

# FRIDAY REVIEW

## LEGISLATIVE AND GOVERNMENTAL AFFAIRS

March 25, 2022

### Agriculture and Cybersecurity

Senator Hurtado's [SB 892](#), which seeks to combat cybersecurity attacks against the food, agriculture, water, and wastewater sectors was pulled from its planned March 15 hearing in Senate Government Organizations and amended. As initially drafted, the bill would have required mandatory reporting to multiple California agencies, from these industries to the state for every cyber-attack. After meeting with the Farm Bureau to understand concerns regarding new mandatory reporting on the agriculture industry, the author's office amended the bill on March 22 to now require the California Office of Emergency Services to create "optional reporting guidelines" for agriculture industry adoption, as well as outreach, education, and potential funding to meet the suggested guidelines goals. The bill has not been reset for hearing, yet. *Staff: Peter Ansel; [pansel@cfbf.com](mailto:pansel@cfbf.com); 916-446-4647*

### Agricultural Employment

**Agricultural Employment: Legislation of concern to agricultural employers is beginning to move early in this legislative season.** On March 21, the Senate Labor, Public Employment, and Retirement Committee (Cortese, Chair) approved [SB 1044](#) (Durazo) that would prevent an employer from taking adverse employment action against an employee who refuses to work during the existence of a natural or man-made emergency if the employee believes the work might be unsafe. As a result, millions of California employers could refuse to work immediately due to the ongoing COVID-19 pandemic emergency, and employees could refuse to work during a wildfire emergency (for example) even if the wildfire in question is miles away from the worksite. SB 1044 passed on a 4-1 vote, though three of the committee's five members voting expressed concern about the bill's broad scope and possible unintended consequences. Farm Bureau opposes. The Senate Labor Committee on March 21 also approved [SB 1127](#) (Atkins) which severely curtails an employer's capacity to manage workers' compensation claims by drastically reducing the number of days an employer is permitted to evaluate whether to decline to approve a claim from 90 days to 30 days for a claim covered by a presumption of work-relatedness and 60 days for any other claim. SB 1127 passed the committee on a 4-1 vote. Farm Bureau opposes. *Staff: Bryan Little, 916-561-5622; [blittle@cfbf.com](mailto:blittle@cfbf.com).*

### Bioenergy and Renewable Portfolio Standard

Senator Caballero's [SB 1109](#) has been amended and referred to Senate Energy, Utilities and Communications. SB 1109 would increase the cumulative rated generating capacity from bioenergy projects to 225 megawatts and would require electrical corporations collectively to

procure that amount by December 31, 2023. The bill would require local publicly owned electric utilities serving more than 100,000 customers to procure their proportionate shares of 225 megawatts of cumulative rated generating capacity from those kinds of bioenergy projects. Also, the bill would require any incremental procurement of electricity products from bioenergy resources by a new contract or contract extension of 10 years or longer in duration to be from a resource that meets emission limits equivalent to, or more stringent than, the best available retrofit control technology determined at the time of procurement. Sponsored by the California Biomass Energy Alliance, the bill seeks could increase forest health projects by augmenting existing RPS standards, by providing for a pathway to long term contracts of clean bioenergy. *Staff: Peter Ansel; [pansel@cbbf.com](mailto:pansel@cbbf.com); 916-446-4647*

**Assemblymember Devin Mathis' [AB 1956](#) passed from Assembly Natural Resources with only termed out Assemblymember Mark Stone voting "No".** The bill would create a 5-year woody biomass rural county collection and disposal pilot program at CalRecycle. The bill would award funding to counties with a population under 250,000 for the purpose of conducting community collection and disposal of woody biomass and other source-separated biomass free of charge. Participating counties would contract with a local compost facility, mulch production facility, or biomass conversion facility to collect and to process or convert the biomass in a way that results in less greenhouse gas emitted than if the biomass had been disposed of. The bill moves to Assembly Appropriations. *Staff: Peter Ansel; [pansel@cbbf.com](mailto:pansel@cbbf.com); 916-446-4647*

## Cannabis and CEQA

**Senator Laird's [SB 1148](#), which provides that the California Environmental Quality Act does not apply to the issuance of a state license to engage in commercial cannabis activity has been referred to Senate Business Professions and Economic Development and Senate Environmental Quality.** By removing a mandatory CEQA analysis on every cannabis business, the bill could make it easier for farmers to include cannabis as part of their business, and for local jurisdictions to establish cannabis manufacturing and retail industries more readily.

