

A background image of the California State Capitol building in Sacramento, showing its iconic dome and classical architecture under a blue sky with light clouds.

From Sacramento to D.C. Advocacy in Action

July 15th, 2024

State Affairs

Wolf Compensation Funding

The 2024-25 budget was unveiled, and one-time allocation of \$600,000 was included in it for the funding of the Wolf-Livestock Compensation Program. California Farm Bureau, California Cattlemen's Association, and Defenders of Wildlife had asked for a \$3 million appropriation. Given budget circumstances, \$600,000 is a great step towards continued funding of the program. Staff: Steven Fenaroli, sfenaroli@cfbf.com

CARB Phases Out Forklifts

During a June 27 California Air Resources Board (CARB) meeting, CARB approved a forklift rule that phases out most forklifts. As of 2026, new propane and natural gas forklifts will be unavailable, and other older models will be phased out by 2038. In-field, rough terrain forklifts are exempt from this rule, but internal combustion engine with cushion tires and pneumatic tires will have to comply. Farm Bureau submitted comments in June on the proposed rule and spoke at the June 27 CARB board meeting asking for a timeline that gives more users a stretched-out timeframe to phase out their forklifts. Under this scenario, owners of large fleets would have until 2038 instead of 2034 to fully replace their fleet. In the end, CARB did not agree to this change, and they adopted the regulation as is. Staff: Steven Fenaroli, sfenaroli@cfbf.com

Clean Truck Check Registration Issues

Deadlines for annual compliance fees for 2024 begin July 1, 2024, and the compliance fee deadline for each vehicle is shown in your CTC-VIS account. Vehicles that have overdue compliance fees are considered non-compliant and are subject to California Department of Motor Vehicles (CA DMV) registration holds and potentially other enforcement actions. Once the vehicle complies with the 2024 requirements, they may print their Compliance Certificate. The expiration date will be updated to reflect the next compliance deadline once the existing expiration date has passed. If you have not reported to CTC-VIS, be sure to create an account and report your vehicle(s). Staff: Steven Fenaroli, sfenaroli@cfbf.com

Dairy

The June 2024 edition of our California Dairy Quality Assurance Program newsletter is available [online](#) and available for download. In this issue you'll read more about "Bird Flu" in cattle, how to protect your herd and employees and what to do about fairs and exhibitions. Also included is a "hold-the-date" announcement for a July webinar on visitor biosecurity. There is also a round-up on this month's CDQAP manure tech field days and a link to information on preparing livestock and employees for our forecasted heat events. **Staff: Steven Fenaroli, sfenaroli@cfbf.com**

[CDQAP Quality Assurance Update](#)

Dairy Advisory Seminar

California Milk Advisory Board is hosting three advocacy bootcamp workshops and a virtual warmup session. The goal is to give dairy farmers attending fairs/community events over the next few weeks a little refresher on messaging during the virtual meeting, with a deeper dive into our newly minted Advocacy Toolkit at the August sessions. [More information is linked.](#) **Staff: Steven Fenaroli, sfenaroli@cfbf.com**

Heat and Carcass Management

CDFA is providing you with the Emergency Mortality Advisory due to the National Weather Service (NWS) forecast for widespread major to extreme heat risk with triple digit temperatures in various parts of the state. The summer months are expecting continued extreme weather that may affect animals adversely. This is only an advisory alerting you to plan and prepare for a potential rendering disruption and plan on alternate emergency disposal methods for animal mortalities that may occur. Attached is the CDFA notification for you to share as needed for your members and cattle contacts.

If there is an emergency issue this week, a quarantine will be announced, as done in the past, making alternate disposal a viable option. If someone is experiencing an "emergency" on farm, let me know ASAP so we can issue the quarantine and back date it to the start of the event. **Staff: Steven Fenaroli, sfenaroli@cfbf.com**

[CDFA Dairy Mortality Disposal Guide](#)

Dairy Quality Webinar July 16th

California Dairy Quality Assurance Program will host a webinar on Tuesday July 16th, at 3:30 pm (Pacific Time) for a one-hour webinar that focuses exclusively visitor biosecurity.

