








State Affairs

Livestock Composting

California Farm Bureau supports AB-411 (Papan). AB-411 allows for the on-farm composting of a livestock carcass. This environmentally sustainable practice offers a responsible and efficient method of managing livestock mortality, reducing the need for costly and resource-intensive disposal methods such as rendering which might not be feasible or practical for our members who live far from such a facility. On-farm composting not only minimizes transportation costs but also reduces the risk of contamination to groundwater and nearby ecosystems, and according to AB 411, would be done in consultation with best practices from the Department of Resources Recycling and Recovery and the State Water Resources Control Board. Furthermore, it provides farmers with a valuable soil amendment that can enhance soil fertility and health, ultimately supporting more resilient agricultural practices. The bill will be heard at the Assembly Agriculture Committee first. Staff Contact: Steven Fenaroli; sfenaroli@cfbf.com

USDA Announced a 5-Prong Plan to Lower Egg Prices

**USDA \$1 Billion Plan
to Fight Avian Flu & Lower Egg Prices**

Boost Biosecurity	Speed Repopulation	Cut Red Tape	Innovate Protection	Adjust Trade
				
Nationwide audits, 75% cost-share & \$500M investment	Higher indemnity rates & \$400M investment	In coordination with FDA, ease rules for commercial & homegrown chickens	\$100M for vaccines, therapeutics research & other strategies to reduce depopulation	Temporary consideration of import-export options after safety checks, where applicable

USDA is investing up to \$1 Billion to combat avian flu and reduce egg prices

- **Invest in Gold-Standard Biosecurity Measures for all U.S. Poultry Producers**
 - USDA will expand its highly successful Wildlife Biosecurity Assessments to producers across the nation, beginning with egg-layer facilities, to safeguard farms from the cause of 83% of HPAI cases: transmission from wild birds. These additional safety measures have proven to minimize flu cases; the approximately 150 facilities that follow these protocols have had only one outbreak.
 - USDA will share up to 75% of the costs to fix the highest risk biosecurity concerns identified by the assessments and audits, with a total available investment of up to \$500 million.
- **Increase Relief to Aid Farmers and Accelerate Repopulation**
 - APHIS will continue to indemnify producers whose flocks must be depopulated to control the further spread of HPAI.
 - New programs are being explored to aid farmers to accelerate the rate of repopulation, including ways to simplify the approval process to speed recovery.
 - **Up to \$400 million** will be available to support these costs for the remainder of the fiscal year.

Remove Unnecessary Regulatory Burdens on the Chicken and Egg Industry to Further Innovation and Reduce Consumer Prices

- USDA is working alongside our partners at the U.S. Food and Drug Administration to examine strategies to safely expand supply in the commercial market for eggs.
- USDA will minimize burdens on individual farmers and consumers who harvest homegrown eggs.

Explore Pathways toward Vaccines, Therapeutics, and Other Strategies for Protecting Egg Laying Chickens to Reduce Instances of Depopulation

- USDA will be hyper-focused on a targeted and thoughtful strategy for potential new generation vaccines, therapeutics, and other innovative solutions to minimize depopulation of egg laying chickens along with increased bio-surveillance and other innovative solutions targeted at egg laying chickens in and around outbreaks. **Up to a \$100 million** investment will be available for innovation in this area.
- Importantly, USDA will work with trading partners to limit impacts to export trade markets from potential vaccination. Additionally, USDA will work alongside the U.S. Department of Health and Human Services to ensure the public health and safety of any such approaches include considerations of tradeoffs between public health and infectious disease strategy.
- USDA will solicit public input on solutions, and will involve Governors, State Departments of Agriculture, state veterinarians, and poultry and dairy farmers on vaccine and therapeutics strategy, logistics, and surveillance. USDA will immediately begin holding biweekly discussions on this and will also brief the public on its progress biweekly until further notice.

Consider Temporary Import-Export Options to Reduce Costs on Consumers and Evaluate International Best Practices

- USDA will explore options for temporarily increasing egg imports and decreasing exports, if applicable, to supplement the domestic supply, subject to safety reviews.
- USDA will evaluate international best practices in egg production and safety to determine any opportunities to increase domestic supply. Staff Contact: Steven Fenaroli; sfenaroli@cfbf.com

Governor Newsom Declares Wildfire State of Emergency

With an emphasis on the slow pace and scale of wildfire fuels reduction projects and the propensity for Coastal Act or California Environmental Quality Act (CEQA) lawsuits to stop fuels reduction efforts, the Governor issued a proclamation declaring a state of emergency in California regarding wildfire risks. The Governor's goal is to prevent CEQA or other legal challenges from obstructing fuels mitigation treatments.

