

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.

April 19, 2024

Agricultural Employment Policy

On April 17, the Assembly Labor and Employment Committee considered and rejected <u>Assembly Bill (AB) 3056</u>, Assemblymember James Gallagher (R Yuba City), which would have revised the Labor Code to allow agricultural employees to work up to 8 hours in a workday and 48 hours in a workweek, effectively allowing employees to be employed for up to six full 8 hour days with no overtime liability on the part of the employer. The vote was two aye Assemblymembers Heath Flora (R Modesto), and Juan Alanis (R Modesto) to five no Assemblymembers Liz Ortega (D San Leandro), Chair; Juan Carillo (D Los Angeles); Christopher Ward (D San Diego); Alex Lee (D Milpitas); and Rick Chavez Zbur (D Hollywood). Several of those opposing AB 3056 expressed a willingness to engage the concerns of rural California residents, and the hearing included a robust discussion of interpretation of statistics indicating that agricultural employees have suffered loss of hour and income as a result of the implementation of the most recent revision of agricultural overtime requirements, AB 1066 (2016). Farm Bureau supports AB 3056. *Staff: Bryan Little, <u>blittle@cfbf.com</u>*

On April 16, the Assembly Judiciary Committee passed <u>Assembly Bill (AB) 2499</u> Assemblymember Pilar Schiavo (D Chatsworth), which expands the availability of job-protected leaves to employers of five employees (presently 25 employees) for virtually any conceivable eventuality related to supporting a family-member crime or violence victim (defined so broadly as to include non-family members) for a huge variety of purposes. AB 2499 also requires an employee to offer reasonable accommodation for employees in these situations. The bill passed 7-2 and was referred to the Assembly Appropriations Committee. Farm Bureau opposes. *Staff: Bryan Little, blittle@cfbf.com*

On April 17, the Assembly Labor & Employment Committee passed <u>Assembly Bill (AB) 2751</u> Assemblymember Matt Haney (D San Francisco), which requires employers to establish strict pre-set working hours for all employees and creates a "right to disconnect" from off-schedule communications from employers except in the event of an emergency or schedule change. Alleged violations would result in an investigation by the Labor Commissioner and potential employer fines. Farm Bureau opposes due to the undue restriction on employer/employee flexibility in necessary communications. *Staff: Bryan Little, <u>blittle@cfbf.com</u>*

Assembly Bill (AB) 2754, Assemblymember Anthony Rendon (D Lakewood), expands Labor Code Section 2810 client employer liability for wages and workers compensation originally established in 2014 from client-contractor relationships to shipper-carrier relationships, exposing agricultural shippers to liability for carriers transporting containerized freight. This will further squeeze small carriers already stressed by more stringent employer/contractor definitions in AB 5 (2019) and restrict options for agricultural shippers. AB 2754 passed the Assembly Labor and Employment Committee on April 17. Farm Bureau opposes. *Staff: Bryan Little, blittle@cfbf.com*

On April 18, the Cal/OSHA Standards Board announced its next steps on the Indoor Heat Illness Standard, which it originally approved at its March meeting in spite of its defective cost and economic impact analysis. The Administrative Procedures Act requires the Department of Finance to reject a regulation unaccompanied by required analysis, but the Government Code allows a 120-day window to "fix" a defective regulation, apparently outside the one-year window for approval of proposed Cal/OSHA regulations (the one-year clock on the Indoor Heat regulation ran out on March 31). The original regulation's fiscal analysis fell apart when the Department of Corrections and Rehabilitation objected to the cost and complexity of application of the regulation to prisons – a

stunning acknowledgement of the cost and complexity concerns Farm Bureau and others have voiced about the Indoor Heat regulation for years. The agency's announced way forward will be to exempt state- and locally operated prisons and jails from the regulation with a separate regulation to be proposed at a later time. The revised Heat Illness regulation can then be moved forward in May or June and is expected to be effective by summer. *Staff: Bryan Little, blittle@cfbf.com*

Air Quality

On Tuesday, May 7, CARB will host a second public workshop on the proposed update to the Carl Moyer program guidelines. Register here. <u>Register Here.</u>

On December 19, 2023, CARB staff held a virtual kick-off public workshop to notify the public of the process of updating the Carl Moyer Program Guidelines. During this second workshop, CARB staff will provide an overview of the Carl Moyer Program and the process for potential updates to the incentive program Guidelines. These proposed changes will ensure consistency throughout the source category chapters, reflect current regulations and advances in technology, and streamline program administration.

