develop a more objective approach to odor determination, specifically focusing on Storage Musty odor in sorghum. The objectives of this study were to identify chemicals associated with the Storage Musty odor, evaluate various mixtures of chemical to mimic the Storage Musty odor, conduct shelf-life studies, and develop a program to train FGIS graders and improve the consistency of odor determinations in the Official Inspection System. Dr. Chambers has identified a number of chemicals that appear to be associated with the Storage Musty odor and has conducted limited studies of sorghum samples containing various mixtures of select chemicals. Shelf-life studies were also conducted and demonstrated that fortified samples were relatively stable for at least three months even when stored a room temperature.

Mr. Kendall presented several options to the Advisory Committee for discussion.

- Complete current Project (sorghum storage musty), but do no further directed research.
- Use the sorghum storage musty odor project as a model and apply to the other grain odors (triage approach).
- Do no further work, but maintain and awareness of advances in odor detection technologies that may have application to grain inspection.
- Have Dr. Chambers work with other entities along with FGIS to come up with option (odor).

CERTIFICATES TO OUTGOING MEMBERS

Dudley Butler, Administrator, GIPSA, presented certificates to and thanked the following outgoing members for their 3 years of service to the Committee: Thomas E. Bressner, Bennie B. Lackey, Jr., Marvin R. Paulsen, Jon G. Stoner, Randall R. Deike, Cassie L. Eigenmann, and Paul J. Lautenschlager.

ELECTION OF VICE-CHAIRPERSON

Jerry D. Cope was elected as vice chair and will become the Chairperson at the spring 2011 meeting.

RESOLUTIONS

1. The Advisory Committee recommends that GIPSA continue the current sorghum odor project with Dr. Chambers and KSU through September 2011. It is also recommended that GIPSA work with Dr. Chambers to identify potential companies that could have an interest in biosensor development for identifying chemical compounds that are believed to produce odors in sorghum or other grains.

The goal is to determine if chemical biosensor technology has advanced far enough to provide any assistance to odor inspection capabilities.

Moving forward, it is recommended that GIPSA determine if sorghum industry partners want to continue the sorghum odor project.

2. The Advisory Committee recommends the continuation/completion of the evaluation of rice shellers, in conjunction with the industry stakeholders.
3. The Advisory Committee requests that when reviewing and selecting new moisture testing technology that GIPSA include in its analysis parameters for "Green" rough rice during the harvest season, Aug-Sept.
4. The Advisory Committee recommends that the Advisory Committee agenda (books) be transmitted electronically to members before the Advisory Committee in lieu of mailing unless otherwise notified that a hard copy is needed. Each Advisory Committee member would be responsible for printing and bringing the material to the meeting. This would cut down on the cost of shipping.
5. The Advisory Committee proposes that GIPSA review its allocation of Export oversight fees. GIPSA currently is assigning revenue derived from supervision of export loadings by Delegated States and Designated Agencies to the Domestic Service Official Agency account #530. The Advisory Committee resolves that oversight fees charged for export supervision be applied to the export Inspection and Weighing account #520. The Advisory Committee requests that the GIPSA staff do a formal review of the current GIPSA headquarters tonnage assessment. This review would establish an equitable headquarters tonnage oversight fee for all Export tonnage loaded utilizing the official system.

NEXT MEETING

The Advisory Committee recommended the next meeting be held late May or early June 2011 in Kansas City.