



Farm Bureau at work

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.

June 17, 2022

Agricultural Employment

[SB 1162](#) (Limon) was approved by the Assembly Judiciary Committee on June 14, 7-2 with two members not voting, and referred to the Assembly Committee on Labor and Employment. SB 1162 requires employers of 100 or more employees to submit pay data reports with information about employees' pay according to race, ethnicity and sex to the Department of Fair Employment and Housing (DFEH), removes the current law exemption allowing employers submitting EEO-1 reports to the U.S. Equal Employment Opportunity Commission to forgo the DFEH report and imposes the reporting requirement of employers who contract with entities who employ 100 or more employees. This payroll information will be published on DFEH's website and made available to the public. Employers will be required to furnish a pay scale for available jobs in a position announcement and make this information available to existing employees. The Division of Labor Standards Enforcement would be empowered to investigate possible violations and penalize employers for violations. Farm Bureau opposes due to the likelihood the requirements of AB 1162 will expose employers to new litigation concerning their pay and employment practices, as the information SB 1162 requires DFEH to publish will not reflect differences in regional costs or other factors that can lawfully influence employee compensation. *Staff: Bryan Little; blittle@cfbf.com.*

On June 15, the Occupational Safety and Health Standards Board (Board) rejected Petition 596 filed by Monarch Tractor of Livermore to facilitate the development and deployment of autonomous agricultural equipment. Monarch manufactures electric-powered tractors with capability for autonomous operation. While the Division of Occupational Safety and Health (Cal/OSHA) has exercised its authority to issue variances from existing standards governing the use of agricultural equipment to some users of Monarch tractors, existing regulations of driverless tractors requiring direct operator contact and control at all times will hinder such technology. Petition 596 sought to address this problem. The Board's vote (3-4) reflected an unusual split among Board members, indicating that calls from supporters of Petition 596 including Farm Bureau for the Board to empanel an advisory committee to bring stakeholders together to discuss the issue and review results of existing and future variances allowing use of autonomous agricultural equipment may have raised doubts about the current approach taken by Cal/OSHA and the Board.

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Cannabis

Multiple DCCC Regulations - On June 17, the Department of Cannabis Control will be notifying the public about three different regulation packages regarding:

- Equity Fee Waiver and Deferral
- Large Cultivation Licenses and Conversion to Large and Medium Cultivation Licenses

- Standard Cannabinoids Test Method and Standardized Operating Procedures

A separate 45-day public comment period will open for each package and individuals wishing to comment on more than one regulation package will need to submit separate public comments for each. The large cultivation licenses and conversion to large and medium cultivation licenses should be of particular interest, as this indicates a new stage in the development of California's legal market where larger, scaled cannabis grows will enter the cultivation market.

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Climate

Cristina Garcia (D-Bell Gardens) has moved [AB 2649](#) and it was heard in the Senate Natural Resources Committee on Tuesday at 9am. This bill, sponsored by the California Association of Resource Conservation Districts, the Carbon Cycle Institute and the Climate Center, would set a state policy that the natural and working lands sector is responsible to sequester 60 million metric tons of carbon by 2030 and 75 million metric tons by 2035. This bill would also require 50% of the funds from all state program that services the natural and working lands sector (including but not limited to Healthy Soils, AMMP, SWEEP) to go to small and mid-sized farms and socially disadvantaged farmers. It would also require 30% of all funds provided to these programs to be offered for technical assistance. The bill passed through committee with Ayes: 8, Noes: 1. Vice Chair Jones (R – Santee) was the only “no” vote. Farm Bureau will oppose the bill based on capacity and concerns regarding disruptions to existing and future programs in the next committee hearing.