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## Climate

**The Air Resources Board will be hosting a workshop on dairy digesters and methane emission reduction practices by California dairies on March 29<sup>th</sup> from 9am to 5pm.** Though the agenda has yet to be released, panel presentations will include various dairy representatives, digester developers, and researchers, among others. There will likely be two public comment periods in the morning and afternoon. We encourage dairy families to comment and will be offering more information as the agenda and programming is released. Please contact CABB staff for more information. *Staff: Taylor Roschen, [troschen@cbbf.com](mailto:troschen@cbbf.com) or 916-446-4647.*

## Commodities

**The Senate Agriculture Committee met on Thursday, March 24<sup>th</sup> to hear two important bills of note.** This includes [SB 1308](#) (Anna Caballero, D-Salinas) which would create a 25% purchase preference for domestically produced agricultural products for community colleges, CSUs and K-12 schools. Farm Bureau is evaluating this bill for a potential to include a California-grown preference. Also, the Committee heard [SB 982](#) (John Laird, D-Santa Cruz). This bill would create

an organic apple certification program at the Department of Food and Agriculture. Farm Bureau testified in support of SB 982. Both bills passed out of Committee *Staff: Taylor Roschen, [troschen@cbbf.com](mailto:troschen@cbbf.com) or 916-446-4647.*

## Forestry and Wildfire

Senator Nielsen **[SCA 8](#)** has been double referred to Senate Natural Resources and Water Committee and Senate Elections and Constitutional Amendments. This measure would, contingent upon voter approval of a proposition at a statewide general election, revise and recast the California Fire Response Fund and the Special District Fire Response Fund, by among other things, requiring the Treasurer to annually transfer an amount equal to 1% of specified state revenues from the General Fund to the California Fire Response Fund. *Staff: Peter Ansel; [pansel@cbbf.com](mailto:pansel@cbbf.com); 916-446-4647*

## Land Use

The Assembly Water Parks and Wildlife Committee held an informational hearing on the state's efforts related to 30x30 on Tuesday, March 22<sup>nd</sup>. The current draft 30x30 report does not propose to include within the definition of "conserved" any acres under Williamson Act contracts, state or federally supported climate smart agricultural practices, agricultural easements, or grazing leases. Farm Bureau staff made public testimony and Assemblymember echoed our concerns. *Staff: Taylor Roschen, [troschen@cbbf.com](mailto:troschen@cbbf.com) or 916-446-4647.*

## Nutrition

**[SB 907](#) (Richard Pan, D-Sacramento)** was recently amended to establish the Local, Equitable Access to Food (LEAF) Program. This program would offer grants to certified farmers' markets to expand the use of Electronic Benefit Transfer (EBT) cards for CalFresh eligible recipients. The grants would be submitted to the county agricultural commissioner who would then forward them on to the Department of Food and Agriculture. This bill is set to be heard in the Senate Human Services Committee on Wednesday, March 29<sup>th</sup>. *Staff: Taylor Roschen, [troschen@cbbf.com](mailto:troschen@cbbf.com) or 916-446-4647.*

The Senate Health Committee will hear a Farm Bureau supported bill, **[AB 2153](#) (Joaquin Arambula, D-Fresno)** in the coming weeks. This bill would expand the existing pilot for CalFresh recipients to receive extra funds to buy California-grown fruits and vegetables from certified farmers' markets, to also include large retail grocers. This bill would provide \$40 million for benefits to purchase at small retail stores, \$140 million at large retail stores and \$60 million for certified farmers' markets. *Staff: Taylor Roschen, [troschen@cbbf.com](mailto:troschen@cbbf.com) or 916-446-4647.*

## Organic

Assemblymember Brian Maienschien, (D-Poway) has recently introduced **[AB 2499](#)**. This bill would establish a pilot program at the Department of Food and Agriculture to provide incentives (grants, technical assistance, and education) to farmers who wish to transition to organic production. This program would only be eligible for limited resource or socially disadvantaged farmers looking to transition or expand existing acreage. It would also establish the Underserved and Organic Farmer Committee at CDFA to advise on the development of the program. Finally,

the bill would require the Governor's Office of Business and Economic Development to conduct a statewide market analysis of the total economic impact of California's organic sector by July 1, 2023. Farm Bureau is in the process of analyzing this bill. Staff: Taylor Roschen, [troschen@cfbf.com](mailto:troschen@cfbf.com) or 916-446-4647.

## Price of Gas Price Relief Proposal

**On Wednesday, the Newsom Administration released details about its \$9 billion in proposed tax refunds to address rising gas and diesel fuel prices.** The Governor's proposal calls for \$9 billion in tax refunds to Californians in the form of \$400 direct payments per vehicle, capped at two vehicles. This package also provides \$2 billion in broader relief including:

- \$750 million in incentive grants to transit and rail agencies to provide free transit for Californians for 3 months. As a result, roughly 3 million Californians per day who take the bus, subway, or light rail won't have to pay a fare every time they ride.
- Up to \$600 million to pause a part of the sales tax rate on diesel for one year.
- \$523 million to pause the inflationary adjustment to gas and diesel excise tax rates.

The package also calls for \$500 million in active transportation for projects that promote biking and walking throughout the state. Additionally, this proposal fast-tracks a \$1.75 billion portion of the Governor's historic \$10 billion ZEV package to further reduce the state's dependence on oil and save Californians money, including the investments in more ZEV passenger vehicles and building more charging infrastructure throughout the state – especially in low-income communities.