You will hear perspectives and recommendations coming from CDFA, the NMPF-FARM program and American Association of Bovine Practitioners. From allied industry they will also be joined by DeLaval, which has developed a comprehensive program to protect herds on which they are performing milking machine maintenance or installation. Participation is free but registration is required.* Go [here](#) to register. **Staff: Steven Fenaroli, sfenaroli@cfbf.com**

Paraquat Cancellation

The legislature is currently recessed for their summer break, but we will continue to work with the Senate Appropriations Committee on our concern related to AB 1963 (Friedman - D Glendale) related to the cancellation of Paraquat. The bill's movement out of Senate Agriculture Committee was very unfortunate because it left stakeholders on all sides confused about what amendments will be taken in the appropriations committee once the legislature reconvenes in August. We continue to believe we have a science-based system that evaluates all pesticides in California and that bypassing our current system politicizes a process that should be based on science, not politics! **Staff: Chrstopher Reardon; creardon@CFBF.com**

Forestry

Board of Forestry and Fire Protection issued a new draft of revisions to the Utility Right of Way Exemption available for public review and comment. You can review the "July 2024 ROW Exemption Revision Overview" for an explanation of the changes, and "NEW DRAFT July 2024 ROW Exemption - clean copy" for the proposed changes in strikeout/underline format. California Farm Bureau submitted public comments on the draft ROW Exemption for the Board's meeting on July 23-24. Staff: Peter Ansel; pansel@cfbf.com

[July 2024 ROW Exemption Revision Overview](#)

[NEW DRAFT July 2024 ROW Exemption](#)



USDA Proposal Clarifies Unfair Practices Under the Packers & Stockyards Act ———

Late last month, USDA announced a proposed new rule that would make it easier for farmers, ranchers, and other market participants to sue livestock, meat, and poultry companies over perceived unfair businesses practices. Consolidation in these industries has come under scrutiny during the Biden administration, with several rules being proposed over the past year. The latest rule would set clearer standards by which unfair market practices are determined. USDA and early supporters have cited decades of inconsistent judicial rulings as undermining the Packers & Stockyards Act in favor of larger companies.

The rule would institute the following means test for determining unfair practices: (1) the practice causes or is likely to cause substantial injury to one or more market participants, which (2) the participant or participants cannot reasonably avoid, and which (3) the regulated entity that has engaged in the act cannot justify by establishing countervailing benefits to the market participant or participants or to competition in the market that outweighs the substantial injury or likelihood of substantial injury. A comment period will be open through August 27th. CAFB is currently reviewing the potential impacts for members. **Staff: Matthew Viohl;** mviohl@CFBF.com

“Chevron Deference” Likely to Greatly Impact Federal Regulatory Environment ———

At the end of June, the United States Supreme Court announced a major overturning of legal precedent in *Loper Enterprises v. Raimondo*. While the case itself involved the financial obligations of fishing companies and regulatory officials, the broader implication involved a legal precedent known as “Chevron Deference.” In place for nearly forty years, this principle gave federal agencies great latitude in interpreting laws passed by Congress. In simple terms, when a passed law lacked clarity on how to carry out specific or general elements of the law itself, the respective federal agency in charge of enforcement would be considered the “expert” in filling in those gaps.