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The California Department of Food and Agriculture has awarded \$66 million in grants from its Healthy Soils Program to 940 projects. The projects aim to improve soil health, sequester carbon, and reduce greenhouse gases. The selected projects will be across 82,000 acres and reduce 250,000 metric tons of carbon dioxide equivalent (MT CO₂e). The full list of winners of awarded projects can be found [here](#). To date, cdfa has provided more than \$107 million in grant funding for projects on 136,254 acres. Staff: Taylor Roschen, troschen@cbbf.com

Commodities

The Senate Governmental Organization Committee met on Tuesday at 9 am to discuss [AB 778](#) (Eduardo Garcia, D-Coachella). This Farm Bureau supported bill would require state institutions, except schools, to buy California agricultural products at certain targets: 50% by 2025, 60% by 2027 and 75% by 2030. This bill passed committee and will next be heard by the Senate Agriculture Committee. Staff: Taylor Roschen, troschen@cbbf.com

Assemblymember Nazarian (D-San Fernando) pulled [AB 558](#) from the Senate Education Committee on Wednesday morning. This bill would offer an additional \$0.30 per meal for schools who choose to purchase plant-based alternatives to meat and dairy products. Committee staff is discussing amendments to the bill, and those conversations are presumably the reason for delaying the hearing.

Farm Bureau and other agricultural organizations oppose the measure, and will continue discussions with the author and committee staff. Staff: Taylor Roschen, troschen@cbbf.com

The California Department of Food and Agriculture has four (4) midterm vacancies on the Industrial Hemp Advisory Board (IHAB). The Industrial Hemp Advisory Board makes recommendations to the Secretary on all matters pertaining to industrial hemp law and regulations, enforcement, annual budgets, and the setting of an assessment rate. Three vacancies are for registered growers and 1 position is for an “established agricultural research institution.” Interested individuals should send a letter of interest and resume to industrialhemp@cdfa.ca.gov by July 12th, 2022.

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Insurance

California Department of Insurance Issues Amended Regulations - Near the end of February, we discussed Insurance Commissioner Ricardo Lara’s Notice of Proposed Action and Notice of Public Hearing for the Mitigation in Rating Plans and Wildfire Risk Models regulations. The purpose of these regulations are to bring rate relief to homeowner and commercial policy holders by setting forth property level and community wildfire mitigation strategies that insurers will be required to consider as part of their rating plans.

Since that time, on April 13th, Commissioner Lara held a rulemaking hearing and received both oral and written comments regarding the regulation text. Farm Bureau and CalForests submitted joint comments to the draft rules. This week, Commissioner Lara has now considered those comments and announced proposed amendments to these pending regulations. Most notable in the amended rulemaking is the deletion of the “Shelter in Place” designation from community mitigation measures. The amended regulations make it clear that FireWise USA Site mitigation community measures are the preferred methodology for earning community wide ratings plans stability.

While Fire Risk Reduction Communities (FRRRC) will also trigger a mandatory rate reduction, those requirements, as set forth by the Board of Forestry, include a required FireWise USA Site designation, as well as additional community mitigation measures. So, all community mitigation measures must include at a minimum a FireWise USA Site designation.

Additionally, CDI’s website indicates that there are currently insurers that offer discounts for Shelter in Place designations, so it is unclear if those discounts would be lost by the amended regulations. The challenge this poses for rural communities is found in the draft list of 2022 FRRRC designations (take from the Board of Forestry website) where currently few cities or counties have received an FRRRC designation:

Cities

- City of Berkeley
- City of Corona
- City of Rancho Cucamonga
- City of Sonora

Counties

- Butte County
- Los Angeles County
- Santa Barbara County

Non-City/County Agencies

- Bolinas Fire Protection District
- Butte County Resource Conservation District
- East Bay Municipal Utility District
- East Bay Regional Park District
- Hayfork Fire Protection District
- Humboldt Bay Fire
- Hyampom Community Services District
- Inverness Public Utilities District
- Kern County Fire Department
- Meeks Bay Fire Protection District
- Moraga Orinda Fire District
- Napa County Resource Conservation District
- North Tahoe Fire Protection District
- North Tahoe Public Utility District
- Northern Sonoma County Fire Protection District
- Northstar Community Services District
- Pliocene Ridge Community Services District
- Rancho Cucamonga Fire District
- Shelter Cove Resort Improvement District
- Solano Resource Conservation District
- Sonoma Resource Conservation District
- Tahoe City Public Utility District
- Trinity Center Community Services District
- Tulare County Resource Conservation District
- Willow Creek Volunteer Fire Department

