



September 28, 2018

### **Legislative Deadline**

The Governor is in his final week of either signing or vetoing bills that have passed the Legislature in the 2018 legislative session. Constitutionally, the Governor must act on all bills by Sunday, September 30<sup>th</sup>. This Friday Review reflects a summary of bills approved or vetoed this week, but as further action will take place over the weekend, the next Friday Review (October 5<sup>th</sup>) will reflect the final action on all bills.

### **Agriculture, Generally**

The State Board of Food and Agriculture will meet on October 2<sup>nd</sup> from 10am to 2:30pm in Sacramento to hear from agricultural stakeholders on key issues related to farming and ranching. President Jamie Johansson will be testifying on behalf of Farm Bureau, in addition to Tom Nassif (Western Growers) and Jeanne Merrill (California Climate and Agriculture Network (CalCAN)). The board will also hear departmental updates regarding the Specialty Crop Block Grant Program, the Global Climate Action Summit, and an introduction of CDFA's new Farmer Equity Advisor. The meeting will be webcast [here](#). *Staff contact: Taylor Roschen, [troschen@cfbf.com](mailto:troschen@cfbf.com) or 916-446-4647.*

[AB 2377](#) (Jacqui Irwin, D-Thousand Oaks) has been approved by the Governor. The bill requires the Department of Food and Agriculture to establish a technical assistance grant program relative to the Healthy Soils Program, Alternative Manure Management Practices Program, and the State Water Efficiency and Enhancement Program. The bill requires at least 5% of the Cap and Trade allocation to CDFA (and not more than \$5 million annually) be available for technical assistance to farmers and ranchers with less than 500 acres and to technical assistance providers (RCDs, UCCE, and nonprofits) for continuous program improvement and research. *Staff contact: Noelle Cremers, [ncremers@cfbf.com](mailto:ncremers@cfbf.com) or 916-446-4647.*

### **Cannabis**

Governor Brown has signed [SB 1294](#) (Steven Bradford, D-Gardena), a bill which establishes the California Cannabis Equity Act. This act, among other things, would authorize the Bureau of Cannabis Control, upon appropriation, to offer grants to local jurisdictions to assist equity applicants and licensees (meaning those within populations or neighborhoods historically negatively or disproportionately impacted by cannabis criminalization) with technical assistance, regulatory and licensing fee assistance, worker recruitment and business siting. To be eligible for funding, local jurisdictions must establish a local equity program. It is unclear if grants will be available to all participants in the legal commercial cannabis markets, or just those licensees under the Bureau's jurisdictions (thereby excluding cultivators). Governor Brown has also signed a bill, AB [AB 2914](#) (Ken Cooley, D-Rancho Cordova), which prohibits the sale of alcoholic beverages that are infused with cannabis or cannabinoid, even if derived from industrial hemp. This bill also prohibits a retailer offering alcoholic beverages, from offering cannabis or cannabis products for sale. Finally, Governor Brown has also signed [SB 1459](#) (Anthony Cannella, R-

Ceres), a bill which previously included provisions regarding annual crop reports containing information regarding cannabis. The bill, in the final weeks, was “gutted and amended” to establish “provisional licenses” for cannabis operators, which may be issued at the sole discretion of state licensing authorities (CDFA, the Bureau and CDPH). Prior to the passage of this bill, cannabis operators were eligible to receive temporary licenses only if they’ve completed the requisite application for a formal license and the licensee complies with all local allowances. Temporary licenses may not be issued after January 1, 2019. According to the author, because of delays by local jurisdictions in certifying an applicant’s CEQA compliance, applicants are not “locally compliant,” an obligation under Proposition 64. Under the new bill, an applicant who holds or held a temporary license may obtain a provisional license, with all the rights and responsibilities of an annual license, including proof of local authorization and only that the associated CEQA review is in process. The provisional license will be subject to annual licensing fees, track and trace, and all other statutory and regulatory obligations. Provisional licenses may not be issued after January 1, 2020. *Staff contact: Taylor Roschen, [troschen@cfbf.com](mailto:troschen@cfbf.com) or 916-446-4647.*

### **Commodities**

California producers who feed their livestock with byproducts from food processors will not be subject to waste hauler registration and licensing requirements now that the Governor has signed [AB 3036](#) (Ken Cooley, D-Rancho Cordova). Farm Bureau sponsored this bill, to address concerns over local solid waste authorities requiring livestock producers who are picking up byproducts from food processing to be licensed as waste haulers. These licenses add significant costs, and in areas with exclusive franchise agreements they are not available to additional businesses. This requirement places additional costs on farmers who are helping divert these byproducts from the waste stream. AB 3036 will eliminate those potential costs. The bill was signed by the Governor this week and will take effect January 1, 2019. *Staff contact: Noelle Cremers [ncremers@cfbf.com](mailto:ncremers@cfbf.com) or 916-446-4547.*

### **Dairy**

The California Department of Food and Agriculture and the U.S. Department of Agriculture (USDA) have announced that the USDA will commence the administration of a Federal Milk Marketing Order in California on November 1<sup>st</sup> thereby eliminating the State Order on October 31<sup>st</sup>. Final class prices for October milk are announced on the following dates:

- Class 1 was announced September 10<sup>th</sup>;
- Classes 2 and 3 will be announced October 1<sup>st</sup>; and
- Classes 4a and 4b will be announced November 1<sup>st</sup>.

