

2019 MID-YEAR LEGISLATIVE SUMMARY

SUSAN T. EGGMAN, CHAIR



Assembly Committee on Agriculture

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ASSEMBLY COMMITTEE ON AGRICULTURE SUSAN TALAMANTES EGGMAN, Ph.D., CHAIR ASSEMBLYMEMBER, THIRTEENTH DISTRICT

November 1, 2019

TO ALL INTERESTED PARTIES:

The following report summarizes legislation referred to the Assembly Committee on Agriculture during the 2019 legislative session and indicates the final status of each measure.

The Committee's primary jurisdiction extends to agricultural land use, commodity specific legislation, agricultural commissions and councils, the California Department of Food and Agriculture, fairs and expositions, agricultural marketing, food safety and labeling, and agricultural pesticides.

For additional information regarding this summary, or other activities of the Assembly Committee on Agriculture, please contact the Committee staff at 916-319-2084.

Sincerely,

A handwritten signature in blue ink, appearing to read "Stg", likely representing Susan T. Eggman.

Susan T. Eggman, Chair

ASSEMBLY AGRICULTURE COMMITTEE

2019 MID-YEAR

LEGISLATIVE SUMMARY

ASSEMBLY BILLS

AB 256 (Aguiar-Curry) – Wildlife: California Winter Rice Habitat Incentive Program. Chaptered by Secretary of State, Chapter 420, Statutes of 2019.

This bill revises the provisions of the California Winter Rice Habitat Incentive Program. Specifically, this bill:

1. Revises the definition of “productive agricultural rice lands that are winter-flooded” to remove the requirement that the field has been farmed to rice at least two of the last three growing seasons, and instead requires that the field has been farmed to rice during each growing season before each of the winter flooding seasons contracted for flooding.
2. Requires contracts under the program to require an agreement by the owner or the lessee to restore, enhance, and protect the waterfowl habitat character of an established number of acres of described land that may be annually rotated provided that the minimum contracted acreage amount is achieved for each of the contracted winter-flooding seasons.
3. Removes the requirement that lessees of the rice lands have the owners of record execute the contracts.
4. Authorizes the Department of Fish and Wildlife (DFW) to enter into agreements with qualified entities that possess demonstrated experience and understanding of California rice farming practices and wildlife-related conservation practices to assist with the implementation of conservation contracts on behalf of the DFW.

AB 256, as introduced, was regarding cotton pests abatement districts, and was referred to the Assembly Agriculture Committee. On June 28, 2019, this bill was gut and amended with the current bill language, and was re-referred to the Assembly Committee on Water, Parks, and Wildlife.

AB 366 (Bloom) – Animals: blood, blood components, and biologics. In Committee: Set, second hearing. Hearing canceled at the request of author.

This bill will allow for the creation of canine blood banks based on a voluntary blood donor program and eliminate, by 2022, the use of closed colony animal blood banks that produce canine blood and blood components.

AB 417 (Arambula, Mathis, Robert Rivas) – Agriculture and Rural Prosperity Act. Vetoed by the Governor, October 12, 2019.

This bill creates the Agriculture and Rural Prosperity Act. This bill authorizes the Secretary of the California Department of Food and Agriculture (CDFA) to consult with other stakeholders to identify opportunities to further rural agricultural economies. This bill also requires CDFA to create a position within the Department's executive office to assist the Secretary with the Act and establishes the Rural Economic Development Account to carry out the provisions of the Act.

GOVERNOR'S VETO MESSAGE:

To the Members of the California State Assembly:

I am returning Assembly Bill 417 without my signature.

This bill would establish the Agriculture and Rural Prosperity Act by authorizing the secretary of the California Department of Food and Agriculture (CDFA) to consult with other stakeholders to identify opportunities to further rural agricultural economies. This bill also requires CDFA to create a position within the department's executive office to assist the Secretary with the Act and establishes the Rural Economic Development Account to carry out the provisions of the Act.

I support the creation of new opportunities for CDFA to work with federal, state and local partners to identify new partnerships and innovative solutions to enhance rural economies through technology, education and workforce training. However, I believe establishing the new position and responsibilities envisioned by this bill is better done in the budget and in the context of the broader mission of the department.

Sincerely,

Gavin Newsom

AB 419 (Committee on Agriculture) – Food and Agriculture. Chaptered by Secretary of State, Chapter 261, Statutes of 2019.

