

March 30, 2012

On Monday, March 26th, the Assembly Natural Resources Committee heard a bill that would repeal the controversial fire prevention fee on homeowners in the State Responsibility Area (SRA). AB 1506 (Kevin Jeffries, R-Riverside) was approved on vote of 7-2. After 15 witnesses in support and no opposition, Chairman Wes Chesbro (D-Eureka) said he was going to support the measure to keep the discussion on the fee's impact on homeowners, local fire districts, and the state's mutual aid system alive. He made it clear, however, that he preferred to try to fix the SRA fee's problems instead of repealing it completely. He reminded the packed hearing room, "There would be a \$50 million hole in the Department of Forestry and Fire Protection's budget if we can't find some additional revenue." During the questions and answers, the author reminded the committee that the purpose of the SRA fee is for fire prevention, not fire suppression.

Landowner and registered forester, Len Lindstrand for Shasta County, along with David Wolfe of the Howard Jarvis Taxpayers Association told the committee that fee was clearly a tax and therefore constitutionally suspect because it was approved by a simple majority vote of the Legislature. Several representatives of the local fire districts, including Chief Jim Little from the Long Valley Fire Protection District in Laytonville, said the SRA would be at increased risk for catastrophic wildfires because the charge on homeowners would significantly reduce their ability as first responders to raise any future revenue for their fire districts.

Before the committee vote, Assemblymember Chesbro reminded the committee that he also has <u>AB</u> <u>2474</u> that will be amended to allow homeowners in the SRA to deduct any amount paid for local fire protection for the SRA fee on habitable dwellings and would instruct the State Board of Forestry to consider fire risk and the square footage of the dwelling in determining the appropriate charge. AB 2474 will be heard in the same committee next month. AB 1506 is headed for the Assembly Appropriations Committee where the estimated \$88 million cost will severely hinder its chance of passage. Farm Bureau will argue that AB 1506 could actually save \$15.3 in the next fiscal year, which is the projected cost of collecting and administering the fee, because the original statute very likely runs afoul of Proposition 13 that requires a two-thirds vote for any new tax.

Legislative Republicans have put forward a "Budget Roadmap to Protect Classrooms and Taxpayers" which suggests that unpopular trigger cuts are avoidable if there is the political will to put education first. Republican leaders unveiled their budget plan on March 29th that relies on cutting state worker pay, eliminating affordable housing funds and using pots of money previously dedicated for mental health and childhood development. The GOP leaders said their plan eliminates the state's \$9.2 billion deficit without new taxes and preserves the same amount of funding for education that existed last year.

The Republican budget proposal contains \$4.4 billion in spending cuts and re-appropriation of previously earmarked funds that they claim would negate the need for the governor's November tax initiative. Those proposals include:

- \$400 million by reducing state worker pay by 4.6 percent, equal to one monthly furlough day.
- \$1 billion by eliminating local funds for affordable housing that once came from redevelopment accounts that are expiring.
- \$1.3 billion by taking money from Proposition 63's tax on millionaires for mental health services. This Farm Bureau-supported idea was rejected by the state's voters in the May 2009 Special Election.
- \$226 million by using tobacco tax funds, most of which go toward First 5 early childhood development. Farm Bureau also supported this temporary reallocation but it too was rejected by the voter in 2009.
- \$158 million by cutting hours and wages for In-Home Supportive Services workers.
- \$316 million by delaying repayment of borrowing from special funds.
- \$220 million by assuming Brown wins more lawsuits over past budget cuts than he predicts.
- \$100 million from turning freeway message boards into billboard space.
- \$200 million from PG&E as a fine for the 2010 San Bruno gas explosion.
- \$170 million from Senior Care Action Network, a managed care organization, as a refund for past overpayments.
- \$254 million from other cuts, such as eliminating state funding for the California Science Center in Los Angeles, cutting pharmaceutical costs for inmates and delaying implementation of the state's Financial Information System for California.

According to their budget documents, the plan would leave the state with a \$1 billion reserve similar to what the governor desires. The Republican leaders also called for a November ballot measure that caps future spending, as well as Brown's pension proposal.

Senator Corbett has introduced SB 1480 to expand the regulation of licensed trappers and limit the use of certain traps in California. The bill is co-sponsored by Born Free USA and the San Francisco Wildlife Center. Farm Bureau has expressed concerns to the author and sponsors regarding the limitation of the size of conibear traps from the current 10-inch limit, to a 6-inch limit and the prohibition on killing trapped mammals by drowning or chest crushing because of the impact this could have on beaver and muskrat trapping. Additionally, the bill limits the solicitation of trapping services for the purpose of health or safety and would create new fees for private trappers licensed by the state. The bill is set to be heard by the Senate Natural Resources and Water Committee on April 10th and Farm Bureau is currently opposed unless the bill is amended to address our concerns. The author and sponsors have expressed openness to amending the bill.