The final Pool Price for October milk will be announced on November 21<sup>st</sup>. Concurrently, California’s Quota Implementation Plan (QIP) will begin November 1<sup>st</sup>, preceded by a meeting of the Producer Review Board to discuss transition to the QIP. *Staff contact: Jim Houston, [jhouston@cfbf.com](mailto:jhouston@cfbf.com) or 916-446-4647.*

### **Environment**

The Air Resources Board (ARB) selected communities for inclusion in its Community Air Protection Program and adopted the Community Air Protection Blueprint at its Board meeting this week. This program was created by the passage of [AB 617](#) (Cristina Garcia, D-Bell Gardens, 2017) and requires the identification of communities with high cumulative exposure to toxic air contaminants and criteria pollutants, monitoring programs to identify the sources of pollutants and, efforts to reduce emissions of these pollutants. ARB staff recommended ten communities for inclusion in the first round of community selection, as additional communities will be added in subsequent years. ARB made no changes to the communities recommended by staff. The communities proposed and adopted that are of particular interest to agriculture are Calexico, El Centro, and Heber; Shafter; and South-Central Fresno.

The Blueprint outlines the processes ARB will follow when selecting communities for inclusion in the program, strategies for reducing emissions, and requirements for the development of community air monitoring systems. Farm Bureau provided comments on the draft Blueprint to point out the importance of balancing the costs against any potential benefits created by the program and urging the effectiveness of any efforts undertaken to improve air quality. Farm Bureau testified at the hearing, along with nearly 90 other speakers, to urge that the monitoring efforts are done in a scientifically valid manner and that farming is not taken out of production as a way of addressing air emissions. *Staff contact: Noelle Cremers [ncremers@cfbf.com](mailto:ncremers@cfbf.com) or 916-446-4547.*

### **Food Safety**

In anticipation of official inspections in Spring 2019 of California farms regarding the Produce Safety Rule (a rule designated as a part of the Food Safety Modernization Act (FSMA)), CDFA's Produce Safety Program is offering on-farm readiness reviews to help producers be compliant with new regulations. Reviews can be scheduled by contacting the [Program](#) by phone or email. This is in addition to the required FDA-approved Produce Safety Grower Training courses. More information can be found [here](#). *Staff contact: Taylor Roschen, [troschen@cfbf.com](mailto:troschen@cfbf.com) or 916-446-4647.*

Senator Benjamin Allen (D-Santa Monica) authored [SB 1335](#), also known as the Sustainable Packaging for the State of California Act of 2018, which has been recently signed by Governor Brown. SB 1335 will prohibit a food service entity located in a state facility or a concessionaire, acting under a contract, to use packaging for food preparation unless that packaging was reusable, recyclable, or compostable, as determined by the Department of Resources, Recycling and Recovery (CalRecycle). CalRecycle will be responsible for developing a list of allowable food service packaging by January 1, 2021 and include such information in state contracts. Farm Bureau will review any forthcoming regulations to ensure packaging is not overly-restrictive and is cognizant of food safety needs. *Staff contact: Taylor Roschen, [troschen@cfbf.com](mailto:troschen@cfbf.com) or 916-446-4647.*

### **Land Use**

Governor Brown has signed [SB 1035](#) (Hannah-Beth Jackson, D-Santa Barbara), a bill which expands the requirements of a city or county's safety element in their general plan to include new information in fire hazard, flood hazards, and climate adaptation and resiliency strategies. This bill will require the safety element, with the aforementioned criteria, to be updated upon revision of the housing element or local hazard mitigation plan, and at least every eight years. Governor Brown has also approved [SB 1333](#) (Bob Wieckowski, D-Fremont) which requires a charter city to comply with the Planning and Zoning Law, including the adoption of general plans. This legislation came about in response to an appellate court decision in 2017 (*Kennedy Commission v. City of Huntington Beach*, 16 Cal App. 5<sup>th</sup> 841) which found charter cities were not required to adopt general plans that are consistent with Housing and Community Development Department-approved housing elements, whereas cities and counties are beholden to these plans. *Staff contact: Taylor Roschen, [troschen@cfbf.com](mailto:troschen@cfbf.com) or 916-446-4647.*

### **Livestock**

[SB 668](#) (Mike McGuire, D-Healdsburg), a bill which increases penalties for violators of the Commercial Feed Law to more strongly deter repeat or serious violations, has been signed by Governor Brown. Penalties associated with each violation will be determined in regulations and this measure has been approved, conceptually, by the CA Feed Advisory Board. *Staff contact: Taylor Roschen, [troschen@cfbf.com](mailto:troschen@cfbf.com) or 916-446-4647.*