Therefore, it appears that the amended draft regulations narrow the pathway for rural communities to earn wildfire mitigation designations that would have a positive impact on rates. In March 2022, the National Fire Protection Association awarded its 500th FireWise USA site in California. You can view an interactive map of these designations [here](#) to find your location and determine if your community has a FireWise USA designation.

Property level mitigation measures are a key strategy to reduce premiums and control ratings plans in the amended draft regulations. Previously, we covered the various property level actions a building owner can take to mitigate wildfire risk and earn premiums, such as installing screens in open vents, or fire rated roofs. In the amended regulations, the Commissioner seems intent on

ensuring that “each and every” mitigation measure earns a credit, as opposed to all measures being implemented in order to earn mitigation related policy reductions. This would allow building owners to choose the most impactful mitigation measures for particular properties that impact rates but do not force an over-investment or adoption of measures that increase mitigation costs but do not result in substantially more risk reduction. *Staff: Peter Ansel; pansel@cbbf.com*

Land Use

[AB 2840](#) (Eloise Reyes, D-Los Angeles), a Farm Bureau opposed bill, has recently been amended. The bill would require any expansion or development of a warehouse (which includes agricultural warehouses, packinghouse, cold storage or processing facility) in Riverside or San Bernardino County to have 1,000-foot setbacks on the parcel if it’s near a receptor site (including homes, daycares, schools, health care facilities, community centers, churches, playgrounds, parks, etc.). Farm Bureau will continue to oppose the bill with the new amendments. *Staff: Taylor Roschen, troschen@cbbf.com*

Pesticides

The Department of Pesticide Regulation will be hosting three workshops on June 27, 28 and 29th on the development of a statewide pesticide notification system. Below are live links to each workshop:

- [Monday, June 27: 1:00-3:00 P.M.](#)
- [Tuesday, June 28: 10:00 A.M. - 12:00 P.M.](#)
- [Wednesday, June 29: 6:00-8:00 P.M.](#)

Four pilot projects are currently underway in Ventura, Riverside, Santa Cruz, and Stanislaus counties. More information about the individual pilots and the state’s proposal can be found [here](#). Farm Bureau will be providing information to County Farm Bureaus and members interested in participating. *Staff: Taylor Roschen, troschen@cbbf.com*

The Office of Pesticide Consultation and Analysis (OPCA) is hosting a public conference on June 28, 2022, from 8:30am to 12:30pm. OPCA provides consultation to the California Department of Pesticide Regulation (DPR) with a focus on the economic analysis of potential pesticide regulatory impacts and pest management alternatives that may mitigate impacts on production agriculture in California. The conference will host discussions their grant-funded research projects, including biological controls, mating disruption, and other reduced-risk pest management practices. Economists and scientists will also present on organic and integrated pest management practices, cost and return studies, and the tension between food safety and some alternative practices. Attendees may be able to obtain continuing education credits with the Department of Food and Agriculture. This conference will be hosted over zoom with the following link [here](#). *Staff: Taylor Roschen, troschen@cbbf.com*

Transportation

Farm Bureau supported [AB 2406](#) (Aguiar-Curry – D) passed out of the Senate Transportation Committee this week. This bill would prohibit an intermodal marine equipment provider from imposing per diem, detention, or demurrage charges on an intermodal motor carrier and beneficial

cargo owners. Under ordinary circumstances, these fees are designed to encourage the efficient use of containers. However, during our recent and ongoing port congestion crisis, late charges have been imposed on California businesses by international ocean carriers even when containers cannot be returned due to circumstances not within the control of the importer, exporter or trucker. While detention and demurrage fees have increased across the globe, ocean carriers are charging two to ten times the fees in Los Angeles and Long Beach versus other major ports worldwide. The bill would help alleviate the pressure that these fees put on California businesses, and attempt to address one of the many issues facing our ports. The bill now moves to the Senate Judiciary Committee next week. *Staff: Katie Little, klittle@cbbf.com*