This bill extends the Fruit and Vegetable Standardization Program (FVS Program) to January 1, 2025. The bill also extends the California Department of Food and Agriculture's (CDFA) authority to establish an additional fee to operate the licensing program for the rendering and collection of inedible kitchen grease until July 1, 2025, and extends to July 1, 2021, the optional

county subvention program for enforcement activities, and other provisions of California Seed Law.

AB 450 (Arambula, Irwin, Mathis)- Bees: Apiary Protection Act. Chaptered by Secretary of State, Chapter 300, Statutes of 2019.

California has the largest beekeeping industry of any state in the nation. Nearly three-quarters of the country's documented commercial honeybee crop pollination is conducted in California, adding over six billion dollars to the value of California agricultural products. Nearly 500,000 colonies of bees are operated by 400 commercial and semi-commercial beekeepers. The state is also the leader in honey production.

Under current law, any person relocating an apiary from one county to another must report it to CAC in the new county within 72 hours. This bill will require apiaries that move within a county to also file a notice of movement within 72 hours to the local CAC. According to the author, this would provide for timelier bee hive movement notification in a timely manner. Furthermore, this will improve on the information reported to the CAC Commissioners in order to prevent any incident where a pesticide use permit is approved for a pesticide that is harmful to bees when there is an apiary in the area.

AB 466 (Committee on Agriculture) – Interstate shipments: market milk: 6 percent milk: Office of Farm to Fork: report. Chaptered by Secretary of State, Chapter 301, Statutes of 2019.

This bill allows California Department of Food and Agriculture (CDFA) to enter into place of origin inspection agreements for all items requiring entry inspection for plant pests; defines 6% milk products and authorizes the Secretary of CDFA to establish milk standards for 6% milk products sold in California; and extends the date by which CDFA's Office of Farm to Fork is required to submit to the Legislature an overview of the account's income and expenditures.

AB 534 (Mayes) – Social services: access to food. In Committee: Held under submission.

Establishes the Envision a Hunger-Free California Act of 2019, (EHF Act) that requires the California Department of Social Services, the Department of Public Health, Department of Education, and the California Department of Food and Agriculture to develop a plan to end hunger, which shall include identification of barriers to food access, among other elements: further requires the plan to be presented to the Legislature no later than January 1, 2021.

This bill was double-referred to the Assembly Health Committee as first committee of reference, and to the Assembly Agriculture Committee as second committee of reference.

AB 590 (Mathis, Eggman) – Milk. Chaptered by Secretary of State, Chapter 304, Statutes of 2019.

This bill makes various changes to current state law to comply with California's Federal Milk Marketing Order (FMMO). Specifically, this bill:

Updates how milk producers pay into the Milk Producers Security Trust (MPST) Fund; aligns definitions with California's FMMO; revises the Dairy Council of California Law to focus the council's activities on research, communication, and education regarding the nutritional value of milk and milk products within a balanced diet; and, allows the Secretary of the California Department of Food and Agriculture to implement a new assessment structure to fund the activities of the council as a result of the loss of the Milk Marketing and Stabilization Program.

AB 635 (Bigelow) – Horse racing: state-designated fairs: employees. Chaptered by Secretary of State, Chapter 353, Statutes of 2019.

Clarifies employees on fairground properties that are a part of a valid collective bargaining agreement are exempt from specified aspects of overtime requirements.

The Senate Amendments:

Deleted the Assembly version of this bill, which would have authorized a district agricultural association (DAA) to purchase commercial automobile and mobile equipment insurance from a joint powers agency (JPA) that is created for providing liability coverage for a DAA, and replaced it with specified overtime exemptions for fairground employees who are part of a valid collective bargaining agreement. This bill has an urgency clause.

AB 657 (Eggman) – Agriculture: commercial feed. Chaptered by Secretary of State, Chapter 306, Statutes of 2019.

This extends the sunset date for commercial feed licensure and inspection tonnage tax from January 1, 2020 to January 1, 2025. The bill also increases the maximum rate of the tonnage tax from \$0.15 to \$0.25 per ton of commercial feed sold. The funding is used for education and research regarding the safe handling of commercial feed.

AB 838 (Eggman) – Agriculture: small and moderate-scale diversified farms and ranches: assistance program. In Committee. Hearing postponed by Committee.

This bill creates the Farm Equity and Innovation Center (Center) within the University of California's (UC) Small Farm Program. Specifically, this bill:

- 1) Requires, by July 1, 2021, UC to create a coordinated, statewide program to support small- and moderate-scaled diversified farms and ranches. UC must establish the Center to administer this program and must have up to six small farm advisor (Advisor) positions on staff.