### **Miscellaneous**

Friday Review readers will remember [AB 1165](#) (Anna Caballero, D-Salinas) a bill which would have

established the Agricultural Sustainability Council (with membership from state agencies) to make recommendations for regulatory alignment to aid agricultural producer compliance, was vetoed by Governor Brown. In his veto statement, the Governor stated that the bill was unnecessary as the Secretary of CDFA can coordinate with other state agencies as a cabinet secretary to improve regulatory coordination and efficiency. Farm Bureau was neutral. *Staff contact: Taylor Roschen, [troschen@cbbf.com](mailto:troschen@cbbf.com) or 916-446-4647.*

The California Department of Food and Agriculture is now accepting proposals for the 2019 Specialty Crop Block Grant Program, which provides funds to enhance the competitiveness of California's [specialty crops](#). Phase I concept proposals, due November 2<sup>nd</sup> by 5pm, will undergo an administrative and technical review. Successful applicants will then be invited to submit more detailed grant proposals in Phase II. Grants range from \$50,000-\$450,000 and may last up to 2.5 years. Eligible applicants include non-profit and for-profit organizations, local, state, federal, and tribal government entities, and public and private colleges and universities. All applicants must register online with the [Financial Assistance Application Submittal Tool](#) (FAAST). The Department will be hosting four workshops and two webinars to review the program and the FAAST tool, including:

- Merced Workshop: Tuesday, October 9, 2018 from 9:30 - 11:30 a.m.
- Sonoma Workshop: Wednesday, October 10, 2018 from 9:30 - 11:30 a.m.
- Webinar 1: Thursday, October 11, 2018 from 1:30 to 3:30 p.m.
- Los Angeles Workshop: Tuesday, October 16, 2018 from 9:30 - 11:30 a.m.
- Webinar 2: Wednesday, October 17, 2018 from 9:30 - 11:30 a.m.
- Sacramento Workshop: Thursday, October 18, 2018 from 9:30 - 11:30 a.m.

To register for a workshop/webinar, please email [grants@cdfa.ca.gov](mailto:grants@cdfa.ca.gov).

Also, in the vein of Specialty Crop Block Grants, the Department is recruiting members to serve on the technical review committee responsible for evaluating and recommending proposals submitted for funding. Committee members will attend one training webinar in November 2018 and one in-person review in March 2019 to make recommendations on concept and grant proposals. All individuals interested in serving must submit a completed application form, a copy of their résumé, and identify one primary and one alternate funding category related to their area of expertise:

- California Grown Promotion
- Specialty Crop Access and Nutrition Education
- Equipping Current and Next Generation Specialty Crop Farmers
- Environmental Stewardship and Conservation
- Plant Health and Pest Management

Submissions must be sent to [grants@cdfa.ca.gov](mailto:grants@cdfa.ca.gov) before 5 p.m. on Friday, October 26, 2018. *Staff contact: Taylor Roschen, [troschen@cbbf.com](mailto:troschen@cbbf.com) or 916-446-4647.*

### **Pest Management**

Governor Brown has approved [AB 2470](#) (Timothy Grayson, D-Concord), a bill which codifies the existing Invasive Species Council of California (Council) and empowers the Council to establish the CA Invasive Species Advisory Committee (CISAC). The Council is responsible for coordinating with state and local agencies, universities and stakeholders to coordinate invasive species prevention, management and control. Specifically, the Council is responsible for developing a plan to cure shot hole borer, a wood-borne pest. Finally, AB 2470 changes the allocation of funds from the Noxious Weed Management Account from research endeavors to a grant program, overseen by the Range Management Advisory Committee. *Staff contact: Jim Houston, [jhouston@cbbf.com](mailto:jhouston@cbbf.com) or 916-446-4647.*

### **Rural Health**

In the interest of rural health and access, [AB 2593](#) (Timothy Grayson, D-Concord) would have exempted patients from being liable for excess costs related to emergency air transportation, and by extension, would have allowed for the continued access to essential air ambulatory services in rural areas. Farm Bureau was in support. Unfortunately, Governor Brown has vetoed AB 2593 given General Fund pressure that should be managed in the Budget process. *Staff contact: Taylor Roschen at 916-446-4647 or [troschen@cfbf.com](mailto:troschen@cfbf.com)*

### **Wildlife**

California will create a fund to assist voluntary efforts to restore and enhance Monarch butterfly habitat now that [AB 2421](#) (Mark Stone, D-Scotts Valley) was signed into law. The bill creates a fund at the Wildlife Conservation Board to fund both overwintering and foraging habitat improvements to benefit the butterflies. Farm Bureau is supporting AB 2421 was signed by the Governor this week. In addition to AB 2421, the budget signed by the Governor in June included \$3 million to fund habitat improvement for Monarchs. *Staff contact: Noelle Cremers, [ncremers@cfbf.com](mailto:ncremers@cfbf.com) or 916-446-4647.*