

May 2, 2014

SB 1353 (Jim Nielsen, R-Gerber), which would repeal the January 1, 2016 sunset date on the nine and 18-year Williamson Act contracts, was approved by the Senate Appropriations Committee on a 5-0 vote. To implement the ten percent shorter contracts, this law requires an annual finding by a participating Williamson Act county that it did not receive at least 50 percent of its foregone property tax revenue in the previous fiscal year from the state. If such a determination is made then the county may adopt the shorter term restriction and participating landowners must forego ten percent of their property tax relief in a direct payment back to the county. This ten percent reduction in benefits helps the county finance the program when the state reduces or eliminates its subvention payments. The original measure, AB 1265, was a Farm Bureau-sponsored measure to provide counties with an alternative to exiting the land conservation program through mass nonrenewals of their contracts. It is important to note that restoration of all or significant portion of the state's Williamson Act subventions will automatically restore the full benefits of the program and the full term of the contracts. CFBF supports and is the sponsor of SB 1353.

<u>As of January 1, 2015 a new set of Air Resources Board (CARB) regulatory requirements on petroleum fuels will be implemented</u>. These regulations require that each gallon of petroleum fuel be subject to a carbon-offset assessment. Carbon offsets will be provided through carbon credits obtained from the Air Resources Board carbon credit auctions, commonly known as Cap and Trade auctions. The California Independent Oil Marketers Association is sponsoring <u>AB 2656</u> (Brian Jones, R-Santee) that will require disclosure of estimated fuel costs arising from CARB's greenhouse gas regulations on fuels, known as "Fuels Under the Cap" requirements. Disclosures of estimated costs will be provided in both wholesale fuel invoices and at state fuel pumps. Fuel consumers will be educated about the new costs through these disclosures. AB 2656 was approved 8-5 on a bipartisan vote of the Assembly Business, Profession and Consumer Protection Committee this week and will be heard next in the Assembly Appropriations Committee. Farm Bureau and a broad coalition of businesses are in support.

<u>AB 2402</u> (Joan Buchanan, D-Alamo) appropriates \$2.5 million to the Noxious Weed Management Account from the General Fund for the Weed Management Area (WMA) program. It was approved on a unanimous vote of the Assembly Agriculture Committee and is now on the Assembly Appropriations Committee Suspense file. The program would be administered through the California Department of Food and Agriculture (CDFA) and the County Agriculture Commissioners. The Noxious Weed Management Account has been unfunded since 2010. When in full operation, the WMA program proved to be an efficient and effective instrument for controlling the spread and impact of noxious invasive weeds throughout the state. Every state dollar received was leveraged 3-to-1 from outside grant funding, federal funding, donated services and in-kind donations. Previous to 2010, the program had grown to include more than 40 WMAs covering all 58 counties. The funding would be made available through a competitive grant program provided to eligible counties or regional Weed Management Areas. Farm Bureau supports.

<u>AB 1437</u> (Kevin Mullin, D-South San Francisco), which essentially prohibited meat and poultry from livestock treated with antibiotics for disease prevention purposes from being sold in California, was set to be heard by the Assembly Agriculture Committee this week. In addition to severely limiting antibiotic use in livestock, AB 1437 also would have required all slaughter facilities to report to CDFA the antibiotics used to produce any meat or poultry products being sold in California. CDFA would have been required to collect these reports and then create a publicly searchable database of antibiotic use in animal agriculture. Farm Bureau had significant concerns with AB 1437 and is opposed. Due to concerns with the bill, Assembly Member Mullin decided not to present his bill to the committee. AB 1437 therefore fails because it did not meet the requirement to pass out of its policy committee by this week's deadline.

AB 1867 (Jim Patterson, R-Fresno) would allow property owners to harvest trees up to 300 feet from habitable structures, for the purpose of creating defensible space, without obtaining a Timber Harvest Permit, Currently property owners are allowed to harvest trees up to 150 feet from legally permitted structures to create defensible space without obtaining a THP. AB 1867 would extend that allowance an additional 150 feet around habitable structures. Farm Bureau supports the bill, which passed out of the Assembly Appropriations Committee on a 17-0 vote.

