

California Farm Bureau's government affairs team is at the Capitol, advocating for farmers, ranchers and agriculture's future. Here are some key issues Farm Bureau is focused on this week.

September 9, 2022

Agriculture Employment

In a nod to Labor Day, Governor Newsom signed [AB-257](#) (Chris Holden, D-Pasadena) at the strong objection of thousands of small businesses across California. The Fast Food Accountability and Standards Recovery Act (FAST Act) establishes a new Fast Food Council at the Department of Industrial Relations (made up of Legislative and Gubernatorial appointees) who would establish wage, hour and work condition standards for fast food restaurants, if petitioned by at least 10,000 California fast food restaurant employees. More specifically, the Council's decisions would apply to those establishments that have more than 100 restaurants, including franchise establishments. It would also specify that the Council may not set a minimum wage higher than \$2022/hour until after January 1, 2024 and specify that any minimum wage established shall increase by the lower of either 3.5% or the average rate of the US Consumer Price Index per year. These standards would not apply where a collective bargaining agreement was in place. While the FAST Act's scope is limited to the fast food segment of the restaurant sector, other types of employers such as garment and textile manufacturing, residential construction, food retailing, various "gig" activities, and agriculture could find themselves targets of similar future campaigns. FAST Act supersedes the regulatory authority of parts of the Labor Agency, including Cal/OSHA and the Labor Commissioner, encouraging greater regulatory reach in the fast food restaurant sector. This poses a danger of compounding employers' already serious competitive disadvantages represented by California's highest-in-the nation minimum wage, stringent safety standards, and a Labor Code with intricate meal and rest period requirements, payday and payroll requirements, and other requirements augmented by Private Attorneys' General Act's authority for representative party lawsuits against employers. *Staff: Bryan Little, blittle@cfbf.com*

Agriculture, Generally

Governor Newsom has signed [AB-1959](#), an Assembly Committee bill, which repeals the sunset date on the use of carbon monoxide tools to control rodents, allowing their use indefinitely. It also adds integrated pest management to the list of courses approved by the Department of Pesticide Regulation for pest control licenses and certificates. It also requires that all information obtained by the Department of Food and Agriculture and the Agricultural Commissioner for produce safety investigations to remain confidential. *Staff: Taylor Roschen, troschen@cfbf.com*

Commodities

California Department of Food and Agriculture has announced two vacancies on the Feed Inspection Advisory Board Technical Advisory Subcommittee. This subcommittee provides technical and scientific advice to the Feed Inspection Advisory Board on animal food nutrition, safety and efficacy data review of new and unapproved feed ingredients, research projects, and other issues. Applicants have experience in technical, applied and scientific expertise in toxicology, pathology, and ruminant and non-ruminant nutrition, and general knowledge about the California feed industry. Interested applicants should complete a [questionnaire](#) and resume to SAFE@cdfa.ca.gov by September 30, 2022. *Staff: Taylor Roschen, troschen@cfbf.com*

Insurance

California Department of Insurance Commissioner Ricardo Lara submitted an insurance pricing regulation on September 7, 2022 to the California Office of Administrative Law that would recognize and reward wildfire safety and mitigation efforts made by homeowners and businesses. The regulation is the first in the nation requiring insurance companies to provide discounts to consumers under the Safer from Wildfires framework created by the California Department of Insurance, in partnership with state emergency preparedness agencies. The Office of Administrative Law has thirty working days to determine whether the proposed regulation satisfies the requirements of the state's Administrative Procedure Act. Once approved, the regulation text will be filed with the California Secretary of State and become state law.

In a press release, Commissioner Lara said, "my Department is laser-focused on doing everything we can to protect consumers and hold insurance companies accountable." He continued, stating "My groundbreaking regulation will help more Californians find insurance they can afford. It aligns insurance discounts with fire safety actions being expedited by our state emergency leaders and local governments. And, most importantly, it will save lives by helping California become safer from wildfires."

Commissioner Lara directed the Department of Insurance to write regulations to protect consumers and improve market competition after hearing first-hand from consumers about their frustration with insurance companies that did not consider mitigation in their rating plans. In 2020, the Department of Insurance conducted town hall meetings in more than 38 counties and an extensive investigatory hearing into wildfire mitigation. In October 2021, Commissioner Lara shared an initial version of the text of regulation. Following further public input, Commissioner Lara formally proposed his regulations in February of 2022.