There is an expectation that environmental groups will oppose this proclamation, but Farm Bureau encourages the Governor to continue pursuing regulatory reforms. The direct and indirect damages, including those to the environment and ecosystems where fire has occurred, make it clear that the state must focus on fuels reduction efforts. Staff contact: Peter Ansel; pansel@cfbf.com

AB 226 Heard in Assembly Insurance Committee

AB 226, authored by Assemblymembers Calderon and Alvarez, was heard in Assembly Insurance Committee this week. The bill has an urgency clause, meaning it will take effect immediately upon signature. The bill is a redux of AB 2996 (Alvaraz 2024) from last session. Farm Bureau supports AB 226, as the bill allows the California FAIR Plan to stabilize its financial position leveraging bond issuing authority from California's iBank. As seen with the LA fires, it is imperative that the FAIR Plan not only remains solvent but that it has funding options besides assessments should another large claims event impact its operations. Staff contact" Peter Ansel; pansel@cfbf.com

Recycling

AB 473 (Support - Wilson) addresses a gap in the law by amending the "on-ramp" provision included in SB 343. SB 343 implemented first-in-the-nation "truth-in-labeling" requirements and prohibited products and packaging from labeling material as recyclable, including using the recycling "chasing arrows" symbol, unless the material meets specific collection, sorting, and remanufacturing standards.

AB 473 ensures that producers participating in statewide recycling programs and complying with California's environmental laws can continue to use recycling symbols, like the chasing arrows, to encourage consumers to recycle where available and incentivize investment in new materials and recycling technologies.

AB 473 provides businesses with the necessary time to transition smoothly and meet the deadlines set forth in SB 54, including ensuring that 100% of single-use packaging is recyclable or compostable by 2032. This phased-in approach also ensures that consumers are provided with accurate and trustworthy recycling information. Staff contact: Steven Fenaroli, sfenaroli@cfbf.com

California Wolf Project

The California Wolf Project out of UC Berkeley has released their 2024 Annual Report. This report was featured at the 2024 California Farm Bureau Livestock Committee.

<https://wildlife.berkeley.edu/cawolfproject/news/> Staff Contact: Steven Fenaroli, sfenaroli@cfbf.com

Supporting E15: A Step Toward Lower Energy Costs and Emission Reduction

Farm Bureau supports AB-30 (Alvarez), which would require the California Air Resources Board (CARB) to adopt specifications for blends of gasoline containing 10.5 percent to 15 percent ethanol by volume for use as transportation fuel.

Farm Bureau supports any action that allows us to decrease our energy costs while maintaining and meeting our emission reductions goals. E15 is just one piece of that solution. Far too long, CARB has delayed approving E15 and strongly encourage the Legislature to provide more tools, including different fuel blends. Staff Contact: Steven Fenaroli; sfenaroli@cfbf.com

CARB Fee Authority

California Farm Bureau and several other organizations oppose the proposal for CARB's "Regulatory Fee Authority" which would give CARB the authority over fees and charges assesses to Californians rather than the Legislature. It will grow a \$1.18 billion agency with no legislative oversight over the fees it imposes on impacted businesses. We strongly agree with the LAO's below assessment, that CARB's regulatory process is an inadequate substitute for legislative oversight.

Assembly Budget Subcommittee 4 will hear the trailer bill next Wednesday, March 12 at 9 AM and Senate Budget Subcommittee 2 will hear it next Thursday, March 13 at 9:30 AM. Staff Contact: Steven Fenaroli; sfenaroli@cfbf.com



Tariffs Go Into Effect for China and Canada

After originally promising tariffs on Mexico, Canada, and China when first sworn in, President Trump delayed most of those by a month to give more negotiating time to Canada and Mexico in particular. As of this past Friday, only the tariffs on China and Canada appear to be in effect.

The administration granted an extra month delay for Mexico, citing their progress and work on border security and combating the illegal spread and sale of fentanyl. While the president has insisted fentanyl and illegal immigration are key reasons Canada is included as well, the data suggests they account for a marginal fraction of those issues, leading to confusion on what else Canada must work on to avoid the tariffs remaining in place.