AB 2082 (Brian Dahle, R-Bieber) authorizes the Board of Forestry to adopt stocking standards based on forestry characteristics rather than have a statewide restocking standard. Current law requires that harvested land be restocked at 300 trees per acre or 150 trees per acre if on low producing land (i.e. Lands classified as Site IV or below). These standards were put in place in 1973 and haven't been updated since. In the past 40 years restocking techniques have improved significantly creating much higher standards of tree survival. The current stocking standards can actually create fire risks by overstocking and creating dense forests. AB 2082 gives BOF the authorization to create stocking standards based on current conditions. It was placed on the consent calendar in the Assembly Appropriations Committee and was approved 17-0. Farm Bureau supports.

<u>AB 2112 (Brian Dahle, R-Bieber) allows landowners to request an extension of their Timber Harvest</u> <u>Permit 140 days prior to its expiration, rather than the current 30 day time period</u>. AB 1066 (Mendoza, 2009) allowed landowners to extend the length of their THPs and provided them 140 days to request the extension. AB 1492 (Committee on Budget, 2012) permanently extended the length of THPs and allowed for extensions, but inadvertently changed the time to request an extension to 30 days. AB 2112 fixes this oversight by providing landowners 140 days to make the extension request. It was placed on the consent calendar in the Assembly Appropriations Committee and was approved 17-0. Farm Bureau supports.

AB 2184 (Wes Chesbro, D-Arcata) clarifies that funds authorized under AB 1492 (Committee on Budget, 2012) that are available for projects to improve forest health can be used for remediation of damage caused by marijuana production. AB 1492 created a lumber products assessment to pay for the state's program to regulate timber harvest. If monies are generated in excess of the amount necessary to cover the costs of the regulatory program, funds can go towards restoration grant projects and forest health improvement projects. Farm Bureau supports AB 2184, which passed out of the Assembly

Appropriations Committee 16-0. Assembly Member Donnelly was the sole member who did not vote for the bill.

<u>AB 2312</u> (Brian Nestande, R-Palm Desert) would require all junk dealers and recyclers to participate in an online metal theft alert system in order to receive their weighmaster certificates. The purpose of the bill is to improve communication within the recycling industry about stolen metal and alert recyclers when metal is stolen to help reduce metal theft. AB 2313 was placed on the consent calendar in the Assembly Appropriations Committee's and approved 17-0. CFBF supports.

AB 2313 (Brian Nestande, R-Palm Desert) would create a Metal Theft Task Force to provide additional resources to local law enforcement to focus on metal theft. The bill provides funding for the Task Force through a one percent assessment on junk metal sold to recyclers. This bill is patterned after legislation that CFBF sponsored in 2012 and 2013. The 2012 legislation was gutted by the Senate Appropriations Committee and the 2013 legislation was vetoed by the Governor for lack of funding identified for the Task Force. Despite the Institute of Scrap Recycling Industry's (ISRI) support of the legislation in 2012 and 2013, they are opposing AB 2313 as unnecessary. The bill was placed on the Assembly Appropriations Committee's suspense file, due to costs created to operate and fund the task force. CFBF is the sponsor of AB 2313.

<u>AB 2488 (Marc Levine, D-San Rafael) authorizes limited wine and cider tasting at Certified Farmers'</u> <u>Markets</u>. Currently licensed winegrowers are allowed to sell wine at Certified Farmers' Markets so long as their wine is from grapes they grew. AB 2488 expands this allowance by including cider to be sold at CFMs and allowing tastings of both products. It was placed on the consent calendar in the Assembly Appropriations Committee and was approved 17-0. Farm Bureau supports.

AB 2602 (Susan Eggman, D-Stockton) sets up a Farm to School program at CDFA by creating standards for administering grants to local schools to incorporate California grown fruits and vegetables in school classrooms and cafeterias. If funds become available, this bill will help schools improve agricultural literacy and nutrition by providing resources to better incorporate the use of California grown fruits and vegetables into their curriculum and school breakfasts and lunches. Farm Bureau supports AB 2602, which was approved 7-0 in the Assembly Agriculture Committee.

