

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.

August 19, 2022

Agricultural Technology

[SB-892](#) by Senator Hurtado was amended in Assembly Appropriations, and with the amendments the coalition of California Farm Bureau, Agricultural Council of California, and Western Growers have removed their opposition to the bill. The amended version of SB 892 matches the requested amendments made by the coalition to remove a reporting requirement to the state for the agriculture industry resulting from cybersecurity threat. Instead, the bill focuses on the role the state can provide in educating the agricultural industry about the substantial business risks from cybersecurity attacks. *Staff: Peter Ansel; pansel@cfbf.com*

Climate

[AB-1644](#) (Heath Flora, R-Ripon) has been approved by the Assembly and the Senate. This bill would exempt forestry, fire prevention and fuels reduction projects and programs funded by the State from prevailing wage, workforce development and high roads jobs requirements imposed on other state funded climate projects. This bill was approved with no "no" votes and will now be transmitted to the Governor's desk for approval. *Staff: Taylor Roschen, troschen@cfbf.com*

With the passage of California's 2022-23 budget, \$25 million has been provided to IBank to finance climate-smart agriculture projects. The funds will expand the impact of IBank's recently launched Climate Catalyst Fund to include projects that support agricultural productivity in a changing climate, improve efficiency and reduce emissions across the agriculture sector, and recognize the potential to capture and store greenhouse gas emissions via agricultural practices.

Eligible project categories include (but are not limited to):

1. On-farm and food processing renewable energy, including electricity, fuels, and bioenergy
2. Energy, water, and materials efficiency
3. Methane reduction projects that use best practice approaches consistent with state policy goals – excluding dairy digesters and biogas production, unless the output is used or distributed onsite
4. Energy storage or microgrids
5. Equipment replacements

You can learn more about the climate-smart agriculture funding opportunities [here](#).

Staff: Peter Ansel; pansel@cfbf.com

Commodities

The California Department of Food and Agriculture has announced three vacancies on the California Citrus Advisory Committee. This committee is responsible for advising the Secretary on all matters related to citrus production, such as quality, freeze, acreage surveys and general citrus data. The

vacancies include two lemon producers—one must be from Ventura County. It also includes one navel or valencia orange producer and a mandarin producer. Interested applicants should submit a [questionnaire](#) and letter of recommendation to Sarah Cardoni, CDFA Inspection and Compliance Branch, 1220 N Street, Sacramento, CA 95814 or via e-mail to Sarah.Cardoni@cdfa.ca.gov.

Staff: Taylor Roschen, troschen@cfbf.com

[AB-1825](#), an Assembly Agriculture Committee bill, has been approved by the Senate and Assembly and has been moved to the Governor's desk for his signature or veto. This bill would expand the current pack and shipping requirements for bulk melons and vegetables to out of state packers and processors to include all bordering states. The current exemption in law only applies to out of state packers and processors that are within 25 miles of the state border. This bill passed both houses unanimously. Staff: Taylor Roschen, troschen@cfbf.com

Forestry and Wildfire

[SB-926](#) authored by Senator Dodd, was gutted and amended in Assembly Appropriations, but passed from the Committee and is back on the Assembly floor. As discussed previously, the bill would establish, until January 1, 2028, the Prescribed Fire Liability Pilot Program, to be administered by CalFire, to increase the pace and scale of the use of prescribed fire and cultural burning, and to reduce barriers for conducting prescribed fires and cultural burning. The bill would create the Prescribed Fire Claims Fund in the State Treasury to support coverage for losses from prescribed fires and cultural burning by nonpublic entities, such as cultural fire practitioners, private landowners, and nongovernmental entities. The amendments rewrote the majority of the bill, apparently to match how CalFire intends to administer the fund. California Farm Bureau supports SB 926. Staff: Peter Ansel; pansel@cfbf.com

Pesticides

This week, Farm Bureau submitted both comments and a letter to Department of Pesticide Regulation's Sustainable Pest Management (SPM) Working Group on their discussion draft for implementing SPM in California. Along with our comments are the names of the over 1,200 Farm Bureau members who signed on to our Farm Team petition alert. Some highlights of our comments include that a 90% reduction goal of pesticides in California is infeasible, a 90% reduction in acute and chronic pesticide related human illnesses is unfounded and not based on data, and that creating a new licensing category for SPM for agricultural PCAs is unnecessary if all PCAs must be trained in SPM. Staff: Taylor Roschen, troschen@cfbf.com

Taxation

A two-year bill authored by Senator Laird, [SB-518](#), was amended in the Assembly and then this week moved back to the Senate. First, the Assembly amendments were unanimously approved at a special Senate Governance and Finance Committee, and then again on the Senate Floor. According to the author, "SB 518 allows winegrower tax information to be made public upon request to assist the wine industry in planning for future trends. As California makes 81% of all U.S wine and is the world's 4th leading wine producer, this information is critical as it informs wineries

how to market, and helps growers big and small make decisions on what grape varietals to plant. The BOE has been releasing winegrower tax information since the 1930s, but in 2019 concluded that they did not have the statutory authority to release winery excise tax data. SB 518 equips the wine industry to make well-informed business decisions.”