Some of the changes being proposed as part of the complete and comprehensive update include, but is not limited to:

- Pointing to the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) Program Guidelines for off-road agricultural projects;
- Adding flexibility that further supports zero-emission replacement projects;
- Streamlining and clarifying program and project administration processes;
- Expanding eligible costs and funding percentages for multiple source categories;
- Updating emission inventory factors for emission reduction calculations.

Prior to CARB staff proposing these changes for Board consideration in October 2024 a third public workshop will be held. The public notice for the third public workshop and release of the draft Guidelines for 45-day public review will be released once the final date in August is selected.

On April 11, CARB held a workshop on a revised Low Carbon Fuel Standard (LCFS). California Farm Bureau was on hand to make comment expressing the need for continuing the use of avoided methane credits in the program, to ensure the continued viability of existing manure digesters, and the development of additional ones that we will need to address California's methane emissions. Opposition groups have sought to eliminate dairy digesters and the credit around avoided methane. *Staff: Steven Fenaroli, sfenaroli@cfbf.com*

The California Air Resources Board (CARB) has posted the <u>Standardized Regulatory Impact Assessment (SRIA</u>) for the Cap-and-Trade Regulation. The SRIA is not a staff proposal for amendments, but rather an initial economic evaluation of potential changes to the Cap-and-Trade Program. The submittal of the SRIA is one of many steps CARB must take prior to updating the Cap-and-Trade Regulation. CARB anticipates releasing draft regulatory language for the Cap-and-Trade Program for a formal 45-day public comment period in the coming months, which may be further informed through public workshops and reflect an updated economic analysis. The Cap-and-Trade SRIA was submitted to the Department of Finance on April 9, 2024. *Staff: Steven Fenaroli, <u>sfenaroli@cfbf.com</u>*

Ballot Measures

The California Supreme Court has set oral arguments for the court case involving the Taxpayer Protection and Government Accountability Act. This ballot measure, already qualified for the November 2024 ballot, is being sued by Governor Newsom and the Legislature to remove it from being voted on. California Farm Bureau has endorsed this initiative and is part of the coalition working to pass this generational tax protection measure. The campaign is confident we will win this case after making our arguments before the Court. There is a strong legal case that it would violate decades of precedence for the Court to preemptively remove an initiative before voters

can decide its fate. Over 20 County Farm Bureaus have endorsed this measure. *Staff: Steven Fenaroli,* <u>sfenaroli@cfbf.com</u>

Dairy

An <u>on-line version</u> of California Dairy Quality Assurance Program's April newsletter is available for download.

All previous newsletters can be found at the renovated <u>CDQAP website</u>, collected on the <u>newsletter page</u>. Please feel free to reprint any of these articles in part or in their entirety in your own dairy producer communications, we ask only that you credit CDQAP for the information. In this issue you will read about some of the newest laboratory and epidemiologic investigation results that give us some important clues as to how we might best prioritize preventative actions on our dairies.

There is also a reminder about forage sampling during harvest and some "save the dates" for three exciting field days in May that will demonstrate some of the latest manure management technologies on working dairies. *Staff: Steven Fenaroli, <u>sfenaroli@cfbf.com</u>*

Endangered Species

California wildlife officials voted Thursday to list the Southern California steelhead trout as endangered, guaranteeing protection from development and water diversions for the dwindling population. The federal government listed the Southern California steelhead under the Endangered Species Act in 1997. A California Endangered Species Act listing will require any development that requires state permits to include measures to protect the fish, not just those under federal authority. California Farm Bureau's Justin Fredrickson testified at the hearing as well as local county farm bureaus impacted by this decision. This could have tremendous impacts on our members, and we will continue to actively engage on this issue. *Staff: Chris Reardon; creardon@cfbf.com*

Energy and Utilities

Farm Bureau submitted two separate letters of support for different bills seeking to advance the use of advanced reconductoring and/or grid enhancing technology.