<u>SB 835</u> (Jerry Hill, D-San Mateo), which would prohibit the registration of antibiotics in California that are out of compliance with FDA's guidance #213, passed out of the Senate Appropriations Committee and off the Senate Floor this week. Late last year FDA released Guidance #213, which sets in motion a process for pharmaceutical companies to remove growth promotion claims from the labels on antibiotics that are also used in human medicine. When the labels are changed, antibiotics will no longer be allowed to be administered through feed or water unless a veterinarian issues a feed directive allowing use of the antibiotic for disease treatment or prevention. CFBF originally had concerns with the language included in SB 835, but has worked with Senator Hill to amend the bill to better coordinate it with the federal action. With the amendments, CFBF was able to remove its opposition and is now neutral. The bill moved out of committee under rule 28.8, meaning it is expected to have limited costs, without a vote. Later in the week the bill passed off the Senate Floor on a 34-1 vote.

AB 2185 (Susan Eggman, D-Stockton) is an effort to improve honeybee access to forage on state owned lands. CFBF co-hosted a meeting with public land managers on improving honeybee access to forage on public lands with the Almond Board of California and the California State Beekeepers Association last fall, AB 2185 is one piece that could help improve access. AB 2185 would require the Department of

Fish and Wildlife and Caltrans to encourage apiculture on the lands they own, and requires that when they are updating land use plans they look to include apiculture in those plans. CFBF supports AB 2185 which was approved by the Assembly Agriculture Committee on a 7-0 vote.

<u>AB 2205 (Tim Donnelly, R-Twin Peaks) would have given County Boards of Supervisors the authority</u> to authorize the use of dogs when bear hunting in their counties. California banned the use of dogs for hunting bobcats and bears in 2012 with the passage of SB 1221 (Lieu). Last year, the first year the ban was in effect, the number of bears harvested by hunters dropped significantly. AB 2205 would have allowed counties discretion over whether or not to allow bear hunting with dogs to give greater local control of the increasing bear population. CFBF supported AB 2205, which failed passage in the Assembly Water, Parks and Wildlife Committee on a party line vote of 5-8.

AB 2268 (Frank Bigelow, R-O'Neals) requires the Department of Fish and Wildlife to undertake a study on the number of wild pigs in California and recommend solutions to the problems they cause. Wild pigs cause significant damage to California's natural environment and to agricultural lands in much of the state. They also present significant food safety risks to certain crops. Assembly Member Bigelow has invited stakeholders to discuss the issue of wild pigs and propose solutions, and if this group can develop recommendations, they will be incorporated into the bill. CFBF is participating in these discussions and is supporting AB 2268. The Assembly Water, Parks and Wildlife Committee approved it on a 14-0 vote.

<u>AB 2385 (Phillip Ting, D-San Francisco) creates a "market match" program for food aid recipients to increase purchases at certified farmers' markets</u>. There is a privately funded pilot market match project in the Bay Area to increase funds available to low income individuals using CalFresh (formerly food stamps), WIC, Senior Farmers Market, and SSI and SSDI benefits to purchase fruits, nuts and vegetables at certified farmers' markets. This bill would create a market match program at CDFA so that California could be eligible for grants included in the Farm Bill to increase the market match program. The bill does not include any state funding for the program. AB 2385 was approved 7-0 by the Assembly Agriculture Committee. Farm Bureau supports.

<u>AB 2363</u> (Brian Dahle, R-Bieber) will further efforts to ensure the State's public utilities procure a diverse and cost-effective mix of new and existing renewable resources to meet California's renewable portfolio standard (RPS). It is a narrowly crafted bill that requires the CPUC to ensure public utilities consider "integration costs" in their renewable procurement decisions by a date certain. The costs of back-up generation are referred to as integration costs and are a necessary element of integrating into the grid all intermittent renewable resources, such as wind and solar. Reliance on wind and solar to fulfill the RPS has gone up dramatically, while the use of geothermal and biomass has declined significantly. AB 2363's requirement for the integration costs added in the procurement process will provide for a more transparent cost comparison among the various renewable resources, thereby providing a more level playing field to biomass generators trying to participate in the RPS market. It was approved 13-0 by the Assembly Utilities and Commerce Committee. Farm Bureau supports.

