

May 27, 2011

Closely watched card-check legislation that will deny agricultural workers the right to a secret ballot to decide union representation has not yet been delivered to the Governor for his signature or veto as of this date. Farm Bureau opposes SB 104 by Senate Pro tem Darrell Steinberg (D-Sacramento).

The Governor's May Revise Budget proposes to eliminate \$1.23 million in State General Fund dollars from the Department of Water Resources (DWR) budget for the Watermaster Program, replacing the funding with fees. The proposal passed out of the Assembly Budget Subcommittee 3 and the Senate Budget Subcommittee 2 this week. Farm Bureau is opposed to the elimination of state general fund assistance for the program and provided testimony in both Legislative Budget Hearings

The California Water Commission Rules and Regulations Committee will meet June 7th to further review draft agricultural water measurement regulations. Farm Bureau has been actively engaged in the Agricultural Stakeholder Committee tasked with developing these emergency regulations in accordance with <u>SBx7 7</u> (Darrel Steinberg, D-Sacramento). Farm Bureau is opposed to the current draft regulations presented by the Department of Water Resources.

SB 129 (Mark Leno, D-San Francisco) imposes numerous restrictions on employers' disciplinary actions against employees under the influence medical marijuana in the workplace. It is unchanged in its status from last week and is scheduled to be heard on the Senate floor. Farm Bureau and most of the California business community oppose.

On a party-line vote, the Assembly approved legislation that facilitates litigation against farmers and ranchers. AB 243 (Luis Alejo, D- Salinas) requires Farm Labor Contractors to disclose information about the farmers and ranchers they work for on their workers' pay stubs. AB 243 will now be heard in the Senate. Farm Bureau opposes.

With a significant deficit still unresolved and facing California, any implementation costs related to legislation that is moving through the Assembly and Senate must be carefully considered. Each house holds most every bill that has state fiscal impact, which is called the "suspense file", and then considers them all at once. This week marked that magic moment in the legislative session when bills get a fiscal thumbs up or down. The Assembly was holding 350 bills on suspense with fiscal impacts of \$1.5 billion. They released 62 percent from the suspense calendar with costs totaling \$60 million. This is the lowest number of bills since 2004 and the lowest spending amount in memory. On the Senate side, the Appropriations Committee's suspense file totaled 210 bills costing \$1.8 billion and they released 70 percent, mostly with amendments to reduce or eliminate costs, for a total General Fund cost of \$32 million. The bills released from the suspense file include:

- <u>AB 6</u> (Felipe Fuentes, D-Sylmar) improves access to CalFresh, California's "food stamp" program, by streamlining the reporting requirements, implementing cost saving measures to fraud prevention efforts, and implementing a "heat and eat" provision that increases access to additional federal funding. Farm Bureau supports.
- AB 51 (Mariko Yamada, D-Vacaville) imposes significant Labor Code restrictions on the use of payroll cards and likely makes their use unattractive for employers. Farm Bureau and a broad coalition of business organizations have joined together to express concern that AB 51 will make the use of payroll cards very unattractive for employers, denying employees the convenience of payroll cards as an alternative to paying excessive check cashing fees or carrying large amounts of cash. The bill was amended to treat payroll cards in the same manner as direct deposits under the Labor Code. Farm Bureau will review the recent amendments prior to determining our current position.
- AB 69 (James Beall, D-San Jose) creates a pilot program to improve access for California seniors to CalFresh, California's "food stamp" program. Amendments expanded the program statewide, but only in counties that have electronic application programs. Farm Bureau supports.
- <u>AB 292</u> (**Kathleen Galgiani, D-Tracy**) requires the High Speed Rail Authority to appoint an agricultural advisory committee to advise the Authority on the impact that the Authority's policies, plans and procedures will have on the agricultural community. Farm Bureau supports.
- <u>AB 359</u> (**Jared Huffman, D-San Rafael**) requires local agencies to identify groundwater recharge areas, provides protections for those areas and requires the maps be provided to local planning agencies. Farm Bureau expects to remove opposition after reviewing amendments that were taken to address our concerns of property owner notification.
- <u>AB 316</u> (Wilmer Carter D-Rialto) makes the theft of copper materials with a value exceeding \$250, grand theft, punishable by up to one year in county jail or 2 or 3 years in state prison. Farm Bureau is the sponsor.
- AB 581 (John A. Perez, D-Los Angeles) creates and funds the California Healthy Food Financing Initiative to expand access to healthy foods in underserved communities. The federal government created a Healthy Food Financing Initiative in 2010 as a partnership between the federal Departments of the Treasury, Agriculture, and Health and Human Services to promote a range of interventions that expand access to nutritious foods in communities that currently lack access to healthy food. California's program would only be implemented if it were funded under the federal program. Farm Bureau supports.
- <u>SB 215</u> (**Bob Huff, R-Diamond Bar**) extends the sunset date to January 1, 2017 for a current law that requires the owner or manager of a water storage reservoir to develop and implement a monitoring and control program to prevent the introduction of invasive mussel species. Privately owned reservoirs, not open to the public, are exempt. Farm Bureau supports.
- <u>SB 459</u> (Ellen Corbett, D- San Leandro) holds employers responsible for "willful misclassification" of an employee as an independent contractor without giving clear guidance or any objective test for an employer to make that determination. Farm Bureau opposes.