Staff: Peter Ansel; pansel@cfbf.com

[SB-1246](#) authored by Senator Stern passed from Assembly Committee on Appropriations' suspense file. This bill would, for taxable years beginning before January 1, 2027, provide an exclusion from gross income for any qualified taxpayer for amounts received for costs and losses associated with the 2017 Thomas Fire and the 2018 Woolsey Fire. Similarly, [AB-1249](#) authored by Assembly member Gallagher passed from the Senate Appropriations Suspense file. AB 1249 addresses gross income inequities that resulted from wildfire victim funds derived from losses of the 2015 Butte Fire, 2017 North Bay Fires, and 2018 Camp Fire by excluding those received fund from taxable gross income. *Staff: Peter Ansel; pansel@cfbf.com*

Utilities

Farm Bureau previously 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 moved through Assembly Appropriations on August 11 and received amendments removing the Climate and Equity Trust Fund, clarifying the State Water Project Energy Procurement guidelines, and tasking the Public Utilities Commission to define and assess residential energy affordability. *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. Based on coalition feedback, the bill received significant revisions and has become a more passive consideration of renewable hydrogen rather than a mandate. However, the coalition remains opposed as the Energy Commission is currently undertaking a study regarding renewable hydrogen that will not be completed until next year, making the bill premature. The bill was held in Assembly Appropriations on August 11 and is presumed to not be moving forward. *Staff: Karen Mills, kmills@cfbf.com or Kevin Johnston at kjohnston@cfbf.com.*

Farm Bureau previously filed an Oppose unless Amended letter and a subsequent Letter of Concern for a measure that would expedite undergrounding of distribution lines. [SB 884](#) (McGuire - D) purported to establish an expedited utility distribution infrastructure undergrounding program.

Farm Bureau was successful in amending the language regarding the need to seek non-ratepayer funding by the electric IOUs. The bill has since moved through Assembly Appropriations on August 11 and received amendments removing the public agency involvement in the process, clarifying that underground projects located in tier 2 or 3 high fire-threat districts may be constructed as part of the program, and some additional clarifying language about the approval process. Farm Bureau remains concerned with the bill because of the accelerated review of complex, multiyear undergrounding plans and the potential burden on ratepayers if alternate funding is not obtained. *Staff: Karen Mills, kmills@cfbf.com or Kevin Johnston at kjohnston@cfbf.com.*

Farm Bureau has submitted an Oppose Unless Amended letter on [SB-529](#) (Hertzberg – D) which would direct the CPUC to revise their rules to authorize each public utility electrical corporation to use the permit-to-construct process to seek approval to construct an extension, expansion, upgrade, or other modification to its existing electrical transmission facilities rather than the more expansive certificate for public convenience and necessity process. The bill does not define what is meant by extension, expansion, upgrade, or other modification and with the extensive miles of transmission lines on agricultural properties, a new process for making changes to the lines could potentially undermine a review to assess the impact to property owners. Farm Bureau discussed its concerns with the author's office and there was some indication that amendments would be made, although none have been submitted to date. The bill is on third reading and expected to be voted on imminently by the full assembly. *Staff: Karen Mills, kmills@cfbf.com*

The Governor provided draft legislation to the Legislature that would keep Diablo Canyon open beyond its planned 2025 closure date, although there are still significant logistical and political challenges ahead before that could happen. The closure details were provided for in a settlement among many parties that was the result of extensive negotiations. Getting the genie back in the bottle will require time and significant compliance with State and Federal mandates related to the operation of the plant. Although the draft legislation [seen here](#) provides a number of details as part of the extension, there are still many blanks to be filled in. Key to the legislation is a \$1.4 billion forgivable loan that PG&E can utilize for its efforts to extend the operations. The parties have a short period of time to finalize this complex legislation prior to the end of session.

Staff: Karen Mills, kmills@cfbf.com; Kevin Johnston, kjohnston@cfbf.com

Water

[SB-489](#) (John Laird, D-Santa Cruz) a measure authorizing the state to advance funds for the Pajaro River Flood Risk Management Project passed out of the Assembly and is on the Governor's desk for his signature. Farm Bureau is in support. *Staff: Danny Merkley, dmerkley@cfbf.com.*

[SB-880](#) (John Laird, D-Santa Cruz) passed out of the Assembly and is on the Governor's desk for his signature. The measure extends indefinitely the January 1, 2023 sunset of existing law authorizing those who divert 100 acre feet of water or more per year to be considered qualified to install and maintain their water diversion measurement devices if they take a course taught by the University of California Cooperative Extension, and pass a proficiency test. The measure is sponsored by the

California Cattlemen's Association and supported by the California Farm Bureau. *Staff: Danny Merkley, dmerkley@cfbf.com.*

[SB-1372](#) (Henry Stern, D-Santa Barbara) passed out of the Assembly and is on the Governor's desk for his signature. The measure 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. Farm Bureau is in support. *Staff: Danny Merkley, dmerkley@cfbf.com.*