AB 2657 (Richard Bloom, D-Santa Monica) restricts any use of second generation anticoagulants (SGARs) in state and national parks, state or federal wildlife refuges and state conservancies. CFBF and other agricultural groups were able to obtain amendments that exempt from this rodenticide restriction any private lands that reside in these areas that conduct agricultural activities. This bill follows on recent action taken by DPR making SGARs restricted materials. Under the new DPR regulations, effective July 1, 2014, these products will no longer be sold in retail stores, but can still be purchased from a DPR

licensed pest control dealer by a certified private or commercial applicator with specific use restrictions. While we do not agree with the author that wildlife will not be sufficiently protected with the new DPR regulations, we wanted to insure agricultural uses could continue when needed. With acceptance of our amendments, CFBF is now neutral on AB 2657. It was approved 9-5 by the Assembly Water, Parks and Wildlife Committee.

An effort to create a California-only labeling mandate for food that has been genetically modified was pulled from its scheduled hearing in the Senate Agriculture Committee this week. SB 1381 (Noreen Evans, D-Santa Rosa) virtually duplicates Prop 37 that was defeated in the November 2012 election. SB 1381 will increase food costs for California families and raise liability and compliance costs for farmers, grocers and food manufacturers. It will confuse consumers with a label that lacks scientific basis and stigmatizes food that is safe and healthy. It requires packaged and raw agricultural commodities supplied for retail sale to be conspicuously labeled with the words "Genetically Engineered" on the front or back of the package or on the shelf, container or bin.

SB 1381 will be heard on May 12 in the Senate Appropriations Committee. If you are able to contact committee members by email or phone and ask that they OPPOSE SB 1381, it would be greatly appreciated. It does not matter if they are your representative or not, the proponents are contacting all the members regardless of where they live in the state. CFBF is working with a large coalition to oppose SB 1381.

<u>AB 1660</u> (Luis Alejo, D-Salinas) clarifies that an action taken by an employer to comply with federal immigration law is not a violation of California's Unruh Civil Rights Act. AB 60, which became law in 2013, requires the Department of Motor Vehicles to issue driving privilege cards to persons who cannot furnish the requisite documentation to obtain a regular driver's license. AB 60 also prohibited discrimination under the Unruh Act against people using a driving privilege card. The Assembly approved AB 1660 on a 50-17 vote. Farm Bureau supports.

AB 1522 (Lorena Gonzales, D-San Diego) that requires employers to provide paid sick was placed on the Assembly Appropriations Committee's suspense file due to state costs. Employees who work 7 or more days in a calendar year would accrue sick leave at a rate of one hour for every 30 hours worked. Employees would be entitled to begin using sick leave on the 90th calendar day of employment. Employers would be required to allow use of accrued leave for diagnosis, care or treatment of an employee's health condition or that of a family member or for leave related to domestic violence or sexual assault. Employer interests have been seeking amendments to narrow the scope of AB 1522's application and minimize the degree to which the mandate will upset current sick leave policies. Farm Bureau and others are opposed unless amended.

AB 2416 (Mark Stone, D-Monterey Bay) would allow employees to record a wage lien on an employer's real and personal property for wages, other compensation and penalties for wages an employee claims were unpaid. This lien would be superior to most other types of liens and could be imposed by a worker merely claiming non-payment of wages; the worker is not required to provide any proof of non-payment and no neutral third party reviews the placement of the lien. Because of the loose requirements for placing liens and the vague procedure for satisfying and removing liens provided in AB 2416, associations representing the real estate industry have expressed concern that AB 2416 liens will severely disrupt real estate markets by making it difficult to establish clear title to complete a real estate transaction. AB 2416 was approved 7-3 by the Assembly Judiciary Committee and referred to the Assembly Appropriations Committee. Farm Bureau is opposed.

AB 2617 (Shirley Weber, D-Alamo) prohibits any contract that requires a waiver of the right to pursue a civil action for the violation of any alleged civil rights under the Civil Code or Fair Employment and Housing Act. Given the wide usage of arbitration agreements for goods and services to minimize litigation that require both parties to waive their rights to pursue a civil action, AB 2617 directly interferes with the federal and state legislation encouraging arbitration of disputes. AB 2617 is scheduled for consideration by the full Assembly. Farm Bureau is opposed.

<u>AB 2688 by (Cheryl Brown, D-San Bernardino) was intended to prevent an employer who relies in good faith upon the written advice of the Division of Labor Standards Enforcement (DLSE) regarding how to comply with the law from being punished through the assessment of civil and criminal penalties, fines, and interest.</u> Farm Bureau supported AB 2688 in the Assembly Labor and Employment Committee, but withdrew support after the bill was amended by the Assembly Judiciary Committee to severely limit the bill's protections for employers.

