



CALIFORNIA FARM BUREAU FEDERATION

FRIDAY REVIEW

LEGISLATIVE AND GOVERNMENTAL UPDATE

June 29, 2018

Budget

As reported in the previous Friday Review, the Governor has officially signed the State's \$201.4 billion-dollar 2018-19 Budget, along with a series of trailer bills to enact the budget. The budget reflects higher-than-expected tax revenue, significant investments in reserves, homelessness, infrastructure and education.

Cannabis/Industrial Hemp

County agricultural commissioners could include cannabis cultivation totals and pricing as an addendum to the county crop reports, if SB 1459 (Anthony Cannella, R-Ceres) is approved. Farm Bureau was successful in securing amendments that would remove reference to cannabis as an agricultural product and prohibit commissioners from seeking reimbursement for such activities from conventional agricultural fees maintained in the Food and Agricultural Fund. Given these amendments, Farm Bureau has removed its opposition. The bill has passed the Assembly Agricultural Committee and now goes to the Assembly Appropriations Committee. *Staff contact: Taylor Roschen, troschen@cfbf.com or 916-446-4647.*

In the hemp realm, [SB 1409](#) (Scott Wilk, R-Antelope Valley), which make various changes to Food and Agricultural Code to facilitate research and commercial production of industrial hemp. This bill contains provisions that would allow agricultural commissioners to recoup costs related to registration and enforcement and allow a city or county to prohibit industrial hemp cultivation if pollen drift may threaten licensed commercial cannabis cultivators. SB 1409 passed the Assembly Agriculture Committee and is to be heard in Assembly Appropriations at a forthcoming hearing. *Staff contact: Taylor Roschen at 916-446-4647 or troschen@cfbf.com.*

CEQA

[AB 2447](#) (Eloise Gomez Reyes, D-Grand Terrace) would increase the notification requirements and scoping meeting obligations for projects subject to the California Environmental Quality Act (CEQA) if the siting for such a project occurs within one-half mile of a disadvantaged community or within a land use listed by the Office of Health Hazard Assessment as containing hazardous materials, toxic air contaminants, criteria air pollutants or water contamination. These new requirements may presumably apply to nearly all agricultural operations. Farm Bureau is leading a broad coalition of agricultural associations in opposition to the bill. The bill is set to be heard in Senate Appropriations in the coming weeks. *Staff contact: Taylor Roschen, troschen@cfbf.com or 916-446-4647.*

Climate Change

The legislature adopted a spending plan for the Greenhouse Gas Reduction Fund this week. [SB 856](#) (Senate Committee on Budget and Fiscal Review) passed out of the Senate and was sent to the Governor

this week with a 29-4 vote. Included in the bill was nearly \$300 million in funding to help the agricultural community comply with many of the state's air quality and climate change mandates. The bill includes \$64 million to go towards energy efficiency upgrades at food processors, \$4 million for agricultural renewable energy projects, \$132 million for agricultural diesel engine replacement and upgrades, and \$99 million for methane reduction efforts on dairies. The funds included in SB 856 are in addition to the \$300 million in similar funds provided for these projects in last year's budget. Farm Bureau supported the inclusion of these funds in the budget. Governor Brown has 12 days to sign SB 856 from the date he receives the bill from the legislature. *Staff contact: Noelle Cremers, (916) 446-4647 or ncremers@cfbf.com.*

The Air Resources Board (ARB) heard a staff update on the implementation of [AB 617](#) (Christina Garcia, D-Bell Gardens) at its board meeting this week. AB 617 requires the identification of communities where community air monitoring systems will be deployed. Additionally, the law gives ARB and local air districts the authority to require fence-line monitoring by stationary sources and emission reduction strategies in selected communities. ARB plans to select ten communities on which to focus its initial efforts in September. Farm Bureau attended the hearing and testified about the importance of focusing action in the selected communities rather than providing grants in a scattershot approach. Additionally, we expressed concern with the potential long-term impacts to agriculture as additional communities are selected and measures to reduce emissions get costlier to implement. Finally, monitoring needs to be done in a scientifically valid manner with proper quality assurance and quality control measures for the data collected. ARB has released a Draft Community Air Protection Blueprint and Farm Bureau will be providing comments by the July 23rd deadline. *Staff Contact: Noelle Cremers, (916) 446-4647 or ncremers@cfbf.com.*