CAFB has signed onto an Ag-based coalition to oppose [AB 2550](#) (Arambula – D). This bill would require the California Air Resources Board (ARB), if the San Joaquin Valley Air Pollution Control District does not receive a determination of attainment from the United States Environmental Protection Agency (US EPA) by the appropriate deadline, to coordinate with the district and community-based organizations to identify gaps in the state and district implementation plan. AB 2550 requires ARB to develop a program, rules, or regulations that they deem necessary to enable the district to attain and maintain that national ambient air quality standard and authorizes those solutions to have the same force and effect as a program, rule or regulation adopted by the district. CAFB opposes the bill as it will not provide any additional air quality benefit, does not recognize California Air Resources Board's (CARB) existing significant oversight authority or collaborative process that already occurs with local air districts, and does not provide any additional tools to address mobile source emissions, the largest contributor to the state's air quality challenges. The bill moved out of the Senate Environmental Quality Committee, and moves to the Appropriations Committee. *Staff: Katie Little, klittle@cbbf.com*

Farm Bureau recently joined an industry coalition to oppose [AB 2700](#) (McCarty – D). AB 2700 would require the State Air Resources Board to annually gather fleet data for on-road and off-road vehicles in the medium- and heavy-duty sectors from entities and share that data with electrical corporations and local publicly owned electric utilities to help inform electrical grid planning efforts. Furthermore, AB 2700 would require electrical corporations and local publicly owned electric utilities, to incorporate fleet data produced by CARB to facilitate the readiness of their distribution systems to support the state's anticipated level of electric vehicle charging. CAFB has concerns with the creation of burdensome new regulatory provisions that would require costly engineering work and expose proprietary trade secrets of tens of thousands of California businesses. Additionally, the large information exchange and ultimate setting of a base rate provides no transparency to the legislature on ratepayer impacts. The coalition has provided amendments that would remove our opposition if included. These amendments include privacy measures that would protect identities, locations, and trade-secrets from being made publicly available. This bill will be heard in the Senate Energy, Utilities and Communications Committee next week. *Staff: Katie Little, klittle@cbbf.com*

[AB 2836](#) by Assemblymember Eduardo Garcia (D – Coachella) passed out of the Senate Transportation Committee this week. This bill would extend the current authorization for the Carl Moyer Program to fund a broader range of projects that reduce emissions from covered sources

until January 1, 2033. The Carl Moyer Program provides incentives to private businesses and public agencies to voluntarily clean up older, dirtier vehicles and mobile off-road engines through retrofit or replacement. It provides funding to reduce particulate pollution and NOx, which contributes to smog formation and cleans up on-road, off-road, marine, locomotive, stationary agricultural pumps and farm equipment engines. Farm Bureau has joined a large coalition of agricultural stakeholders to support this measure. Staff: Katie Little, klittle@cfbf.com

Utilities

Farm Bureau submitted a letter of concern on a bill establishing interim targets to reach SB 100 clean energy goals and establishes a California Affordable Decarbonization Authority as a nonprofit public benefit organization as a mechanism to help fund various electric utility-related programs and activities. Farm Bureau focused its concern with [SB 1020 \(Laird\)](#) on clarifying no ratepayer funds would be used as part of the Climate and Equity Trust Fund established in the bill and to encourage the authors to create reporting requirements to ensure the cost associated with the bill are carefully monitored to confirm the bill has the desired effects of reducing utility bills. The bill will be heard in Assembly Utilities and Energy on June 22nd. Staff: Karen Mills, kmills@cfbf.com or Kevin Johnston at kjohnston@cfbf.com.

