



April 8, 2016

[AB 2223](#) (Adam Gray, D-Merced) lays the foundation to provide the long-term investment commitment needed by the state to encourage and incentivize dairy methane reduction projects, including digesters, solids separation, and conversion to scrape manure management systems. The California Air Resources Board (ARB) has embarked on an aggressive strategy to reduce greenhouse gas emissions on dairy farms that is contained in their proposed Short-lived Climate Pollutants Plan. ARB is targeting 75 percent voluntary reductions in methane produced by manure management and an additional 25 percent reduction of enteric methane emissions by 2030. AB 2223 appropriates \$100 million per year from the Greenhouse Gas Reduction Fund to the Department of Food and Agriculture to provide incentives for the implementation of dairy digesters and other dairy methane reduction projects and management practices. The Assembly Natural Resources Committee approved AB 2223 on an 8 – 1 vote. Farm Bureau supports.

[SB 1350](#) (Lois Wolk, D-Davis) appropriates \$20 million from the state's Greenhouse Gas (GHG) Reduction Fund to the California Department of Food and Agriculture (CDFA) to establish and oversee a Healthy Soils Program. This program will provide a wide variety of incentives to the agricultural community who are willing to make voluntary operational changes that reduce GHG emissions and increase carbon storage in soils and woody biomass. SB 1350 will allow the expanded Scientific Advisory Panel on Environmental Farming to work with CDFA and the California Air Resources Board to recognize these agricultural sector GHG reductions as helping meet the statewide GHG goals. The Senate Environmental Quality Committee approved SB 1350 on a 6 - 0 vote. Farm Bureau supports.

[SB 1383](#) (Ricardo Lara, D-Bell Gardens) requires a 50% reduction in anthropogenic black carbon, 40% reduction of methane and a 40% reduction in fluorinated gases below 2013 levels by 2030. Despite already having an extensive mandatory state climate change program, SB 1383 will create an inconsistent, new climate policy, increase costs of doing business in California and create additional regulatory burdens by directing the California Air Resources Board (CARB) to approve and implement a strategy to reduce short-lived climate pollutants (SLCPs) in the state. This is an expansion of California's climate policy and jurisdiction of CARB.

SB 1383 poses a direct threat to the future of the dairy industry in California by allowing CARB to directly regulate dairy methane emissions as a SLCP. Dairies in California have two distinct sources of methane emissions: enteric emissions from cows (digestion) and manure management. While California dairies are extremely efficient they would be unable to compete with dairies in other states and countries who have no methane regulations. More research and demonstration projects are needed to identify, quantify, validate and strengthen potential strategies to reduce SLCPs from the California dairy industry.

While there is no funding in SB 1383, the California Department of Food and Agriculture estimates that at least \$100 million per year for five years will be needed to support the development of necessary manure management infrastructure in the form of grants or loans or other incentive payments. The Senate Environmental Quality Committee approved SB 1383 on a 4 – 2 vote. Farm Bureau opposes.

[AB 2700](#) (Rudy Salas, Jr., D-Bakersfield) passed out of the Assembly Utilities and Commerce Committee on consent on April 6. AB 2700 requires the CPUC to update the criteria it uses to prioritize renewable energy projects by including 1) a job creation factor for existing renewable energy projects and 2) consideration of the value of maintaining existing baseload resources in order to achieve the goal of a balanced portfolio of eligible renewable projects. The legislation represents a limited but positive change toward aligning the criteria of judging renewable projects that are to be used in a way that better recognizes the beneficial attributes of biomass facilities. In contrast to solar and wind, which produce electricity intermittently, biomass generation can be strategically scheduled for use on the grid. CFBF is in support. AB 2700 will be heard in the Assembly Natural Resources Committee next on April 18.

[SB 1043](#) (Ben Allen, D-Santa Monica) passed out of the Senate Energy Utilities and Communications Committee on a 7-0 vote on April 5. SB 1043 directs the California Air Resources Board (ARB) to consider and adopt policies to significantly increase the sustainable production and use of “renewable gas.” It sets up the policy direction to ARB by redefining biogas and biomethane, including prescriptive language about what types of forest waste are to be included in the products. CFBF joined several other agricultural organizations in opposing the bill. SB 1043 is a revised effort to mandate the use of renewable gas, following on the author’s SB 687 introduced last year, which would have established a renewable gas standard. That bill failed last year to move out of the Senate Appropriations Committee. CFBF’s opposition is based on projected costs that would result from ARB’s likely implementation approach to the directives in the bill. Instead CFBF has supported incentive approaches to the use of such products. The bill will be heard next in the Senate Environmental Quality Committee.

[AB 1960](#) (Tom Lackey, R-Palmdale) would provide a narrowly tailored exemption which would exempt farmers and ranchers from the BIT program so long as the pickup and/or pickup and trailer combination is used solely in agriculture, used not-for-hire, and the total gross combined weight rating of the pickup and trailer does not exceed 26,000 pounds and the pickup has a GVWR of less than 16,000 pounds. Vehicle and vehicle combinations subject to BIT include commonly-used pickup trucks and pickup and trailer combinations that for the most farmers and ranchers also serve as their personal vehicles. If not used in farming, ranching or another commercial enterprise, these vehicles and vehicle combinations would otherwise be exempt from the BIT program. AB 1960 is sponsored by the Cattlemen’s Association (CCA), Farm Bureau is working with CCA for passage of this legislation.

The Senate Labor & Industrial Relation Committee passed [SB 1167](#) (Leyva, D-Chino) on April 6. The bill directs Cal/OSHA to propose a regulation on heat illness in indoor work environments to the Cal/OSHA Standards Board. It requires that the proposed standard should meet or exceed the protections included in the existing Heat Illness Prevention standard which applies to outdoor employers, like agriculture, construction and landscaping. The bill’s proponents contend workers in warehouses and other indoor work sites face hazards similar to outdoor workers and should be protected by a specific standard. Opponents of AB 1167, including Farm Bureau and a number of other employer organizations, believe the existing Illness and Injury Prevention Program (IIPP) requirement offers sufficient protection because it requires employers to evaluate workplaces where heat hazards might exist and to protect workers accordingly. The committee passed SB 1167 on a party-line 4-1 vote and referred it to Senate Appropriations.

Also on April 6, the Assembly Labor & Employment Committee passed [AB 2757](#) (amended March 30) (Gonzalez, D-San Diego). AB 2757 would require agricultural employers to pay overtime premium pay (at a rate of 1.5 times an employee's regular rate of pay) to their employees after 8 hours in any work day, and 40 hours in any work week; premium pay at the rate of two times the employee's regular rate of pay for any work after 12 hours in a day; and will repeal the agricultural exemption from the "one days' rest in seven" requirement in the Labor Code, requiring agricultural employers to provide employees at least one day off each work week. Farm Bureau and a broad coalition of employer groups opposed the bill. Proponents characterized AB 2757 as "clean-up" legislation righting decades of unfair exclusion of farm workers from the right to 8 hour work days and 40 hour work weeks. Opponents testified that the legislation will reduce farm workers' income as affected employers elect to have workers work 8 hours per day or 40 hours per week and avoid overtime premium pay, rather than the current practice of paying workers at their regular rate of pay for as many as 10 hours a day for as many as 6 days a week during busy periods when enough work is available to work those hours. AB 2757 passed the committee by a 5-2 party-line vote and was referred to the Assembly Appropriations Committee.