April 19, 2019

Legislative Deadline

The Legislature will official return from Spring Recess on Monday and have until Friday (April 26th) to hear and approve all bills introduced in the 2019 session with fiscal implications for passage from policy committees. Assembly and Senate policy committees may continue to hear bills after this deadline, but they must not have newly-incurred costs or fiscal implications. Those bills approved by the Friday deadline will move on to the respective Appropriations Committees. Those bills which fail passage from policy committees by Friday are restricted from action until the restart of the Legislature in January 2020. *Staff contact: Jim Houston, jhouston@cfbf.com or 916-446-4647*

Agricultural Labor

Assemblymember Rob Rivas (D-Salinas) has introduced AB 1783, a bill which would establish is intended to offer an opportunity to streamline the development of affordable agricultural employee housing. While Farm Bureau supports this endeavor, conceptually, AB 1783 has three points of contention. Firstly, the bill would allow for housing development to be subject to a streamlined, ministerial CEQA process only if the housing is not dormitory style, is managed and operated by a qualified affordable housing organization with no relationship to the landholder or agricultural employer, and that this housing development must be retained for exclusive agricultural employee use and "affordable" for 55 years. Farm Bureau has expressed that these restrictive conditions are not practicable in an agricultural setting and settles a landholder with all financial and operational responsibility for the housing development with no control over its management. Secondly, the bill would prohibit state funds from being provided for the development of H-2A employee housing. Farm Bureau has shared that limiting the availability of funding as particularly punitive which will only exacerbate housing shortages as employers acquire available affordable housing stock for employers versus investing in development. Finally, AB 1783 creates a new and distinct definition of agricultural employee housing, which would entitle agricultural employees to all housing rights and privileges awarded to general tenants and lessees under California law. These new rights would apply only to agricultural employees, not to any other employee wherein which housing is provided as a term of their employment contract. Farm Bureau has objected that this singular application to agricultural employees has no basis and that this will have significant consequences as tenant-housing rights are purposefully distinct from employee-housing rights. Based on these concerns, Farm Bureau opposes AB 1783. The bill will be heard in Assembly Local Government on Wednesday, April 24th. Staff contacts: Bryan Little, blittle@cfbf.com; Taylor Roschen, troschen@cfbf.com or 916-446-4647

Cannabis

Based on objections raised by Farm Bureau, SB 657 (Bill Monning, D-Carmel) has been substantially amended. Previously, this bill would have authorized County Agricultural Commissioners to incorporate cannabis into annual agricultural crop reports. Farm Bureau expressed concern about how this new task may burden Commissioners, leading to abandonment of their primary agricultural workload and that this task can be readily accomplished through accessing the State's track and trace system. Moreover, Farm

Bureau expressed continual concerns with co-mingling cannabis with agricultural products in state law. Ultimately, SB 657 was amended to authorize local jurisdictions to collect cannabis data in a manner that is disconnected from the agricultural crop report and authorize them to retrieve data from the State's track and trace system, a more efficient manner. Considering these amendments, Farm Bureau has removed our opposition. *Staff contact: Taylor Roschen*, <u>troschen@cfbf.com</u> or 916-446-4647.

Direct Marketing

The California Department of Food and Agriculture has released a request for proposals for the California Nutrition Incentive Program (CNIP). CNIP was established to distribute financial incentives for shoppers eligible for CalFresh, Women, Infants, and Children (WIC), CalWORKS and Supplemental Security Income to purchase of CA-grown fruits, nuts and vegetables at direct marketing outlets (certified farmers' markets, Community Supported Agriculture programs, and farm stands) and small businesses. Under this program, grant recipients host the direct marketing outlets, outreach to eligible purchasers, and distribute and account for the financial benefits offered. Proposals are due May 28th by 6pm. More information, including the application template can be found here. Staff contact: Taylor Roschen, troschen@cfbf.com or 916-446-4647.