Historically, this latitude gave federal agencies a significant advantage when individuals or companies sued over perceived regulatory overreach. More conservative and small government groups have long sought to overturn this principle, which was largely accomplished in the Raimondo case. Now, in issues of grey areas and vague areas of the law, the court system (judges) will now play the biggest role in determining what those filled in gaps should be. While the impacts might take years to be felt, it has likely opened the floodgates for hundreds—if not thousands of existing regulations to be challenged by both public and private entities. It will also likely encourage Congress to be more specific on their law-writing as they craft bills, so that interpretation is not so open ended. Staff: Matthew Viohl; mviohl@CFBF.com

Announcements

Mandatory Moratorium on Cancellations and Non-Renewals of Policies of Residential Property Insurance After the Declaration of a State of Emergency

RE: Mandatory Moratorium on Cancellations and Non-Renewals of Policies of Residential Property Insurance After the Declaration of a State of Emergency

As enacted by Senate Bill 824 (Lara, Chapter 616, Statutes of 2018) Insurance Code section 675.1, subdivision (b)(1) provides:

“An insurer shall not cancel or refuse to renew a policy of residential property insurance for a property located in any ZIP Code within or adjacent to the fire perimeter, for one year after the declaration of a state of emergency as defined in Section 8558 of the Government Code, based solely on the fact that the insured structure is located in an area in which a wildfire has occurred. This prohibition applies to all policies of residential property insurance in effect at the time of the declared emergency.” (Emphasis added.)

Section 675.1, subdivision (d) defines “policy of residential property insurance” as follows:

“...policy residential property insurance” has the meaning described in subdivision (a) of Section 10087.” (Emphasis added.) Section 10087, subdivision (a) provides:

“...‘policy of residential property insurance’ shall mean a policy insuring individually owned residential structures of not more than four dwelling units, individually owned condominium units, or individually owned mobile homes, and their contents, located in this state and used exclusively for residential purposes or a

tenant's policy insuring personal contents of a residential unit located in this Bulletin 2024-5 Page 2 of 3 July 11, 2024 state." (Emphasis added.)

Accordingly, no admitted or non-admitted insurer shall issue a notice of cancellation or non-renewal due to wildfire risk for any policy of residential property insurance, including all homeowners', condo unit owners', mobile homeowners', or residential renters' insurance policies, that are located in a ZIP Code identified by this bulletin or any subsequent bulletin as subject to Section 675.1, subdivision (b)(1).

Section 675.1, subdivision (b)(2) further provides:

"...the fire perimeter shall be determined by the Department of Forestry and Fire Protection in consultation with the Office of Emergency Services. The department shall provide the commissioner with data describing the fire perimeter sufficient for the commissioner to determine which ZIP Codes are within or adjacent to the fire perimeter. The commissioner shall then issue a bulletin to inform insurers which ZIP Codes are subject to this subdivision." (Emphasis added.)

The Department of Forestry and Fire Protection, in consultation with the Governor's Office of Emergency Services, has provided the Commissioner with data identifying the fire that pertains to the state of emergency and describing the fire perimeter. The Commissioner has relied upon that data to determine which ZIP Codes are subject to the moratorium under Section 675.1, subdivision (b)(1).

On July 3, 2024, Governor Gavin Newsom proclaimed a state of emergency covering Butte County due to the Thompson fire. Therefore, due to the Governor's July 3, 2024 declarations, no admitted or non-admitted insurer shall issue a notice of cancellation or non-renewal due to wildfire risk for one year, starting on July 3, 2024, for any policy of residential property insurance in the following ZIP Codes:

- Thompson Fire: 95901, 95914, 95915, 95916, 95917, 95919, 95920, 95938, 95941, 95948, 95953, 95954, 95965, 95966, 95968, 95969, 95972, 95974

In addition, all admitted and non-admitted insurers writing policies of residential property insurance in California must offer to rescind any notices of cancellation or non-renewal issued due to wildfire risk since the Governor's July 3, 2024 emergency declarations and offer to reinstate or renew policies in effect at the time of the applicable emergency declaration, if any such notices of cancellation or nonrenewal were issued due to wildfire risk on or after the date of the emergency declaration, and the properties are located in ZIP Codes identified by this bulletin.

Please Note: If additional ZIP Codes are determined to be within or adjacent to a fire perimeter subject to a declared state of emergency, the Department may issue a:

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supplemental bulletin adding such additional ZIP Codes to the moratorium against cancellations and non-renewals of policies of residential property insurance pursuant to Insurance Code section 675.1(b).