Canada and China issued retaliatory tariffs, with Canadian Prime Minister Justin Trudeau agreeing with a reporter's question that they consider this a trade war. Reportedly, the extra month-long delay was originally going to apply to Canada as well, but their vocal criticisms of the president's actions might have led to the delay only applying to Mexico. California and American agriculture rely heavily not just on foreign markets, but for many of the resources and supplies necessary to run farms and ranches across the country. CAFB joined an industry letter to the California congressional delegation, urging caution and support for the industry during these challenging times. Staff Contact: Matthew Viohl; mviohl@cfbf.com

Federal Hiring Challenges Continue

The Department of Government Efficiency (DOGE) has come under significant scrutiny in recent weeks as debates continue over the hiring freezes and firings initially pushed by the agency. Last Thursday, President Trump convened his Cabinet to clarify that DOGE is merely operating in an advisory role and that firings should be determined by individual agency heads.

For agencies such as the USDA, reports of thousands of firings—including field staff, researchers, and U.S. Forest Service personnel—have raised significant concerns within the agricultural industry. Adding to the confusion, several court cases and civil boards have largely ruled against the administration's efforts to fire thousands of employees without just cause, prompting the administration to rehire many individuals. This may be a key reason why DOGE appears to be scaling back its control and why the Office of Personnel Management has issued updated memos clarifying that it lacks the authority to fire employees within other agencies. CAFB continues to closely monitor this issue and thanks the many members who have provided invaluable feedback on programmatic and financial delays experienced over the past month due to these freezes and firings. Staff Contact: Matthew Viohl, mviohl@cfbf.com

USDA Invests \$1 Billion to Limit Impacts of HPAI

At the end of February, the U.S. Department of Agriculture (USDA) announced an investment of up to \$1 billion to combat highly pathogenic avian influenza (HPAI). Their five-step plan includes investing in biosecurity best practices, offering financial incentives for rapid repopulation, removing certain regulatory burdens, expanding vaccine efforts, and considering additional import options to stabilize the domestic supply. HPAI has killed millions of chickens and turkeys, both directly and through culling operations aimed at limiting its spread.

In addition, many turkey farms are grappling with the spread of avian metapneumovirus (aMPV), which could significantly impact egg-laying and future poultry populations. This challenge is further complicated by the absence of a direct aMPV assistance program at USDA. With the price of chicken eggs receiving extensive media coverage, this issue remains a key focus for the administration. Staff Contact: Matthew Viohl, mviohl@cfbf.com

DHS to Increase Enforcement Efforts and Request Self-Reporting

Two weeks ago, the Department of Homeland Security (DHS) announced that it would begin enforcing several provisions of the Immigration and Nationality Act (INA) as part of efforts to combat illegal immigration. These measures include imposing criminal penalties on undocumented individuals who willfully fail to depart from the U.S., fail to register and be fingerprinted, or fail to provide the government with their current residential address.

It remains unclear how these enforcement actions will intersect with ongoing crackdowns at the border and in certain cities across the country. Additionally, it is uncertain whether affected individuals are complying with these requirements due to fears of deportation. While not directly related, CFB issued a press release last month addressing workforce-related concerns, as labor remains a significant cost and challenge for producers throughout the state. Staff Contact: Matthew Viohl, mviohl@cfbf.com

USDA Wildfire Public-Private Partnership

Last month, USDA [announced](#) a \$75 million Stewardship Agreement with Sierra Pacific Industries to construct and maintain fuel breaks in strategic areas within national forests in California and Oregon to help combat the threats of wildfires. The three-year plan should add around 400 miles of interconnected fuel breaks in California. The agreement should hopefully show how private industry can be an instrumental partner in helping limit the threats of wildfires through careful and strategic mitigation practices. Staff Contact: Erin Huston, ehuston@cfbf.com

Corporate Transparency Act

In the ongoing saga of the Corporate Transparency Act (CTA), the U.S. Treasury Department tweeted last week that it would no longer enforce the CTA for domestic businesses. This reversal follows the reinstatement of a March 21 deadline for roughly 32 million businesses to comply.

While this should mean that U.S.-based companies no longer need to file a Beneficial Ownership Information Report (BOIR), we urge caution, as this matter is far from settled. The Treasury Department has issued no formal guidance or reports on the change beyond a series of tweets. Additionally, the BOIR filing portal still reflects the March 21 deadline.

We will continue to update members as we seek further clarity. Staff Contact: Matthew Viohl, mviohl@cfbf.com