- Senate Bill (SB) 1006 authored by Senator Steve Padilla (D San Diego) would require transmission utilities, as defined, on or before January 1, 2026, to jointly prepare a grid-enhancing technologies strategic plan that is designed to, among other things, cost-effectively increase transmission capacity and increase capacity to connect new renewable energy and zero-carbon resources. The bill would require each transmission utility, on or before January 1, 2026, and at least every 4 years thereafter, to complete an evaluation of which of its transmission and distribution lines can be reconductored with advanced conductors in a cost-effective manner to, among other things, increase transmission or distribution capacity and increase capacity to connect new renewable energy and zero-carbon resources. The plans would also require a timeline for implementation and progress reports on that implementation. The bill was on the consent calendar receiving unanimous support and is headed to Senate Rules.
- Assembly Bill (AB) 2779 authored by Assembly Member Cottie Petrie-Norris (D Irvine) is similar to SB 1006 but focuses solely on grid enhancing technology (GET). The bill would require the California Independent System Operator to report to both the legislature and Public Utilities Commission on any new use of GET and the savings in deploying that technology. The bill was on the consent calendar receiving unanimous support and is headed to Assembly Appropriations.

Farm Bureau also submitted a letter of support for <u>Assembly Bill (AB) 2750</u> authored by James Gallagher (R Yuba City) which would extend the investor-owned utilities (IOUs) obligations to collectively procure their proportionate share of 125 megawatts (MW) of cumulative rated generating capacity from bioenergy projects to July 1, 2025. As well as expands eligibility of the 5-year extensions for procurement contracts from biomass facilities to include facilities located in areas that voluntarily opt for federal "severe" or "extreme" nonattainment status but that have measured levels of air pollutants below "severe." The bill provides s necessary fix to air districts that s that voluntarily reclassified themselves to "severe" and "extreme" nonattainment (where actual

measured levels of particulate matter are below these classifications) and was voted out of committee 16-0. The bill will now head to Assembly Appropriations. *Staff contact: Kevin Johnston*, <u>kjohnston@cfbf.com</u>

Farm Bureau submitted a letter on <u>Assembly Bill (AB) 3238</u> authored by Assembly Member Eduardo Garcia (D Coachella) with an Oppose Unless Amended position. Our concern with the bill, which has a long list of coauthors, is the newly proposed process and standards it would use for approval of transmission lines. We are aware that agricultural lands bear a disproportionate impact from locations to build out transmission lines. Provisions in the bill would shift important environmental and other reviews from the California Public Utilities Commission to the California Independent System Operator, which is ill equipped to effectively consider impacts to landowners and communities. The bill has been triple referred and has already been heard and passed out of the Utilities and Energy Committee, as well as the Water, Parks, and Wildlife Committee. It will be heard at the Natural Resources Committee on Monday, April 22. *Staff contact: Karen Mills, kmills@cfbf.com*

Fish and Wildlife

On Thursday April 11, the Department of Fish and Wildlife released a summary report detailing how the agency allocated \$3 million appropriated in the Budget Act of 2021 for the Department's Wolf-Livestock Compensation Pilot Program. The summary reveals that, in a span of just over two years, the Department awarded 109 wolf compensation grants to 36 individual producers with livestock operations in four of the nine counties with known wolf activity (while the total number of grantees may appear small at first blush, it is well established that wolf impacts are not uniform, and individual ranchers often experience disproportionately high levels of wolf impacts).

The Department's analysis demonstrates that nearly two-thirds of available funds (\$1,919,825) were expended under the non-lethal deterrent grants prong of the program. By reducing conflicts between livestock and wolves, non-lethal deterrence safeguards livestock herds and wolf populations alike – and directly furthers a major conservation strategy identified in the Department's Conservation Plan for Gray Wolves in California.

Of the remaining funds, \$135,043 were expended on direct loss compensation (reimbursing ranchers fair market value for animals whose deaths or injuries were the confirmed or probable result of livestock attacks) as a result of 26 payments, and \$945,130 were directed at "pay for presence" (compensating ranchers for other impacts of wolf presence, such as stress effects that result in lost pregnancies and decreased weight gains in cows).

This report comes on the heels of our renewed ask for \$3 million for the Wolf-Livestock Compensation Program in the 2024-25 Budget. As the Department's analysis shows, however, even a much more modest appropriation will allow the Department to prioritize the most vital function of the program – direct loss compensation – and to direct additional resources toward reducing conflicts between wolves and livestock. *Staff: Steven Fenaroli, sfenaroli@cfbf.com*

Forestry and Wildfire

Farm Bureau's sponsored <u>Senate Bill (SB) 945</u> passed from the Senate Environmental Quality Committee on the Consent Calendar. The bill picked up support from the California Medical Association, California Cattlemen's Association, and the Union of Concerned Scientists. Farm Bureau's bill directs the state to develop data correlating the public health benefits from wildfire mitigation investments. The bill is authored by Senator Marie Alvardo-Gil (D Modesto). *Staff: Peter Ansel; pansel@cfbf.com*