Any insurer or producer with questions about this bulletin, please contact:

Daniel Wade

Legal - Rate Enforcement Bureau

Daniel.Wade@insurance.ca.gov

Any consumer with questions about this bulletin, please call the Department's Consumer Hotline at: 800-927-4357.

Opportunity to Join Industrial Hemp Advisory Board

SACRAMENTO, July 9, 2024 - The California Department of Food and Agriculture's (CDFA) Pest Exclusion Branch has extended the deadline to apply for the two (2) midterm vacancies on the Industrial Hemp Advisory Board (IHAB). The California Department of Food and Agriculture's Industrial Hemp Advisory Board was established by the California Industrial Hemp Farming Act (AB 566 - 2013). The Board is composed of thirteen (13) members and the term of office for Board members is three years, as outlined in Food and Agricultural Code Section 81001. The Industrial Hemp Advisory Board makes recommendations to the CDFA Secretary on all matters pertaining to industrial hemp law and regulations, enforcement, annual budgets, and the setting of an assessment rate required to accomplish the purposes of the California Industrial Hemp Law. Members meet at least once per year but may meet more frequently if needed. The members receive no compensation but are entitled to payment of necessary travel expenses in accordance with the rules of the California Department of Human Resources.

The Board has the following vacancies:

- Two (2) representatives who are registered as growers of industrial hemp. The successful candidates will be appointed to serve the term which expires on May 31, 2026.

Individuals interested in being considered for this Board appointment should send a completed applicant questionnaire to the Industrial Hemp Program by July 31, 2024, by e-mail to

industrialhemp@cdfa.ca.gov or by mail to:

California Department of Food and Agriculture Pest Exclusion Branch

1220 N Street Sacramento, CA 95814

Attention: Industrial Hemp Program For additional information, and a Prospective Member Questionnaire, visit the Industrial Hemp Program webpage at: <https://www.cdfa.ca.gov/plant/industrialhemp/>, contact the Program at (916) 518-3283 or send an email to industrialhemp@cdfa.ca.gov.

USDA Seeks Nominees for Fruit and Vegetable Industry Advisory Committee

The U.S. Department of Agriculture (USDA) is seeking nominations from specialty crop stakeholders to serve on the Fruit and Vegetable Industry Advisory Committee (FVIAC). The deadline for nominations is Sept. 3, 2024.

The Secretary of Agriculture will appoint up to 25 individuals, for two-year terms, to succeed members whose terms expire Oct. 28, 2024. Detailed information about the advisory committee's background, candidate qualifications, requirements and forms are available on USDA's Agricultural Marketing Service website on the [FVIAC Nomination Information webpage](#).

Nomination packages may be submitted by email to SCPFVIAC@usda.gov, which is preferred, or mailed to: Jennie M. Varela, U.S. Department of Agriculture, Attn: Fruit and Vegetable Industry Advisory Committee, 1124 1st Street South, Winter Haven, FL, 33880.

Established in 2001, the FVIAC is administered by USDA's Agricultural Marketing Service (AMS). Committee members represent the spectrum of the fruit and vegetable industry including shippers, wholesalers, brokers, retailers, processors, fresh cut processors, foodservice suppliers, state agencies, state departments of agriculture and trade associations. The FVIAC meets at least twice a year to develop recommendations on issues affecting the U.S. produce industry.

USDA encourages nominees who reflect the full diversity of the produce sector in terms of size and scale of operation, industry role, demographic characteristics, geographic location and production methods. Qualified candidates include active members of the fruit and vegetable industry serving in one of the above-mentioned agricultural capacities. Information about the committee is available on the [AMS Fruit and Vegetable Industry Advisory Committee webpage](#).

For more information into CAFB's Legal Division, read the latest newsletter at the link below:

[Legal Division Latest Newsletter](#)