Industrial Hemp

The Senate Agriculture Committee will be hosting an informational hearing regarding the status of California's Industrial Hemp Farming Act and the provisions of the 2018 Farm Bill on Tuesday, April 30th at 9:30am. Speakers will include representatives from the Department of Food and Agriculture, institutions of higher education growing under research provisions and interested commercial hemp growers. Staff contact: Taylor Roschen, troschen@cfbf.com or 916-446-4647

The California Department of Food and Agriculture has been in the process of finalizing a regulation to determine registration fees (\$900/year) for commercial hemp growers to be collected by County Agricultural Commissioners. Based on amendments proposed by the Office of Administrative Law (OAL), the Department re-released the draft regulation for a 15-day public comment period and re-submitted the them on Tuesday, April 13th. OAL now has another 30-working day to review and approve this regulation, which could place final approval and an effective date of very late May. After the regulation is finalized, some County Agricultural Commissioners may initiate registration, allowing commercial hemp growers to initiate plantings. To review the draft regulations, see here. Staff contact: Taylor Roschen, troschen@cfbf.com or 916-446-4647

Marketing

The California Department of Food and Agriculture, on behalf of the U.S. Small Business Administration, is seeking project proposals for the California State Trade Expansion Program (STEP), a program to increase exports activities among small businesses. Funding associated with this program will support trade development and enhancement activities that help small businesses enter or expand their exporting activity to foreign markets. Activities may include foreign trade missions and trade show exhibitions for food and agricultural products and green/sustainable technologies. Total available federal funding for California activities is estimated at \$900,000. Applications must be submitted online by May 3rd. Further information on the grant program, including timeline and application criteria, are available here. Staff contact; Taylor Roschen, troschen@cfbf.com or 916-446-4647

Pesticides

<u>Friday Review readers may remember Farm Bureau is opposed to SB 458 (Maria Durazo, D-Los Angeles), a bill which will prohibit the use of chlorpyrifos statewide.</u> Though the Department of Pesticide Regulation has imposed interim restrictions on the use if chlorpyrifos in agricultural settings, it is still significant for

protection of commodities, including citrus, tree nuts, wine grapes and alfalfa, among others. The bill was recently amended to allow for an exemption to the statewide ban only if the Department of Pesticide Regulation adopts control measures that the Office of Environmental Health Hazard Assessment deem, by clear and convincing evidence, that its use will not result in neurodevelopmental harm to children. Farm Bureau contends that this latest amendment undermines the existing State and Federal pesticide review process which takes place prior to commercialization and use of pesticide products and would threaten the solvency of agricultural commodities that depend on chlorpyrifos as the only or most effective means of pest management. Farm Bureau remains opposed. SB 458 will be heard in Senate Environmental Quality Committee on Wednesday, April 24th. Staff contact; Taylor Roschen, troschen@cfbf.com or 916-446-4647

Wildlife

Dairies that agree to protect Tricolored Blackbird colonies nesting in their grain fields will be protected from liability under the California Endangered Species Act (CESA) under a recently adopted Voluntary Local Program (VLP). The Fish and Game Commission adopted regulations allowing incidental take of Tricolored Blackbirds on farms that provided nesting habitat and agreed to delay harvest of fields with nesting colonies when the birds were listed as candidates under CESA. Now that Tricolored Blackbirds are listed as threatened under CESA, the regulations are no longer in effect and a VLP is necessary to provide liability protection for farmers.

Under the VLP, farmers who have a colony of Tricolors nest in their fields and agree to protect the colony can get paid for a significant portion of the lost value of the crop caused by the harvest delay through the Natural Resources Conservation Service's Environmental Quality Incentives Program. If a participating farmer wants incidental take protection to alleviate any liability from potential take while the birds are nesting, he or she can contact Farm Bureau to sign up under the VLP. The Department of Fish and Wildlife finalized the VLP on April 11, 2019 and Farm Bureau is currently signing farmers up who are providing habitat for nesting colonies of Tricolors. Staff contact: Noelle Cremers at (916) 446-4647 or neremers@cfbf.com