

May 31, 2016

The legislature reached an important fiscal deadline last Friday. Many bills were approved by the Senate and Assembly Appropriations Committee's and allowed to continue through the legislative process for floor votes in their respective houses. The rest were held in those committees for various reasons, state costs being one of the considerations. The status of the bills of importance to agriculture that were acted upon by the two fiscal committees are listed below. There was bipartisan approval unless noted otherwise.

Climate Change:

AB 2223 (Adam Gray, D-Merced) would lay the foundations to provide the long-term investment commitment needed by the state to encourage and incentivize dairy methane reduction projects, including digesters, solids separation and conversion to scrape manure management systems. Sent to the Assembly floor with the funding removed from the bill. Farm Bureau supports.

<u>AB 2511</u> (Marc Levine, D-San Rafael) would define biochar and provide oversight by the California Department of Food and Agriculture. Biochar can improve water-holding capacity in soils. <u>Sent to the Assembly Floor</u>. Farm Bureau supports.

SB 1350 (Lois Wolk, D-Davis) would have established the Healthy Soils Program as part of the Department of Food and Agriculture's Scientific Advisory Panel on Environmental Farming to provide voluntary incentives to farmers whose management practices contribute to healthful soils and result in net long-term on-farm greenhouse gas benefits. Held in Senate Appropriations Committee. Farm Bureau supports.

SB 1383 (Ricardo Lara, D-Bell Gardens) requires the State Air Resources Board no later than January 1. 2018 to approve and implement a comprehensive short-lived climate pollutant strategy to achieve a reduction in the statewide emissions of methane by 40 percent, hydrofluorocarbon gases by 40 percent and anthropogenic black carbon by 50 percent below 2013 levels by 2030. Sent to the Senate floor with only Democratic support. Farm Bureau opposes.

Commodities:

AB 1826 (Mark Stone, D-Scotts Valley) would revise the fee structure for organic registration under the State Organic Program (SOP) and reduce paperwork burdens associated with the SOP registration

process. The bill also adds a representative of an accredited certifying agency to the existing California Organic Products Advisory Committee (COPAC). <u>Sent to the Assembly Floor</u>. Farm Bureau supports.

AB 2324 (Susan Eggman, D-Stockton) would revise the California Department of Food and Agriculture's Certified Farmers' Market program including a specific record keeping requirement for farmers to keep records on the identity, variety, and quantity of products sold at markets. This provision would clarify that load lists need not be submitted to market operators at the end of each market. Sent to the Assembly Floor. Farm Bureau supports.

AB 2714 (Jim Cooper, D-Elk Grove) would appropriate \$5 million of General Funds to the Pierce's Disease Control Program in the Department of Food and Agriculture. Historically, the Pierce's Disease Control Program has been considered a model for how state, federal, and industry funds could be used in collaboration to tackle issues important to agriculture. State funding was eliminated during the 2011-12 the economic downturn and this bill recommits state funding to combat Pierce's disease and other pests and diseases that affect winegrape production in California. Sent to the Assembly Floor.

SB 822 (Richard Roth, D-Riverside) would increase the assessment on citrus fruit for citrus disease management from \$0.09 per carton to \$0.12 per carton and appropriates \$5 million of General Funds to the Citrus Disease Management Account in the Department of Food and Agriculture Fund. These funds shall be made available for expenditure by the department, without regard to fiscal year, for the purpose of combating citrus disease or its vectors. Sent to the Senate Floor.

Energy:

AB 2630 (Rudy Salas, Jr., D-Bakersfield) would add language to the Public Utilities Code to prioritize certain renewable energy projects. Sponsored by San Luis & Delta-Mendota Water Authority and the Westlands Water District, the bill is an effort to capture the soon to be released findings of the University of California at Berkeley and the Governor's Office of Planning and Research multi-party stakeholder convening, which addressed ways that the clean energy economy could be realized in the Central Valley. The prioritization for projects is focused on retired farmlands within the Westlands Water District. As part of Westlands effort to manage its drainage impacted lands and resolve litigation with the United States Bureau of Reclamation, it has agreed to permanently retire not less than 100,000 acres of land from production. While Westlands can no longer irrigate those lands, renewable energy projects are an appropriate use. CFBF continues to discuss amendments to AB 2630 with the author's office to include language that identifies the importance of placing projects on marginally productive land. Sent to the Assembly Floor.

