

September 3, 2010

<u>Williamson Act Funding - AB 2530 (Jim Nielsen, R-Gerber)</u>. This Farm Bureau-sponsored legislation would permit counties that participate in the Williamson Act to recoup a portion of their foregone property revenue by shortening the terms of the contract restriction. Landowner's would see a 10 percent reduction in the length of their Williamson Act contracts in return for a 10 percent reduction in their property tax benefits. However, since the increase in property tax revenue would be allocated exclusively to the counties, they would recoup at least 50 percent of their foregone property tax revenue. The bill was passed on unanimous votes by both houses of the legislature on the final two days of the legislative session and sent to the Governor for his action.

SB 250 (Dean Florez, D Shafter) the Mandatory Spay/Neuter Bill, would have required dogs to be spayed or neutered unless they obtain an "intact" license for the dog. If dog owners had been cited for certain pet related violations, they were ineligible to obtain an intact permit. Included in the list of violations, was allowing a dog to run at large. CFBF requested amendments to exempt working dogs used on California's farms and ranches and ensure that those exemptions were protected at both the state and local level. Despite committing to his Senate colleagues, Senator Florez refused to ensure working dogs would be exempted at the local level. SB 250 was granted reconsideration, but was refused passage on the Assembly floor on a 28-40 vote. Farm Bureau opposed.

AB 2446 (Warren Furutani, D-Long Beach) was approved by the legislature. The measure will provide students with additional educational and curricular options by recognizing that Career Technical Education (CTE) is a valuable part of preparing students for their future careers by adding CTE courses as an option to fulfill high school graduation requirements. AB 2446 also establishes minimum high school graduation requirements and provides that the governing board may adopt alternative means for pupils to complete the course of study through outside work experience, classes offered by regional occupational centers or programs, independent study and credit earned in a postsecondary institution. AB 2446 now goes to the Governor for his action. Farm Bureau is in support.

SB 565 (Fran Pavley, D-San Diego) would have established an annual fee for all surface water statements of water diversion and use, including riparian and pre-1914 water right holders. The bill would authorize the State Water Resources Control Board to inspect the facilities of any person or entity to determine compliance, increase civil liability amounts and require costly studies from individual water users. The bill would put in jeopardy existing water rights permits and licenses. The measure was placed on the inactive file Monday, as the proponents knew they did not have enough votes for approval. Farm Bureau opposed.

AB 2595 (Jared Huffman, D-San Rafael) was not brought up for a vote due to a lack of support. The bill would have required a county agricultural commissioner to withhold the issuance of a pesticide operator identification number after notification from a regional water board that the operator of the property failed to obtain individual or general waste discharge requirements, or enroll in the Irrigated Lands Regulatory Program, or comply with a Section 13267 order. The measure went to the inactive file on Monday and is now dead. Farm Bureau opposed.

AB 2092 (Jared Huffman, D-San Rafael) required the Delta Stewardship Council, by 2013, to develop a long-term finance plan to support implementation of the comprehensive Delta Plan. The measure would have required the financing plan to allocate costs based on the beneficiary pays principle from the Delta Plan, including those outside the statutory Delta boundaries, thus expanding the authority of the Delta Stewardship Council outside the Delta. The measure failed in a vote of 16-21. Farm Bureau opposed.

AB 2304 (Jared Huffman, D-San Rafael) identifies and maps groundwater recharge areas and provides protections for those areas. The measure was amended earlier in the session to address some of Farm Bureau's concerns, but property owner notification remains an unresolved issue. Unfortunately, the measure was passed on Monday by the Assembly on a vote of 48 – 28, and now goes to the Governor. Farm Bureau opposed and will seek a veto.

AB 2483 (Joe Coto, D-San Jose) was not approved by the legislature. The measure would have replaced the current Santa Clara Valley Water District Act giving the district increased powers to regulate and charge fees for groundwater pumping, enact new water conservation measures and given the district new water quality authority. Farm Bureau worked closely with the Santa Clara County Farm Bureau and other agricultural organizations to address concerns. Significant amendments were made, but Farm Bureau remained opposed. On Monday the measure was returned to the inactive file and is now dead.