Commodity

[SB 965](#) (Mike McGuire, D-Healdsburg) would create the rules for the establishment of a California Cattle Council. If the bill passes cattle producers would be given the opportunity to vote on whether to create a California Cattle Council. The assessment would be set at \$1 per head and that money would all stay in California for research, promotion, and education. Additionally, any producer who pays into the Council would be eligible to ask for a refund of their payments if they do not want to support the Council. The California Cattlemen's Association is sponsoring the legislation. Farm Bureau supports SB 965 as a way to give cattle producers a choice as to whether they want to form and fund a Council. SB 965 passed out of the Assembly Agriculture Committee this week with a 9-0 vote. The bill now goes to the Assembly Appropriations Committee. *Staff contact: Noelle Cremers at (916) 446-4647 or ncremers@cfbf.com.*

Private waste haulers would be granted broad new legal authority to enforce against people transporting solid waste they believe to be in violation of local agreements. Waste hauling companies are sponsoring [SB 71](#) (Scott Wiener, D-San Francisco) to give them the ability to take civil action against anyone hauling solid waste. This means people transporting food processing byproducts for land application or to feed to livestock could be threatened with lawsuits by private waste hauling companies with local franchise agreements. Farm Bureau is working with a coalition of agricultural organizations to oppose SB 71 to ensure agricultural products considered "solid waste" that are currently being used beneficially aren't stopped by waste haulers wanting to increase their waste hauling revenues. SB 71 passed out of the Assembly Natural Resources Committee this week with a 6-1 vote. The bill now goes to the Assembly Judiciary Committee for its second policy committee hearing. *Staff Contact: Noelle Cremers at (916) 446-4647 or ncremers@cfbf.com.*

Energy

[SB 1088](#) (Bill Dodd, D-Napa) passed out of the Assembly Governmental Organization Committee on a bipartisan vote of 15 to 1 (5 not voting/absent). Although there were author amendments included in the

committee analysis, in some cases they raised more questions than they solved and still did not address the major concern to ratepayers about language in the bill that would have relaxed the standard of review by the CPUC to consider whether a utility acted reasonably with respect to damages caused by its equipment. Amendments included language to allocate costs among customers by location and type. Many committee members raised concerns about the potential impacts to ratepayers and made requests for the author to continue working on the bill to address them. Fundamentally, the committee members are supportive of a path that changes how the utility systems can be strengthened in the face of wildfires. The bill moves to the Appropriations Committee next. CFBF is part of a diverse ratepayer coalition opposed to 1088. *Staff Contact: Karen Mills at 916-446-4647 or kmills@cfbf.com.*

Ratepayer groups are opposing the bill because it would mandate an unreasonably abbreviated review process at the CPUC regarding utility rates that would lead to higher rates. It directs the state's investor owned utilities (IOUs) to prepare and submit to the CPUC a "safety, reliability, and resiliency plan" for review and approval every two years beginning January 2019 to address major events, although risks associated with routine operations would also be included beginning 2021. Safety plans to address wildfire mitigation and emergency preparedness are already required of the utilities. Estimated costs for the expenses related to the plans have not been provided, but are anticipated to be significant. The plans encompassed by this bill are expected to be part of a larger discussion about how property losses caused by utility infrastructure should be dealt with, but no indications about the broader discussions have occurred yet. *Staff Contact: Karen Mills at 916-446-4647 or kmills@cfbf.com*

Forestry

[AB 2518](#) (Cecilia Aguiar-Curry, D-Winters), and [AB 2889](#) (Caballero, D-Salinas) both passed unanimously in the Senate Natural Resources and Water Committee. The bills have been re-referred to the Senate Appropriations Committee and are awaiting further action. Farm Bureau is in support of both legislative proposals. *Staff contact: Robert Spiegel, rspiegel@cfbf.com or 916-446-4647.*