Farm Bureau joined a coalition opposing [SB 733 \(Hueso\)](#), which was recently gutted and amended, to require the California Public Utilities Commission (CPUC) to establish a renewable hydrogen procurement program with goals for each utility. Additionally, the bill allows gas utilities to recover costs from ratepayers for these new massive capital investments in pipelines. Farm Bureau opposed the bill because both provisions would come at significant ratepayer cost. In addition, there were no sideboards requiring gas corporations to seek to minimize cost and maximize benefits. Further, the bill strips the CPUC of authority to disapprove an application no matter the impacts. The bill will be heard in Assembly Utilities and Energy on June 22nd. Staff: Karen Mills, kmills@cfbf.com or Kevin Johnston at kjohnston@cfbf.com.

Water

[AB 2201](#) (Steve Bennett, D-Ventura) among other things would codify the Governor's Drought Executive Order regarding groundwater well permitting agencies and Groundwater Sustainability Agencies (GSAs). The measure passed out of the Senate Natural Resources and Water Committee 6-3 this week. Additionally, the measure was amended this week and will next be heard in the Senate Gov. and Finance Committee. Farm Bureau remains opposed.

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[SB 1219](#) (Melissa Hurtado, D-Sanger) would have required the Secretaries of the Natural Resources Agency and Cal/EPA to convene a committee to develop and submit recommendations to the Governor and the Legislature for modernizing California water laws and regulations, and state and local water agencies. The measure was pulled from hearing this week by the author. Farm Bureau had concerns. Staff: Danny Merkley, dmerkley@cfbf.com

[SB 1372](#) (Henry Stern, D-Los Angeles) would not allow the approval of a groundwater sustainability plan (GSP) by the Department of Water Resources to determine the allocation of groundwater pumping rights. The measure passed out of the Assembly Water, Parks and Wildlife Committee 15-0 this week. The measure is now on third reading in the Assembly. Farm Bureau is in support.

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Wildlife

This week, the California Fish and Game Commission (Commission) heard arguments on the possible listing of the Western Joshua Tree (WJT). In April, the Department of Fish and Wildlife (Department) released its status review report on the WJT. The report concluded that the petitioned action to list WJT as threatened under CESA is not warranted at this time. According to the Department's report, "The recent demographic trend information available to the Department suggests that density or extent of some populations may decline by the end of the 21st century (2100), but due to continuing recruitment, high abundance, widespread distribution, and the longevity of the species, the available demographic data does not currently suggest that western Joshua tree is likely to be at risk of disappearing from a significant portion of its range during this timeframe." The report further noted that "the best scientific information available to the Department at this time indicates that WJT is not in serious danger of becoming extinct throughout all, or a significant portion, of its range due to one or more causes, including loss of habitat, change in habitat, overexploitation, predation, competition, or disease, and is not likely to become an endangered species in the foreseeable future in the absence of special protection and management efforts required by CESA." CBBF, and our coalition partners, support the recommendation by the Department that the recommended action to list the WJT as threatened is *not warranted* and urged the Commission to deny the petition.

After hours of testimony, including over 200 individuals, organizations, and officials providing comments on the matter, the Commission was split on the vote to list the WJT (2-2). Commissioners Sklar and Hostler-Carmesin voted to deny the petition to list the WJT at this time, and asked to push the decision out until later this year in efforts to gather more information on the subject. Commissioners Murray and Zavaleta, however, voted to list the species immediately. Since the vote was split, the Commissioners continued a discussion on the best path forward. The Commissioners voted unanimously to postpone the decision until the October meeting and asked for Tribal engagement as well as further input from the Department on recovery plans and possible legislative action. Farm bureau will remain engaged on this issue, in the meantime, the WJT shares CESA protections until the decision is finalized. For more information, visit the [Fish and Game Commission website](#). Staff: Katie Little, klittle@cbbf.com