Legislation to require the state's utilities to purchase 33% of all electricity needs from renewable sources failed despite late hour amendments to SB 722 (Joe Simitian, D-Palo Alto) and AB 1012 (V. Manuel Perez, D-Cathedral City). SB 722 would have established how and when the utilities were to achieve the 33% goal. AB 1012 was companion legislation to address siting reforms for renewable generation, which Governor Schwarzenegger had indicated he would require before approving any increase of the renewable mandate from 20% to 33%. CFBF worked with other agricultural groups to get language removed from the bill that would have provided funding to facilitate development of renewable generation and transmission on "disturbed lands." Disturbed lands were defined as lands that have been mechanically disturbed, including lands that have been converted from native vegetation through plowing, bulldozing, or other mechanical means in support of activities that change the land cover, including, but not limited to, agriculture, mining, and clearance for development purposes.

Even if renewable legislation has been placed in abeyance for the time being, the pressure to require a 33% target will move to the Air Resources Board, which has been charged with implementation of the Governor's 2009 Executive Order to establish a 33% target. In addition the pressure to paint agricultural lands as the best place to site renewable generation and transmission will continue. Farm Bureau opposed both bills.

AB 1405 (Kevin DeLeon, D-Los Angeles) which takes 10% of AB 32 fees and directs them to environmental justice purposes such as mitigating direct health impacts of climate change in disadvantaged communities was approved by the Senate and sent to the Governor. Previously this measure took an arbitrary 30% of an unknown amount of revenue to be raised by the California Air Resources Board in AB 32 (the state's mandatory climate change program) and placed the funds in a

Community Benefits Fund to be used for purposes that are not in the AB 32 scoping plan and that do not meet the criteria. Now they will only misdirect ten percent of the AB 32 revenues. The funds will be appropriated by the Secretary of CAL-EPA to the most impacted communities in California to accelerate greenhouse gas emission reductions. Farm Bureau opposed and will request a veto.

SB 1157, (Mark DeSaulnier, D-Antioch), would increase the role of government by mandating every school have an Integrated Pest Management plan. Approved by the Senate on a 22 – 13 vote, SB 1157 has no limits to what can be charged to implement this program and with almost 10,000 schools this new requirement could reach into the hundreds of millions for enforcement. This mil tax increase will be applied to a large group of everyday products including disinfectants, pest control products, and other cleaning agents that are used everyday in our homes and hospitals. It will also be applied across the board to many pesticides that are never used at schools. A broad coalition of agriculture and business groups, including Farm Bureau, will ask the governor to veto SB 1157.

SB 1433 (Mark Leno, D-San Francisco) would require the California Air Resources Board (CARB) to annually adjust the ceilings for air pollution penalties to keep up with inflation. The California agricultural community has quickly been included in the air quality rules that other larger industrial sources have had decades to incorporate into their operations and develop compliance capacity and understanding. In many instances CARB rules are extremely complex and their outreach relies entirely on volunteer associations like the Farm Bureau. We believe that allowing maximum penalties for noncompliance to adjust automatically across the board is unnecessary and will be punitive to California's agricultural community. The bill was sent to the Governor on Tuesday. Farm Bureau opposed and will ask for a veto.

SB 810 (Mark Leno, D-San Francisco) would have created a state-run single-payer health care system. Farm Bureau opposed SB 810, which passed the Senate, was held in the Assembly, and was never voted on. This bill would have established the California Healthcare System to be administered by the newly created California Healthcare Agency under the control of a Healthcare Commissioner appointed by the Governor and subject to Senate confirmation. The bill would have made all California residents eligible for specified health care benefits under the California Healthcare System, which would, on a single-payer basis, negotiate for or set fees for health care services provided through the system and pay claims for those services.