Four measures that would repeal provisions of the \$11.14 billion Safe, Clean, and Reliable Drinking Water Supply Act currently scheduled to go before California voters in November 2014 were heard and passed out of Assembly and Senate committees this week.

- <u>AB 2043</u> (Frank Bigelow, R-O'Neals and Connie Conway, R-Tulare) would authorize the issuance of \$7.935 billion in general obligation bonds, including \$395 million for drought relief, \$800 million for clean and safe drinking water, \$2.24 billion for regional water projects, \$1.5 billion for delta sustainability and \$3 billion continuously appropriated for new water storage. It was approved 10-0 by the Assembly Water, Parks and Wildlife Committee. Farm Bureau has a conditional support position.
- <u>AB 2554</u> (Anthony Rendon, D-Lakewood) was amended this week and would authorize the issuance of \$8.5 billion in general obligation bonds, including \$1 billion for clean and safe drinking water, \$1.5 billion for protecting rivers, lakes, streams and watersheds, \$2 billion for climate change preparedness for regional security, \$1 billion for delta sustainability, and \$3 billion continuously appropriated for new water storage. AB 2554 was approved 10-3 by the Assembly Water, Parks and Wildlife Committee. While many aspects of the bill are supportable, Farm Bureau still has some concerns regarding how funds appropriated for storage projects are rolled out under the measure. Farm Bureau will continue to work with the author to improve the bill
- <u>AB 2686</u> (Henry Perea, D-Fresno; Frank Bigelow, R-O'Neals; Adam Gray, D-Merced; Rudy Salas, D-Bakersfield; Coauthors Dan Logue, R-Marysville and Senator Anthony Cannella, R-Ceres) was amended this week and would authorize the issuance of \$10.25 billion in general obligation bonds, including \$1 billion for clean, safe and reliable drinking water, \$1.5 billion for protecting rivers, lakes, streams and watersheds, \$1.5 billion for climate change preparedness for regional security and drought preparedness, \$2.25 billion for delta sustainability, \$1 billion for groundwater sustainability and \$3 billion continuously appropriated for new water storage. The bill was amended to include dollar amounts previously blank for conservancies in Chapter 6. Additionally, \$1 billion was added for groundwater sustainability. It was approved 10-1 by the Assembly Water, Parks and Wildlife Committee. Farm Bureau has a conditional support position.

<u>SB 1250</u> (Ben Hueso, D-San Diego) would authorize the issuance of \$9.45 billion in general obligation bonds, including \$900 million for clean, safe and reliable drinking water, \$1.3 billion for protecting rivers, lakes, streams and watersheds, \$1. billion for water supply reliability and drought preparedness, \$2.25 billion for delta sustainability, \$500 million for groundwater sustainability, \$500 million for water recycling and \$3 billion continuously appropriated for new water storage. It was approved by the Senate Natural Resources and Water Committee. Farm Bureau has a conditional support position.

<u>AB 1331</u> (Anthony Rendon, D-Lakewood) would authorize the issuance of \$8 billion in general obligation bonds in five separate categories. The five categories include \$1 billion for Water Quality and Clean and Safe Drinking Water, \$1.5 billion for Protecting Rivers, Lakes, Streams and Watersheds, \$2 billion for Climate Change Preparedness for Regional Security, \$1 billion for Delta Sustainability, and \$2.5 billion for Water Storage. It passed out of the Senate Natural Resources and Water Committee in March with hostile amendments that removed continuous appropriation language for storage projects. AB 1331 will be heard next week in the Senate Environmental Quality Committee. Farm Bureau opposes.

<u>AB 1739</u> (Roger Dickinson, D-Sacramento) would require a sustainable groundwater management plan to be adopted by a local agency for high and medium priority groundwater basins. Groundwater basins are identified and prioritized in the Department of Water Resources Bulletin 118 and would also provide for the Local Agency Formation Commission (LAFCO) to provide assistance in forming a local or regional groundwater management agency where one does not exist. AB 1739 establishes timelines and milestones for accomplishing sustainable groundwater management and defines "sustainable groundwater management. It was approved 9-5 by the Assembly Water, Parks and Wildlife Committee. Farm Bureau has some concerns about a number of the provisions in the bill and is working with others to ensure certain property and overlying groundwater rights are protected.