Labor

[SB 1284](#) (Hannah-Beth Jackson, D-Santa Barbara) requires employers of 100 or more employees to submit annual an expanded version of U.S. Equal Employment Opportunity Commission-required EEO-1 reports to the Department of Industrial Relations and the Department of Fair Employment and Housing. SB 1284 passed the Assembly Judiciary Committee on June 26 on a 7-3 vote and was referred to the Assembly Appropriations Committee. Farm Bureau opposes due to the expanded reporting mandate imposed on employers and due to concerns that wide dissemination of incomplete pay equity information (for example, no information would be included to reflect that some employees working in expensive metropolitan areas may be paid more than counterparts in lower cost of living areas) will encourage litigation and public criticism. *Staff contact: Bryan Little, 916-446-4647 or blittle@cfbf.com*

[SB 1300](#) (Hannah-Beth Jackson, D-Santa Barbara) would excuse from having to prove he/she suffered any harassment or discrimination to sue an employer for failing to take any necessary actions to prevent harassment and discrimination. SB 1300 also significantly lowers the standard for proving harassment, allowing any harassment that may become severe or pervasive; current law requires harassment to actually be severe or pervasive to be actionable. The bill creates a new private right of action allowing an employee to sue an employer without having to suffer any actual injury. SB 1300 was passed by the Assembly Judiciary Committee on June 26 by a 7-3 vote and was referred to Assembly Appropriations Committee. Farm Bureau opposes due to the increased litigation the bill will cause. *Staff contact: Bryan Little, 916-446-4647 or blittle@cfbf.com*

[AB 2334](#) (Tony Thurmond, D-Richmond) would require employers to submit OSHA 300, 300A, and 301 injury and illness logs to Cal/OSHA and requires Cal/OSHA to create and manage a database to make the

information on these forms available for public access. AB 2334 passed the Senate Labor and Industrial Relations Committee on June 27 on a 4-1 vote and was referred to the Senate Appropriations Committee. *Staff contact: Bryan Little, 916-446-4647 or blittle@cfbf.com*

[AB 3080](#) (Lorena Gonzalez Fletcher, D-San Diego) prohibits settlement agreements between employees and employers for labor and employment claims and prohibits arbitration and class action waivers for such claims (probably in violation of federal law). Farm Bureau opposes. AB 3080 passed the Senate Labor and Industrial Relations Committee on June 27 on a 4-1 vote and was referred to the Senate Appropriations Committee. *Staff contact: Bryan Little, 916-446-4647 or blittle@cfbf.com*

[AB 3081](#) (Lorena Gonzalez Fletcher, D-San Diego) would create parallel sexual harassment protections on the Labor Code that will in many cases duplicate protections already in the Government Code, permit employees to take job-protected leave over an allegation of sexual harassment with no requirement for a legal finding that sexual harassment occurred. This right to leave would be extended to a broad list of family members to take leave to support the allegedly harassed employee. AB 3080 exposes employers to new legal liability under the Private Attorneys General Act (PAGA), and the bill provides for a three year statute of limitation for claims under its Labor Code sexual harassment provisions, creates a rebuttable presumption that an employer has retaliated against an employee making a sexual harassment allegation if the employer takes any negative personnel action against the employee within 90 days of the allegation, and would make employers jointly liable for sexual harassment allegations against a contractor. Farm Bureau opposes. AB 3081 passed Senate Judiciary Committee on June 26 by a 5-1 vote, passed Labor and Industrial Relations Committee on June 27 by a 4-1 vote and was referred to the Senate Appropriations Committee. *Staff contact: Bryan Little, 916-446-4647 or blittle@cfbf.com*

Land Use

[SB 1029](#) (Mike McGuire, D-Healdsburg) would dissolve the existing North Coast Rail Authority and transfer the rights for 300+ miles of rail line to the Sonoma-Marin Rail Transit District (mile post 0-142.5 in Willits) and the newly create Great Redwoods Trail Agency (mile post 142.5-300.5) to create a hiking, biking, riding trail and potential transit lines. Farm Bureau has been successful in negotiating significant amendments and anticipates further amendments to abate final unresolved issues. SB 1029 passed Assembly Transportation Committee and will be heard in Assembly Appropriations at a forthcoming hearing. *Staff contact: Taylor Roschen, troschen@cfbf.com or 916-446-4647.*