- 2) Requires the Center to engage in the following activities: applied research on specified subjects, outreach on this research, including operation of extension programs and publication of materials, and informational services on assistance.
- 3) Authorizes the Center to include especial training for new and beginning farmers, which may include grants and technical assistance to nonprofit as well as partial reimbursement of internship costs for on-the-job training.
- 4) Requires UC to conduct a study on program participation and makes the operation of this program subject to availability of funding.

AB 858 (Levine) – Cannabis: cultivation. Chaptered by Secretary of State, Chapter 809, Statutes of 2019.

This bill adds to the California Department of Food and Agriculture (CDFA) type1C (specialty cottage) cannabis cultivation license a limit of 2,500 square feet of canopy for an outdoor grow.

The Legislature passed legislation in 2015 to regulate medical cannabis in California, including its cultivation, transportation, storage, distribution, and sale. In 2016, the voters passed Proposition 64 (Prop 64), which legalized the recreational use of cannabis. As of January 1, 2018, the State of California has begun issuing licenses for the cultivation, manufacturing, testing and sale of both medical and adult use of cannabis.

This is a technical fix to the Type 1C license types for conforming purposes. AB 2516 (Wood) Chapter 827, Statutes of 2016, provided for a Type 1C, or "specialty cottage," state cultivator license to be issued by CDFA, as specified, under the authority of the Medical Marijuana Regulation and Safety Act. It did not place a canopy size limit. This is inconsistent with all other licenses. By placing a limit of 2,500 square feet of canopy for an outdoor grow, the Type 1C license will conform to all the outdoor cannabis license types.

AB 958 (Aguiar-Curry) – The California Organic-to-school Pilot Program. In Committee: Held under submission.

This bill creates the California Organic-to-School Pilot Program (Pilot Program) within the California Department of Food and Agriculture's (CDFA's) Office of Farm to Fork. The Pilot Program will provide grants to school authorities to purchase California organic food products. A school authority that receives a grant must submit a report to CDFA containing specified data and information.

This bill was double-referred to the Assembly Agriculture Committee as first committee of reference, and to the Assembly Education Committee as second committee of reference.

AB 986 (Robert Rivas) – Agricultural land: socially disadvantaged farmers and ranchers: REEAL Act of 2019. In Committee: Held under submission.

This bill requires the Department of Conservation (DOC) to establish the Regional Economy and Equity in Agricultural Lands (REEAL) Program to help socially disadvantaged farmers and ranchers gain access to agricultural land. DOC must award grants to eligible conservation entities for fee-title acquisition and agricultural conservation easements.

AB 1205 (Limón) – Cut flowers and cut greens: importation for sale: production standards. In Committee: Set, first hearing. Hearing canceled at the request of author.

This bill would prohibit any person from importing cut flowers or cut greens for sale in the state, or selling or offering to sell cut flowers or cut greens in the state, unless the cut flowers or cut greens meet the same production standards that apply to cut flowers or cut greens, respectively, that are produced in the state, on and after the effective date of regulations identifying those production standards. This bill would require the Secretary of the California Department of Food and Agriculture to issue those regulations no later than January 1, 2021. Because a violation of these provisions would be a crime, this bill would impose a state-mandated local program.

AB 1678 (Carrillo) – Indoor-Grown Cannabis Commission. In Committee: Set, first hearing. Hearing canceled at the request of author.

This bill would create the Indoor-Grown Cannabis Commission in state government with a prescribed membership, and would specify the powers, duties, and responsibilities of the commission's board of directors; would authorize the commission to, among other things, conduct research for specified purposes, assess and address the impact of local and state regulations on the cannabis and indoor-grown cannabis industries, and collect and disseminate market price information to prevent unfair trade practices; would authorize the commission to levy assessments on all indoor cultivators, as defined, in amounts within unspecified ranges based on the weight or value of indoor cannabis marketed; and, would continuously appropriate these funds to the commission for the purposes of implementing these provisions.

This bill was double-referred to the Assembly Agriculture Committee as first committee of reference and to the Assembly Business and Professions Committee as second committee of reference.

AB 1800 (Committee on Agriculture) – Fairs: state funding: classification. Chaptered by Secretary of State, Chapter 198, Statutes of 2019.

This bill allows, instead of requires, the California Department of Food and Agriculture (CDFA) to classify fairs at least once every five years instead of annually. This bill also allows CDFA to consider other factors in classification than what is currently required in statute.