SB 1043 (Ben Allen, D-Santa Monica) would direct the California Air Resources Board (ARB) to consider and adopt policies to significantly increase the sustainable production and use of "renewable gas." It sets up the policy direction to ARB by redefining biogas and biomethane, including prescriptive language about what types of forest waste are to be included in the products. CFBF is opposed based on projected costs that would result from ARB's likely implementation approach to the directives in the bill. Instead CFBF has supported incentive approaches for the use of such products. Held in Senate Appropriations Committee.

Environment:

SB 1282 (Mark Leno, D-San Francisco) would require the labeling of commercially available seeds and plants sold at retail establishments that have been treated with a neonicotinoid pesticide. It also would require that neonicotinoid pesticides be prohibited for non-commercial use by January 1, 2018. Amendments taken by the author are attempting to allow the use of neonicotinoids for agricultural use while also not impeding the Asian Citrus Psyllid abatement program if neonicotinoids become restricted and homeowners cannot purchase products and treat their backyard citrus. This sets bad precedent by overriding the Department of Pesticide Regulation's authority and dictating when pesticides can and cannot be used. Sent to the Senate Floor with only Democratic support. Farm Bureau and other agricultural organizations are opposed.

Labor and Employment:

<u>AB 1676</u> (Nora Campos, D-San Jose) would prohibit an employer from seeking salary history information about an employment applicant and would require an employer to furnish an employment applicant with a "pay scale for a position to an applicant applying for employment." <u>Sent to Assembly Floor with only Democratic support</u>. Farm Bureau opposes.

<u>AB 2405</u> (Mike Gatto, D-Los Angeles) would require employers of 25 or more employees to provide 24 hours of paid, job-protected leave for participating in school-based activities with their children. <u>Sent to Assembly Floor with only Democratic support.</u> Farm Bureau opposes.

AB 2757 (Lorena Gonzalez, D-San Diego) would eliminate the current 10 hour per day overtime threshold for agricultural workers. AB 2757 would add a new Section 852 to the Labor Code to phase-in a requirement for overtime pay after 8 hours in a work day or 40 hours in a work week over a four-year period beginning January 1, 2017. Last minute amendments taken at the Assembly Appropriations Committee did not address opponents' concerns. Sent to Assembly Floor with only Democratic support. Farm Bureau opposes.

SB 1166 (Hannah Beth Jackson, D-Santa Barbara) would amend the Fair Employment and Housing Act (FEHA) making it an unfair employment practice for an employer of ten or more employees who would not otherwise be covered by either the federal Family and Medical Leave Act and the California Family Rights Act to fail to provide at least 12 weeks of job-protected leave for child birth, adoption, or foster care placement. Sent to Senate Floor with only Democratic support. Farm Bureau opposes.

SB 1234 (Kevin De Leon, D-Los Angeles) would create a state-operated pension system for workers whose employers do not offer retirement savings programs. The bill has been the subject of controversy because various problems of employer liability under the Employment Retirement Income Security Act (ERISA) and potential liability and costs to the state remain unresolved. Farm Bureau opposes SB 1234 unless amended to address these problems. Sent to Senate Floor with only Democratic support.

Land Use:

SB 1396 (Lois Wolk, D-Davis) would have created a new conservancy covering the inner coast range region of approximately 10 million acres, however as amended on May 11th, the conservancy is dead, but the program could still become a vessel within the Wildlife Conservation Board. We urge the affected county Farm Bureaus in Colusa, Del Norte, Glenn, Humboldt, Lake, Mendocino, Napa, Shasta, Siskiyou, Solano, Tehama, Trinity, and Yolo to review the bill as it was amended May 27, 2016. Please also consider the fact that WCB already has all of the authority contained in the Inner Coast Range Program, except there would be new limitations as to the expenditure of funds within the new program. Also, the new program would be advised by a local board made up of representatives of counties with lands within the region. It would be exceedingly unlikely that any funds would be expended in an area of the region without the counties' support. Sent to Senate Floor with only Democratic support.