Natural Resources

California would designate broad swaths of the state as habitat resilience areas and strongholds and require the state to protect and enhance these areas if [AB 2528](#) (Richard Bloom, D-Santa Monica) passes. The bill requires the state to designate “source watersheds,” which are water systems in the Cascade Mountains, Modoc Plateau, and Feather River headwaters that provide groundwater recharge; coastal estuaries over two acres in size; mountain meadows in the Sierra Nevada, Modoc Plateau, Warner Mountains, Southern Cascades, or Sierra or Cascade foothills; and “strongholds,” which are watersheds of the Smith River, Salmon/Mid-Klamath River system, Sacramento River, Mattole/South Fork Eel River system, Big Sur, and Santa Clara that support the largest populations of salmon, steelhead, and trout or populations of these fish with critical genetic diversity. Once these areas are designated, they are to be included in the state’s climate adaptation strategy, “Safeguarding California.” Current law requires the state to protect and enhance species strongholds, which means if AB 2528 were to pass the state would require additional protects for salmonids in the areas of the state the bill designates as strongholds. CFBF is working with a coalition of interests to oppose AB 2528 unless it is amended to call strongholds another term so that there is not a requirement for their protection and enhancement. The bill passed out of the Senate Natural Resources and Water Committee this week with a 7-2 vote. The bill now goes to the Senate Appropriations Committee. *Staff Contact: Noelle Cremers at (916) 446-4647 or ncremers@cfbf.com.*

Transportation

[SB 1236](#) (Bill Monning, D-Carmel), which would require the California Department of Motor Vehicles (DMV) to adopt entry-level driver training requirements for drivers of commercial motor vehicles including specified minimum hours of behind-the-wheel training, passed in the Assembly Transportation Committee. Farm Bureau, along Senator Monning, Chairman Jim Frazier and committee staff were able to reach an agreement on a minimum of 15 hours of behind the wheel training. This new standard essentially reduced the time requirement by half from that of the original proposal, and should provide the necessary licensing flexibility California agriculture requires. The behind-the-wheel training requirements will not take effect until 2020. *Staff Contact: Robert Spiegel, rspiegel@cfbf.com or 916-446-4647.*

Water

The California Water Commission approved final application scores this week for eight proposed water storage projects, clearing the way to award nearly \$2.7 billion in Proposition 1 funds to expand the state's water storage capacity. Additional detail on the scoring process is available in an FAQ [here](#).

The Commission will next conditionally award the Proposition 1 funds at its July 24-26 meeting, when it also will consider requests from four applicants for early funding to help complete feasibility studies and environmental reviews.

Below is a summary of the final scores adopted by the Commission for each project, along with each applicant's funding request and maximum funding eligibility as determined in May. Additional details are available [here](#).

| Project | Commission- Approved Expected Return for Public Investment Score (Maximum 100) | Commission- Approved Eligible Amount, \$ Million May 2018 | Applicant Request, \$ Million May 2018 |
|---|---|--|---|
| Chino Basin Conjunctive Use Program | 70 | \$206.90 | \$206.90 |
| Kern Fan Groundwater Storage Project | 54 | \$85.66 | \$85.70 |
| Los Vaqueros Reservoir Expansion Project | 76 | \$459.00 | \$459.00 |
| Pacheco Reservoir Expansion Project | 82 | \$484.55 | \$484.55 |
| Sites Project | 61 | \$1,008.28 | \$916.62 |
| South County Ag Program | 77 | \$280.53 | \$280.50 |
| Temperance Flat Reservoir Project | 73 | \$171.33 | \$171.33 |
| Willow Springs Water Bank | 53 | \$123.29 | \$123.29 |