On March 28, the Assembly Labor & Employment Committee dealt with a number of bills of interest to agricultural employers:

• AB 1450 by Michael Allen (D-Santa Rosa) outlaws the practice of prohibiting the unemployed from applying for open positions. The "unemployed need not apply" issue has attracted much media attention in recent weeks. In fact, AB 1450 may pose new hazards for employers in the hiring process. Allen's bill would make the practice of "employment status" discrimination a violation of California's already far-reaching anti-discrimination laws and possibly trigger liability under California's Private Attorneys' General Act. The effect of this new discrimination

prohibition could make it nearly impossible for an employer to inquire as to an applicant's current employment status without discovering the applicant's unemployed status; so if the employer rejects the applicant for any reason the applicant could claim a cause of action under AB 1450. CFBF and a large coalition of employer groups opposed AB 1450; the committee passed it on a party line vote.

- AB 1675 by Susan Bonilla (D-Concord) seeks to add a civil money penalty to the Labor Code, enforceable by the Department of Industrial Relations, for a violation of the long-standing requirement for licensing of farm labor contractors (FLCs). Under present law, the sole enforcement mechanism available is a referral to the local district attorney. District attorneys are rarely interested in pursuing prosecutions of misdemeanor labor law violations. Agriculture employer groups approached Assembly Member Bonilla and sought a clarification that a letter of authorization to practice farm labor contracting will be sufficient to avoid violating AB 1675, should the FLC not have an appropriate current license due to processing backlogs in the Labor Commissioner's office. Bonilla accepted the amendment and the bill passed the committee with support of Farm Bureau and other agricultural employer groups.
- AB 2039 by Sandre Swanson (D-Oakland) is a re-tread of legislation from last year to expand the reach of California's Family Rights Act. AB 2039 would allow employees to claim leave rights to care for adult children, parents-in-law, grandparents and siblings. Given the cost and inconvenience already imposed on California's already-extensive job-protected leave mandates, CFBF and most major California employer groups opposed AB 2039. The committee passed it on a party-line vote.
- AB 2099 by Gil Cedillo (D-Los Angeles) will increase the statutory penalty for employers who "neglect" to comply with various provisions of the Labor Code or wage orders, and in the process cause an employee to work more hours than permitted or earn less than the minimum wage. Proving "neglect" requires no evidence of intent to do harm to the employee, so the Department of Industrial Relations could credibly claim a violation against an employer who is trying to comply but may not meet a subjective level of diligence expected by DIR. CFBF and other California employer groups opposed AB 2099, which passed on a party-line vote.

The California Department of Food and Agriculture (CDFA) and the United States Department of Agriculture (USDA) today confirmed the state's first detection of the citrus disease known as huanglongbing (HLB), or citrus greening. The disease was detected in an Asian citrus psyllid sample and plant material taken from a lemon/pummelo tree in a residential neighborhood in the Hacienda Heights area of Los Angeles County.

HLB is a bacterial disease that attacks the vascular system of plants. It does not pose a threat to humans or animals. The Asian citrus psyllid can spread the bacteria as the pest feeds on citrus trees and other plants. Once a tree is infected, there is no cure; it typically declines and dies within a few years.

"Citrus is not just a part of California's agricultural economy; it's a cherished part of our landscape and our shared history," said CDFA Secretary Karen Ross. "CDFA is moving swiftly to protect the state's citrus growers as well as our residential trees and the many prized citrus plantings in our parks and other public lands. We have been planning and preparing for this scenario with our growers and our colleagues at the federal and local levels since before the Asian citrus psyllid was first detected here in 2008." Quarantines are currently in place in Ventura, San Diego, Imperial, Orange, Los Angeles, Santa Barbara, San Bernardino and Riverside counties.

Officials are making arrangements to remove and dispose of the infected tree and conduct treatment of citrus trees within 800 meters of the find site. By taking these steps, a critical reservoir of disease and its vectors will be removed, which is essential. More information about the program will be provided at an informational open house scheduled for Thursday, April 5, at the Industry Hills Expo Center, The Avalon Room, 16200 Temple Avenue, City of Industry, from 5:30 to 7:00 pm.

If Californians believe they have seen evidence of HLB in local citrus trees, they are asked to please call CDFA's toll-free pest hotline at 1-800-491-1899. For more information on the Asian citrus psyllid and HLB visit: http://www.cdfa.ca.gov/phpps/acp/