The regulation incorporates "Safer from Wildfires," a new framework of wildfire safety measures created in January by a first-ever partnership between the Department of Insurance and the emergency preparedness agencies in Governor Newsom's Administration, including the California Department of Forestry and Fire Protection (CalFire), the Governor's Office of Emergency Services (CalOES), the Governor's Office of Planning and Research, and the California Public Utilities Commission.

CalFire supports the regulation's intent to incentivize homeowners and communities stating in the press release that "Home Hardening retrofits, along with Defensible Space significantly increase a home's chance of surviving a wildfire." Chief Daniel Berlant, CalFire Deputy Director of Community Wildfire Preparedness & Mitigation continued, saying "Using the latest fire science and recent wildfire data, these retrofits and landscaping requirements provide a strong path to structure survivability. CalFire is currently funding over three hundred million dollars in local wildfire prevention projects to prepare communities against wildfire, but we know it will take every resident doing their part to ensure California is fully protected."

If approved, the regulation will require all insurance companies to submit new rates that recognize the benefit of safety measures such as upgraded roofs and windows, defensible space, and community-wide programs such as Firewise USA and the Fire Risk Reduction Community designation developed by the state's Board of Forestry and Fire Protection, which currently includes the counties of Los Angeles, Santa Barbara, and Butte as well as cities and local districts. Transparency is another goal of this regulation, by requiring insurance companies to provide consumers with their property's "risk score" and creating a right to appeal that score so that property owners have certainty about their investments to reduce wildfire risk providing some acknowledgement from insurers that the actions, and investments, were made. *Staff: Peter Ansel, pansel@cfbf.com*

Transportation

[AB 2415](#) by Assemblymember Lackey (R – Palmdale) has been signed into law by the governor. This Farm Bureau supported bill would extend the exemption for agricultural vehicles from the BIT program until January 1, 2026. The original legislation, introduced in 2016, excluded an agricultural vehicle from being subject to the BIT program, and defined agricultural vehicle to mean a vehicle or combination of vehicles with a gross combination weight rating or a gross vehicle weight rating of 26,000 pounds or less, including that the vehicle is operated by certain individuals and is used exclusively in the conduct of agricultural operations when operating in commerce. The bill also required the Department of the California Highway Patrol, in consultation with the Department of Motor Vehicles, to report to the governor and the Legislature about the impact of excluding agricultural vehicles from the BIT program before January 1, 2022. Due to delays, this report has not been filed by CHP. This Cattlemen’s sponsored bill would extend the agricultural exemption from BIT by three years – until January 1, 2026. This will provide the Legislature and stakeholders the opportunity to address any concerns CHP may identify regarding the exemption; if no significant concerns exist, this extended sunset provides time for later legislation to make the agricultural vehicle exemption permanent. *Staff: Katie Little, klittle@cfbf.com*

Utilities

[SB-846](#) (Dodd) which extends the life of Diablo Canyon for an additional five years and authorizes a \$1.4 billion dollar loan to Pacific Gas and Electric Company (PG&E) to facilitate the extension as well as several incentives to PG&E paid for by ratepayers for partaking in the relicensing process and maintaining Diablo Canyon following the sunset date was signed by Governor Newsom on September 2, 2022. On September 2, PG&E also submitted paperwork to the U.S. Department of Energy’s Civil Nuclear Credit program, created by the Biden administration earlier this year, to apply for a portion of the \$6 billion federal program aimed at helping the nation’s nuclear fleet remain online. CAFB will remain engaged at the Public Utilities Commission since there will be implementation steps to be taken there. CAFB will also keep an eye on the proposed new sunset date of 2029 and 2030 as the Stanford/MIT study which was a catalyst in reviving discussions to keep Diablo Canyon open noted true ratepayer cost savings would be realized in 2035 and beyond. “Delaying the retirement of Diablo Canyon to 2035 would reduce California power sector carbon emissions by more than 10% from 2017 levels and reduce reliance on gas, save \$2.6 Billion in power system costs, and bolster system reliability to mitigate brownouts; if operated to 2045 and beyond, Diablo Canyon could save up to \$21 Billion in power system costs and spare 90,000 acres of land from use for energy production, while meeting coastal protection requirements.” *Staff: Kevin Johnston, kjohnston@cfbf.com*