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A measure that would require the Director of the Department of Water Resources to convene a working group to examine information currently available to consumers regarding landscape plants water use passed out of the Senate Natural Resources and Water Committee 7-1 this week. [AB 2371](#) (Wendy Carrillo, D-Los Angeles) was amended this week to address Farm Bureaus concerns and opposition

regarding plant labeling requirements. The working group would also identify options to improve consumer information accessibility on plant water use in both electronic and print formats. Farm Bureau is now neutral on the measure with the removal of plant labeling requirements. Look for more detailed analysis and commentary in the upcoming issue of Farm Bureau's weekly publication, [Ag Alert](#). *Staff contact: Danny Merkley, 916-446-4647; dmerkley@cfbf.com*

[AB 2545](#) (James Gallagher, R-Yuba City) a Farm Bureau sponsored measure, would have added clarifying language to Section 1601 of the Fish and Game Code. The measure was pulled from being heard in the Senate Natural Resources and Water Committee this week by the author at Farm Bureau's request after it was clear the Department of Fish and Wildlife was not going to accept our language to define "river" and "stream". *Staff contact: Danny Merkley, 916-446-4647; dmerkley@cfbf.com*

A measure that would trigger state actions to add a river to the state wild and scenic rivers system passed out of the Senate Natural Resources and Water Committee 7-2 this week. [AB 2975](#) (Laura Friedman, D-Glendale) would require the Secretary of the California Natural Resources Agency to take any necessary action to add the river or segment of a river to the state wild and scenic rivers system if the federal government delisted it from the national wild and scenic system. The author agreed to accept Farm Bureau and a board coalition of agricultural interests' amendments earlier this month therefore Farm Bureau removed opposition. *Staff contact: Danny Merkley, 916-446-4647; dmerkley@cfbf.com*

Wildlife

Farmers and ranchers whose property is damaged by wild pigs would no longer need a depredation permit to take those pigs if [AB 2805](#) (Frank Bigelow, R-O'Neals) becomes law. There has been extended discussion by both the legislature and the Fish and Game Commission in recent years on how to improve the management of wild pigs and reduce their negative impacts on both public and private lands in California. AB 2805 is based on the outcome of these discussions and works to address the concerns of landowners, hunters, and other interested groups. Farm Bureau currently supports AB 2805, which passed out of the Senate Natural Resources and Water Committee with an 8-0 vote. However, the bill was amended by the committee to include mandated reporting to the Department of Fish and Wildlife (DFW) when pigs damaging property are taken. Additionally, DFW is now officially opposing AB 2805 unless it is amended to eliminate the taking of pigs at night and delete the requirement for development of a management plan. Farm Bureau will be working with Assemblymember Bigelow to ensure that amendments are not taken that harm private landowners. The bill now moves to the Senate Appropriations Committee. *Staff contact: Noelle Cremers at ncremers@cfbf.com or (916) 446-4647.*

[AB 2627](#) (Ash Kalra, D-San Jose), which would require anyone at risk of taking migratory birds to follow best management practices developed by the Department of Fish and Wildlife, passed out of the Senate Natural Resources and Water Committee this week. Audubon California, the bill's sponsors, has taken amendments that would exclude ongoing and routine agricultural practices from the prohibitions in the bill and recognize the current federal depredation orders allowing take of certain birds damaging crops and other property. However, Farm Bureau is still working with Audubon to develop amendments that would allow timber harvest and other forestry activities to continue without being harmed by the bill. The Senate Natural Resources and Water Committee vote was 6-2 in favor of the bill, which now moves to the Senate Appropriations Committee. *Staff contact: Noelle Cremers at (916) 446-4647 or ncremers@cfbf.com.*

California would create a fund to assist voluntary efforts to restore and enhance Monarch butterfly habitat if [AB 2421](#) (Mark Stone, D-Scotts Valley) passes. The bill would create 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, which passed out of the Senate Natural Resources and Water Committee with an 8-1 vote; the bill now goes to the Senate Appropriations Committee. In addition

to AB 2421, the budget signed by the Governor this week included \$3 million to fund habitat improvement for Monarchs. *Staff contact: Noelle Cremers at (916) 446-4647 or ncremers@cfbf.com.*