The tax refund will take the form of \$400 debit cards for registered vehicle owners, and individuals will be eligible to receive up to two payments, capping the refund to a maximum of \$800 per individual. An average California driver spends approximately \$300 in gasoline excise tax over a year. Staff: Peter Ansel; [pansel@cfbf.com](mailto:pansel@cfbf.com); 916-446-4647

## Pesticides

**The Department of Pesticide Regulation will be hosting a webinar detailing next steps and public outreach related to the pesticide mill assessment on March 30<sup>th</sup> at 10am.** The mill assessed on a per dollar sales basis on all pesticidal products in California. In 2021, the Department attempted to adjust the mill assessment from a flat rate of (\$0.021/\$ sale) to a tiered assessment structure (with a maximum rate of \$0.046/\$ sale) based on toxicity. This attempt failed, but in lieu of a changed structure, the Legislature offered DPR funds to contract to engage stakeholders, assess weaknesses of the mill assessment structure and provide recommendations, which may likely include a tiered mill assessment. The webinar can be seen here [live](#) and will be available on DPR's YouTube page. More information can be found [here](#). Staff: Taylor Roschen, [troschen@cfbf.com](mailto:troschen@cfbf.com) or 916-446-4647.

## Water

**A measure that would remove discretion from local management of groundwater by groundwater sustainability agencies (GSA) was amended this week.** [AB 2201](#) (Steve Bennett, D-Ventura) would prohibit well construction in a critically over drafted basin without a permit

from the GSA. Additionally, the measure would require the GSAs to develop a process for the issuance of a permit in all high and medium priority basins, whether critically over drafted or not. The bill also requires the Department of Water Resources to review the effectiveness of permitting decisions by the GSAs. Since the passage of the Sustainable Groundwater Management Act the California Water Code states, *“It is the policy of the state that groundwater resources be managed sustainably for long-term reliability and multiple economic, social, and environmental benefits for current and future beneficial uses. Sustainable groundwater management is best achieved locally through the development, implementation, and updating of plans and programs based on the best available science.”* Farm Bureau is working with a large coalition to meet with the author to voice our concerns to the measure. Staff: Danny Merkley, [dmerkley@cbbf.com](mailto:dmerkley@cbbf.com) or (916) 446-4647.

**A measure to implement a recommendation in recent report by the Planning and Conservation League (PCL) was amended this week.** [AB 2639](#) (Bill Quirk, D-Hayward) is one of several bills introduced to implement the PCL/water law professors’ recommendations contained in a recent report entitled, *“Updating California Water Laws to Address Drought and Climate Change.”* The measure would require the State Water Resources Control Board to adopt a final update to the Bay-Delta Water Quality Control Plan by December 31, 2023. The bill would prohibit the Water Board from approving any new water right permits or extensions of time of existing permits that would increase diversions to surface water storage from the Sacramento and San Joaquin rivers watershed until the Bay-Delta Plan is complete. Farm Bureau is working with others to oppose. Staff: Danny Merkley, [dmerkley@cbbf.com](mailto:dmerkley@cbbf.com) or (916) 446-4647.

**A measure amended this week would require groundwater sustainability plans to address adverse impacts on domestic wells.** [AB 2857](#) (Rebecca Bauer-Kahan, D-Orinda) would also require compensation of domestic well owners and water users for increased energy costs associated with deeper groundwater pumping and increased costs of water delivery from alternative water supplies. As previously stated, the California Water Code says that *“sustainable groundwater management is best achieved locally.”* This measure seems to suggest otherwise. Farm Bureau is working with others to see that the Sustainable Groundwater Management Act has the time necessary, and the time specifically spelled out in statute to succeed before amended and interfered with. Staff contact: Danny Merkley, [dmerkley@cbbf.com](mailto:dmerkley@cbbf.com) or (916) 446-4647.

**A measure that would provide the State Water Resources Control Board with authority to allow water diverters options to use remote sensing methodology to measure water diversion and use amounts was significantly amended this week.** [SB 832](#) (Bill Dodd, D-Napa) was amended this week to address concerns raised by Farm Bureau and water suppliers, to allow for options using proven ET methodologies to be used in estimating water diversion amounts. The amendments that came out in print this week do not reflect the amendments made by the author and the Senate Natural Resources and Water Committee, but those errors will be address in Committee on April 5<sup>th</sup>. Staff: Danny Merkley, [dmerkley@cbbf.com](mailto:dmerkley@cbbf.com) or (916) 446-4647.

**The State Water Resources Control Board mailed early warning letters to approximately 20,000 water right holders this week.** The letter highlights the critical water supply conditions and urges right holders to plan for potential shortages by reducing water use and adopting practical conservation measures. The letter also warns right holders to prepare for curtailments in some

watersheds if dry conditions continue. A copy of the letter is available online at [waterboards.ca.gov/drought/docs/2022/dyl\\_2022\\_web.pdf](https://waterboards.ca.gov/drought/docs/2022/dyl_2022_web.pdf).  
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