Insurance

Assembly Bill (AB) 2996, authored by Assemblymember David Alvarez (D Chula Vista) passed from the Assembly Committee on Jobs with bipartisan unanimous support. The bill moves to the Committee on Insurance with a recommendation for the Consent Calendar. AB 2996 authorizes the California iBank to back bonds for the California Fair Plan in the event of a massive claims occurrence. This bill increases the financial stability of the

Fair Plan while it has sustained unprecedented growth due to the state's current insurance market crisis. Farm Bureau supports AB 2996. *Staff: Peter Ansel; pansel@cfbf.com*

Land Use

The California Farm Bureau stood alone in opposing <u>Assembly Bill (AB) 2528</u> in the Assembly Committee on Utilities and Energy. Testimony in support of the bill came from the Large Solar Association and Western Growers. The bill, as previously reported, would allow landowners to attest that they do not have water due to groundwater pumping limitations and that would allow a Board of Supervisors to cancel Williamson Act and Farmland Security Zone contracts without paying the well accepted cancellation fee. The bill passed from Committee with two Republicans (Assemblymembers Jim Patterson and Joe Patterson) and two Democrats (Assemblymembers Bauer Kahan and Damon Connolly) abstaining because of the concerns expressed by the Farm Bureau regarding the lack of the bills' coordination with groundwater sustainability agencies and because the risk of losing open spaces and productive agriculture lands. *Staff: Peter Ansel pansel@cfbf.com and Alex Biering abiering@cfbf.com*

Transportation

<u>Assembly Bill (AB) 2900</u> Assemblymember Esmeralda Soria (D Fresno) was heard in Assembly Transportation Committee on April 15. It passed out unanimously. The bill would establish a technical and financial assistance program under the Advanced Clean Fleet (ACF) program. This bill is supported by California Farm Bureau. *Staff: Steven Fenaroli, <u>sfenaroli@cfbf.com</u>*

Water

TULARE LAKE SUBBASIN HEARING ON 4/16

The agenda included a staff presentation, two panels (Tulare Lake Groundwater Sustainability Agencies (GSA) reps and Tule Groundwater Sustainability Agencies reps), public comments, Board member discussion, and a potential vote. About 75 people attended in person and there were roughly 50 public commenters; the meeting concluded when the Board voted to place the Tulare Lake Subbasin in probation at about 6:30 PM. The Board's discussion and deliberation lasted about an hour before they voted.

The probation "kicks in" on July 15, 2024. The Board's resolution requires reporting for anyone pumping more than 2 AF annually or who is pumping for purposes other than domestic use; meters on all wells for anyone who pumped more than 500 Axial Flow (AF) per year during Water Year 2023 or expects to during Water Year 2024. Before approving the resolution, the Board inserted a new subsection committing to consider "alternative compliance pathways" to measure and report estimate time and water use. Fees are \$300 per well annually and \$20 per AF pumped.

Major points of discussion or takeaways:

- GSAs in the basin had been working hard up until the 11th hour to revise their Groundwater Sustainability Plan (GSP), which the Board acknowledged and appreciated. However, as Vice Chair D'Adamo explained, without a revised GSP having been submitted, the Board could not in good conscience delay a vote on probation.
- The Board especially appreciated the newer elements of the GSP that the GSA panel presented, such as well mitigation programs to stop domestic and small system wells from going dry or having additional water quality impacts.
- Board Member Morgan requested staff take a closer look at "how much" subsidence is allowable/acceptable, as subsidence is likely to continue into the future.
- Board Member Maguire asked staff questions about the actions in the plans and whether they should include actual projects that the Board could support. He also asked staff to look into whether GSAs can report on behalf of the basin's groundwater pumpers during probation, as some GSAs are already doing that.

- The Board agreed to designate a staff member for the subbasin that can serve as a single point of contact for GSAs and groundwater pumpers alike; a single email address for basin-related matters, the current point-of-contact solution, is not enough.
- The "good actor" clause exists but cannot be considered until certain deficiencies are fixed; there's confusion about the good actor clause and staff will be providing further guidance on it.
- Reflecting comments from many small farmers, the Board recognized that big farms and small farms will fare differently under probation and the potential for a disproportionate impact on small farms; they directed staff to look into ways to make enforcement more equitable, possibly via fee adjustments.

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