Natural Resources:

AB 2029 (Brian Dahle, R- Bieber and Richard Gordon, D-Menlo Park) would expand the Forest Fire Prevention Pilot Project, also known as the "La Malfa" exemption, which currently allows limited harvest of trees that are less than 24-inches in diameter in certain counties for fire prevention purposes. AB 2029 expands the exemption to trees less than 26-inches, allows the building of roads less than 600 feet with slopes of less than 40 percent, extends the program to 2023, and expands the program to the following Counties: Alpine, Amador, Butte, Calaveras, Del Norte, El Dorado, Fresno, Humboldt, Inyo, Kern, Lassen, Madera, Mariposa, Mendocino, Modoc, Mono, Nevada, Placer, Plumas, Shasta, Sierra, Siskiyou, Sonoma, Tehama, Trinity, Tulare, Tuolumne, and Yuba. Sent to the Assembly Floor. Farm Bureau supports AB 2029.

AB 2087 (Marc Levine, D-San Rafael) would authorize the Department of Fish and Wildlife to approve regional conservation frameworks that allow for pre-approved mitigation by project proponents. The author's goal is to improve the mitigation process for project impacts to fish, wildlife, and plants. Farm Bureau has concerns with the impacts regional conservation frameworks could have on landowners identified in the frameworks. The author has committed to working with Farm Bureau and other stakeholders to address our concerns. Sent to the Assembly Floor with only Democratic support.

Taxation:

<u>AB 1577</u> (Susan Eggman, D-Stockton) would broaden and extend the state income tax credit for donations of food to food banks. This bill and less than a handful of others survived a 37 bill massacre of all the other revenue and taxation bills on the suspense file. <u>Sent to the Assembly Floor</u>. Farm Bureau is co-sponsor to this measure with the California Association of Food Banks.

Water:

<u>AB 1585</u> (Luis Alejo, D-Salinas) would appropriate \$25,000,000 to construct a water conveyance tunnel between Lake Nacimiento and Lake San Antonio to conserve water otherwise spilled when Lake Nacimiento is full and while Lake San Antonio still has additional storage space. The funding source has not yet been identified. <u>Sent to the Assembly Floor</u>. Farm Bureau supports.

AB 1704 (Bill Dodd, D-Napa) requires that the State Water Resources Control Board consult with the Department of Fish and Wildlife and adopt general conditions that simplify the issuance of registrations to construct small irrigation ponds during times of high stream flows from coastal streams entering the Pacific Ocean and streams entering the San Francisco Bay. Sent to the Assembly Floor. Farm Bureau is supportive of the intent and working with the sponsors, the Wine Institute and California Association of Winegrape Growers.

AB 1755 (Bill Dodd, D-Napa) enacts the Open and Transparent Water Data Act, requiring the Department of Water Resources (DWR), by January 1, 2018, to create, operate and maintain a statewide integrated water data platform. The platform would integrate existing water and ecological data information from multiple databases and provide data on completed water transfers and exchanges. The act would create the Water Data Administration Fund making funds available, upon appropriation, to DWR, the State Water Resources Control Board and the Department of Fish and Wildlife to improve and integrate water and ecological data to implement the Sustainable Groundwater Management Act and improve the management of the state's water resources. Sent to the Assembly Floor. Farm Bureau has remained actively engaged with the author, discussing areas of concern.

AB 2304 (Marc Levine, D-San Rafael) would establish the California Water Market Exchange Clearinghouse within the Natural Resources Agency on or after July 1, 2018. The measure would require the Clearinghouse, on or before December 31, 2018, to create a centralized water platform on its internet website providing ready access to information about water available for transfers and exchange. The director of the Clearinghouse shall be appointed by the Secretary of the Natural Resources Agency. The measure was pulled from the Assembly Appropriations Committee at the request of the author making the bill unlikely to move forward. Farm Bureau had remained actively engaged with the author, voicing areas of serious concern.

AB 2357 (Brian Dahle, R-Bieber) would clarify that only small livestock stockponds that are filled by a year-round diversion for storage are subject to the SB 88 Emergency Regulations adopted by the State Water Board earlier this year. Under this measure, small livestock stockponds (less than 10 acre feet) that are filled only intermittently during the rainy months will still report their diversions to the State Water Board, but in a more feasible manner. Sent to the Assembly Floor. Farm Bureau supports.