

Date of Hearing: April 19, 2023

ASSEMBLY COMMITTEE ON AGRICULTURE

Robert Rivas, Chair

AB 1763 (Committee on Agriculture) – As Introduced March 13, 2023

SUBJECT: Food and agriculture: industry-funded standardization program

SUMMARY: This bill would eliminate the January 1, 2025 repeal date of the California Department of Food and Agriculture’s (CDFA) Fruit, Nuts and Vegetable Standardization Program (Standards Program) provisions, extending the program indefinitely.

EXISTING LAW:

- 1) Requires CDFA, until January 1, 2025, to create a Standards Program for purposes of implementing and enforcing provisions relating to fruit, nut, and vegetable standards. *Food and Agriculture Code (FAC) 42801 – 42815*
- 2) Requires CDFA to adopt regulations reasonably necessary to carry out those provisions, including establishing assessment rates and procedures for payment of assessments. *FAC 42681 – 42685*
- 3) Establishes specified assessment rates per container for commodities that are not otherwise subject to a mandatory inspection fee, and per container for commodities that are subject to a mandatory inspection fee, to be deposited in the CDFA Fund and used for implementing and enforcing the Standards Program. *FAC 42806*
- 4) Requires the CDFA to exempt any commodity subject to the Standards Program if a petition representing a specified percentage of the producers is submitted, as specified. *FAC 42804*

FISCAL EFFECT: Unknown

COMMENTS: CDFA’s Fruit, Nuts, and Vegetable Standardization Program (Standards Program) has existed for more than 100 years. It provides minimum standards for quality, size, maturity, consistency in packing and labeling. The continuation of this Standards Program sunset will protect consumers from having California products that are not mature in the marketplace or that could have animal or packing damage causing the product to prematurely rot or spoil.

In 1915, the Legislature began to establish in statute minimum standards for fresh fruits, nuts, and vegetables by governing such factors as weight compliance, packaging, labeling, ripeness, color, and maturity. The program was first financed through the General Fund, but these costs shifted entirely to the industry in the wake of the fiscal crisis of the early 1990s. The Standards Program is responsible for enforcing laws and regulations establishing minimum state standards for fruits and vegetables. County agricultural commissioner’s carry out enforcement at the local level.

The Standards Program was supported entirely by the General Fund until the elimination of budget in the 1991-92 budget. The program restarted in 1992 with the enactment of AB 884. AB 884 provided for industry funding of the Standards Program with producers of commodities

having the option to "opt out" from the enforcement standards and be exempted from the assessment fees. Industry-sponsored legislation provided five successive legislative extensions of this effort. In 1992, an advisory committee was established to provide recommendations and advice to the secretary on all matters pertaining to standardization. The committee is comprised of 13 voting members who have a financial interest in a commodity represented.

REGISTERED SUPPORT / OPPOSITION:**Support**

None on file

Opposition

None on file

Analysis Prepared by: Victor Francovich / AGRI. / (916) 319-2084