<u>SB 1199</u> (Loni Hancock, D-Berkeley) would designate segments of the Mokelumne River as wild, scenic, or recreational. This measure would include segments of the main stem of the Mokelumne River from the confluence of the North and South Forks to the upper extent of Pardee Reservoir. SB 1199 was approved 7-0 by the Senate Natural Resources and Water Committee along party lines. Farm Bureau opposes.

AB 1707 (Scott Wilk, R-Santa Clarita) would require the State Water Resources Control Board to post external scientific peer reviews for basin plan amendments and implementing processes on their website. It was approved 7-0 by the Assembly Environmental Safety and Toxic Materials Committee. Farm Bureau supports.

<u>AB 2071 (Marc Levine, D-San Rafael) that would allow highly treated recycled water to be used to water livestock was approved 7-0 by the Assembly Environmental Safety and Toxic Materials Committee.</u> It would require the Department of Public Health to approve the use of tertiary treated recycled water for pasture animals unless the department determines that it would harm public health. Farm Bureau supports.

AB 2353 (Marie Waldron, R-Escondido) would have exempted from the California Environmental Quality Act a project to expand the storage capacity of an existing surface water storage facility or to replace an existing surface water storage facility that is owned and operated by a public entity. This

measure would have allowed expansion of local water storage facilities after an initial environmental review to file a negative declaration under California Environmental Quality Act. AB 2353 failed passage on a 3-4 vote of the Assembly Natural Resources Committee. Farm Bureau supported the bill.

A measure that would allow farmers and ranchers to register small livestock stockponds to also be registered for small irrigation use passed out of the Assembly Appropriations Committee on consent this week. AB 1905 (Luis Alejo, D-Watsonville) would improve water user's opportunities to develop economically viable and ecologically sustainable water supplies by allowing small livestock stockponds to also be registered for small irrigation use. Current law allows water users to utilize a single facility (pond) for both small irrigation use and small domestic use, but does not allow utilization of a single facility for small irrigation use and a small livestock stockpond. The measure is sponsored and supported by Farm Bureau.

The State Water Resources Control Board will hold a Public Workshop Regarding Temporary Modifications to the State Water Project and Central Valley Project water right requirements related to delta flows and water quality in response to drought conditions. The Workshop is scheduled for May 6<sup>th</sup> at 9:00 a.m. in the Cal/EPA Headquarters Building Coastal Hearing Room at 1001 I Street in Sacramento. Additional information is available at:

http://www.waterboards.ca.gov/waterrights/water\_issues/programs/drought/tucp.shtml.

The Water Board has taken actions in recent months impacting water flows as a result of the drought, including a Temporary Urgency Change Petition (TUCP) Order and surface water diversion curtailment notices. The first TUCP Order was issued January 31st, restricting delta exports for the state and federal projects to meet certain delta outflow levels. The board indicated it was prepared to impose severe, additional water curtailments on agricultural users that could potentially involve reducing allocations to Sacramento River settlement contractors and San Joaquin River exchange and settlement contractors, whose water rights predate construction of the federal Central Valley Project. Curtailments for holders of pre-1914 water rights have also been discussed.

The Order was modified February 7<sup>th</sup> and again on February 28<sup>th</sup> as conditions improved slightly from additional rainfall. The State Water Board again modified the Order the last week of March providing additional flexibility to export water while delta inflows are elevated from recent rains.

Farm Bureau President Paul Wenger sent a memo on March 4th to all County Farm Bureaus outlining State Water Board actions and potential actions, as well as continued discussions between Farm Bureau and the State Water Board. Additionally, Farm Bureau submitted comments to the Water Board on March 10<sup>th</sup> detailing our objections to the TUCP Order. Farm Bureau continues to actively engage with the State Water Board, the Legislature and the Administration on the impacts of their actions on agriculture and the economy.

AB 2453 (Katcho Achadjian, R-San Luis Obispo) would authorize the formation of the Paso Robles Basin Water District. The measure would establish the district, its boundaries, the composition of its board of directors and method of electing its board of directors by landowners and registered voters. AB 2453 will be heard in the Assembly Local Government Committee next week. Farm Bureau has not yet positioned on the bill, but has been seeking input from the County Farm Bureau and others in the region.