<u>SB 489</u> (Lois Wolk, D-Davis) expands the reach of net metering to any renewable energy resource thus opening opportunities for net metering to a variety of projects. Farm Bureau supports.

<u>SB 535</u> (**Kevin De Leon, D-Los Angeles**) takes 10% of the revenues that will be raised by the state's mandatory climate change program (AB 32) and places the funds in the California Communities Healthy Air Revitalization Trust housed in the State Treasury. These monies would be used in the most impacted and disadvantaged communities to fund projects that reduce greenhouse gas emissions or mitigate the impact of climate change. Farm Bureau opposes.

SB 618 (Lois Wolk, D-Davis) discourages utility scale solar developments on prime farmland. Due to legislative deadlines, this measure will be amended further in the Assembly. The outstanding issues include how the land under the proposed solar easement will be assessed for property tax purposes, the easement abandonment procedure and penalty, and a definition of photovoltaic (PV) solar facility. The bill is limited to PV solar facilities on marginally productive or physically impaired agricultural lands that may or may not be under a Williamson Act contract. SB 618 provides an alternative mechanism for siting large scale solar projects and would not affect small-scale projects that are incidental to continued agricultural uses of the land. Farm Bureau supports.

SB 653 (Darrell Steinberg, D-Sacramento) dramatically expands the taxing authority for counties and school districts. The bill was amended to allow county offices of education and community college districts to list new taxing authorities that include counties and school districts. If a county office of education imposes a new tax authorized by SB 653, the proceeds would be apportioned to the school districts on the basis of average daily attendance. Local income tax adopted as a result of SB 635 will now be applied retroactively to January 1, 2011. An exemption from the Administrative Procedures Act, the state's regulatory oversight watchdog, would apply to specified state agencies administering a local tax for the implementation guidelines or rules related to the new local tax. Senator Steinberg has left little doubt that his measure is primarily intended to show Republican legislators, and perhaps the state's taxpayers, what may be in store for Californians if the governor's proposed tax extensions are not adopted. Farm Bureau opposes.

SB 829 (Mark DeSaulnier, D-San Francisco) would have substantially restricted an employer's ability to exercise the right to appeal Cal/OSHA citations. It would also have required abatement of the hazard Cal/OSHA is alleging even if the employer appeals the citation and gives party status in the appeal to family members and many other potentially interested parties of an injured workers. While a number of amendments have been taken, we still hope to see revisions that will narrow the broad language allowing family members, unions, and worker advocates to all become parties to Standards Board decisions. Also changes are still needed to allow employers to stay abatement of a hazard pending an appeal of a citation. Farm Bereau will determine our position pending review of these additional amendments.

These bills were held in either the Senate or Assembly Appropriations Committee due to their fiscal impact to the state and will not currently advance:

<u>AB 10</u> (**Luis Alejo, D-Watsonville**) raises the minimum wage to \$8 per hour and indexes it to inflation. Farm Bureau opposes.

<u>AB 59</u> (Sandre Swanson, D-Oakland) broadens the California family and medical leave laws by permitting job-protected leave to care for additional persons beyond immediate family. Farm Bureau opposes.

- AB 400 (Fiona Ma, D-San Francisco) expands mandates to paid sick leave. Farm Bureau opposes.
- AB 553 (Bill Monning, D-Santa Cruz) significantly tightens occupational exposure standards for hazardous chemicals. It requires Cal/OSHA to set tighter Permissible Exposure Standards (PELs) and Health-Based Occupational Exposure Limits for substances that may cause reproductive effects or increased risk of cancer. Farm Bureau opposes.
- <u>AB 691</u> (Henry Perea, D- Fresno) designates the Secretary of Food and Agriculture as ombudsman responsible for providing assistance to farmers and ranchers in obtaining permits from the state and provide input into the development of regulations impacting agriculture. Farm Bureau supports.
- <u>AB 1399</u> by the Democratic members of the Assembly Labor Committee requires employers to maintain any records associated with an employee's performance issues that may have contributed to an employer's dismissal of the employee. These records must be kept for four years and available within 21 days upon request of the employee. Failure to do so will subject the employer to a \$750 fine. Farm Bureau opposes.
- SB 34 (Joe Simitian, D-Palo Alto) develops a fee-based system to pay for costs associated with public benefit water infrastructure projects, including the public share of surface and subsurface water projects and habitat. It sets up an annual public good charge of \$110/ acre foot on nonagricultural retail water suppliers and \$10 to \$20/ per acre of irrigated land charge on agricultural retail water suppliers. Two thirds majority vote of each house of the Legislature is needed for approval. Farm Bureau opposes.
- <u>SB 370</u> (Sam Blakeslee, R-San Luis Obispo) would authorize aggregation of meters for agricultural customer-generators. Farm Bureau supports.
- SB 692 (Mimi Walters, R-Laguna Niguel) allows all twelve recognized engineering disciplines to practice in their specialized fields if they have the education, experience and competence to practice. Farm Bureau supports.