

June 22, 2012

The Senate Judiciary Committee rejected a bill that clarified state law regarding the presumption of ownership of property based on the holder to the title. AB 2226 (Ben Hueso, D-Chula Vista) would have prevented uncertainty in the marketplace by specifying that Evidence Code section 662 applied in all proceedings before California State and local agencies. Recently the California Coastal Commission (Commission) and some cities have begun to question the rightful owners of property in an attempt to execute larger exactions in return for development entitlements. For example, if a farmer or rancher transfers property to a son or daughter for estate tax planning purposes, state and local agencies can argue that even though the son's or daughter's name is on the title, the property really belongs to the parents. By alleging that others have beneficial interest in a property, even though they are not on the title, the Commission can deny a project or claim that additional mitigation is required. The bill was sponsored by the California Business Property Owners Association and supported by a broad coalition of business groups including Farm Bureau. The opposition, in addition to the Commission, was led by the State Lands Commission, the County of Los Angeles, and numerous environmental organizations that rallied to help defeat this common sense measure.

Committee Chair Noreen Evans (D-Santa Rosa), who authored a measure to give the Commission civil fine authority last year, said the bill was overly broad and established a standard of proof that state and local agencies could never achieve. Remember, all AB 2226 requires is that, "The owner of the legal title to property is presumed to be the owner of the full beneficial title. This presumption may be rebutted only by clear and convincing proof." Essentially, the bill would have required state and local agencies to adhere to the same standard for determining property ownership as the courts; that is, the holder of title will be recognized as the owner of the property except in extremely limited circumstances that are beyond reasonable dispute.

Legislation sponsored by the San Benito Council of Counties that would allow motor truck-trailer combinations not exceeding 75 feet in length to transport agricultural produce from the field to the first point of processing or a designated route failed in the Assembly Transportation Committee. SB 1155 (Anthony Cannella, R-Ceres) would have provided an exemption, until January 1, 2018, for motor truck-trailer combinations hauling agricultural products only on designated routes in San Benito County. In order to qualify, the motor truck trailer combinations would have been required to meet specific requirements to ensure safety for compliance with the exemption. In spite of the reasoning provided by the sponsors and those in support who testified that farmers were having increased difficulties in getting legal length vehicles to transport their products, the bill failed passage out of the committee on a 6-5 vote. The failure of SB 1155 was mainly due to the strong opposition voiced by the Teamsters Union. Farm Bureau was in support.

California Farm Bureau sponsored legislation that will add two vehicles; the utility-terrain vehicle (UTV) and the shade trailer as implements of husbandry to the Vehicle Code, continues to advance without opposition through the legislative process. AB 2111 (Nora Campos, D-San Jose) passed out of the Senate Transportation on consent (unanimous support) and will be heard next in the Senate Appropriations

Committee.

The measure that will allow State Fund to invest in the same manner as private insurance carriers further improving its efficiency, productivity and service passed out of the Assembly Insurance Committee on an 11-0 vote. State Fund plays a critical and stabilizing role in California's workers' compensation market by providing competitive coverage for employers who cannot find coverage in the private market. SB 1513 (Gloria Negrete-McLeod, D-Chino) will provide the flexibility to State Fund to maximize their financial position through diversified investments. The bill now goes to the Assembly Appropriations Committee. Farm Bureau is in support.

The State Water Resources Control Board adopted a policy regulating Onsite Wastewater Treatment Systems (OWTS) this week. AB 885 (Hannah-Beth Jackson, D-Santa Barbara), which became law in 2000, required the State Water Resources Control Board to develop a statewide policy for permitting and operation of onsite wastewater treatment systems. The newly adopted policy has a tiered approach for addressing the wide variety of conditions and septic systems throughout the state and leaves much of the control with the existing local permitting agencies such as county health departments. During this week's State Water Board meeting, staff offered additional clarifying language to the policy before it was adopted by the board. Farm Bureau has been actively engaged throughout the process for more than three years and believes the newly adopted policy is significantly improved over previous drafts. Additional information is available on the State Water Board's website at:

www.swrcb.ca.gov/water issues/programs/owts/index.shtml

The Senate Agriculture Committee approved a bill that would direct fertilizer assessment funds to UC Ag Extension programs to advise farmers on methods to reduce the impacts of fertilizer use. AB 2174 (Luis Alejo, D-Salinas) passed out of the Senate Agriculture Committee 7-0. Farm Bureau, along with our agricultural colleagues have worked actively with the author and the bill sponsors from the environmental justice community on clarifying language that broadened the focus of the Fertilizer Research and Education Program at the Department of Food and Agriculture on agronomically sound fertilizer use. Farm Bureau is in support.

A measure that would address ex parte communications with the State and regional water boards was heard this week and passed out of the Assembly Environmental Safety and Toxic Materials Committee 9-0. SB 965 (Rod Wright, D-Los Angeles) would allow the public more flexible communications with the State and regional water boards on matters concerning waste discharge requirements, conditions of water quality certification, or conditional waivers provided all parties are given at least three days notice and an opportunity to participate. Farm Bureau is in support.

A measure that would require regional water quality control board proposals to be peer reviewed was heard this week in the Assembly Environmental Safety and Toxic Materials Committee. SB 1306 (Sam Blakeslee, R-San Luis Obispo) failed to pass out of committee this week, but was granted an opportunity for reconsideration. Farm Bureau is in support.

SB 594 (Lois Wolk, D-Davis) would allow all Net Energy Metering customers with multiple electrical accounts to aggregate the electrical load of all the meters located on the property where their renewable

energy system is located or on property contiguous to the renewable system. It would allow a customer to install one renewable energy facility sized to serve their entire on-site load (up to one megawatt) instead of installing separate facilities at each meter. CFBF is in support. The first hearing on the bill was scheduled for June 18 in the Assembly Utilities and Commerce Committee, but was postponed to address changes recommended in the committee analysis. SB 594 is now scheduled to be heard on Monday, June 25 and will likely be amended to include the size and potential cost of the program. The California Public Utilities Commission supports the bill because it views aggregation as limiting costs from the net metering program. The bill is co-authored by Senator Blakeslee and Assembly Members Gordon, Hill, Valadao, Williams and Yamada.