AB1801 (Committee on Agriculture) – Cattle: inspections. Chaptered by Secretary of State, Chapter 324, Statutes of 2019.

This bill eliminates the requirement that intact female cattle of beef breeds are required to have identification of calf-hood vaccination for Brucellosis at change of ownership to be sold for breeding; updates the current brand fee structure and authorizes the California Department of Food and Agriculture to increase the livestock inspection brand fee by 20%, with the approval of the Livestock Identification Advisory Board; and, clarifies the recent mobile slaughter law to apply to cattle only.

HR 20 (Eggman, Mathis) – California Agriculture Day. Adopted March 18, 2019.

WHEREAS, March 20, 2019, is designated as California Agriculture Day, a day of celebration to commemorate agriculture's importance in our daily lives, its vital role in keeping Californians nourished, and its role in keeping the state's economy ranked as the fifth largest in the world

SENATE BILLS:

SB 67 (McGuire) – Cannabis: temporary licenses. From Committee: Do pass and re-refer to Assembly Committee on Business and Professions.

This bill extends temporary cannabis cultivation licenses (temporary license) until September 15, 2019, for applicants who submit an annual application before the expiration date of the licensee temporary license, and authorizes licensing authorities to issue a provisional temporary license to individuals without a temporary license, as specified. Specifically, this bill:

- 1) Extends the expiration date on a temporary license if the temporary licensee submitted an application for an annual license, before the temporary license's expiration date.
- 2) Voids the temporary license after the licensing authority issues an annual or provisional Cannabis cultivation license (provisional license) for the same premises and the same commercial cannabis activity for which the temporary license was issued.
- 3) Voids an extended temporary license 30 days after either CDFA denies or disqualifies the licensee's application, the licensee abandons the application, or CDFA notifies the licensee they qualify for a provisional or annual license.
- 4) States that denial, disqualification, revocation, or suspension by CDFA of a temporary license extended pursuant to this bill shall not entitle the licensee to a hearing or appeal, and states that a temporary license does not obligate CDFA to extend or issue an annual or provisional license.

- 5) States that extended temporary licenses shall expire on September 15, 2019.
- 6) Makes legislative findings and declarations that this bill furthers the purposes and intent of the Control, Regulate and Tax Adult Use of Marijuana Act (MAUCRSA).
- 7) Adds an urgency clause.

This bill was double-referred to the Assembly Agriculture Committee as first committee of reference and to the Assembly Business and Professions Committee as second committee of reference.

SB 153 (Wilk) – Industrial hemp. Chaptered by Secretary of State, Chapter 838, Statutes of 2019.

This bill revises oversight of industrial hemp cultivation and testing to align state policy with the federal Agriculture Improvement Act of 2018 (2018 Federal Farm bill). Specifically, this bill:

- 1) Requires the California Department of Food and Agriculture (CDFA), by May 1, 2020, to develop and submit to the United States Department of Agriculture (USDA) a state plan consistent with the 2018 Federal Farm bill related to industrial hemp production.
- 2) Requires a county agricultural commissioner (CAC) to submit specified information, including contact information and registration status of each hemp breeder, to CDFA and requires CDFA to submit that same information to USDA within a set timeframe.
- 3) Prohibits industrial hemp from being cultivated on a premises licensed to cultivate or process cannabis. Any industrial hemp, regardless of THC content, cultivated on such a premise will be considered cannabis.
- 4) Establishes a range of consequences for violations of provisions governing industrial hemp production, including possible five-year suspension from the program.
- 5) Makes ineligible for participating in the industrial hemp program any person convicted of a felony related to a controlled substance for 10 years following conviction or any person that materially falsifies any information in an application or registration.
- 6) Establishes registration requirements for established agricultural research institution (EARI). The requirements to register an EARI include: a research plan, review by a county agricultural commission (CAC), maintenances of records, rules for changing a research plan, and specified information to be submitted to CACs, CDFA, and USDA.
- 7) Increases the number of growers from four to five and decreases representatives of businesses that sell industrial hemp products from three to two on the Industrial Hemp Advisory Board.
- 8) Makes numerous technical and conforming changes.

SB 185 (McGuire) – Cannabis: marketing. Chaptered by Secretary of State, Chapter 841, Statutes of 2019.

This bill expands existing truth-in-marketing requirements that apply to marketing cannabis grown in specific counties, to further apply to "appellations of origin" established pursuant to authority currently granted to the California Department of Food and Agriculture (CDFA).

Major Provisions

- 1) Prohibits the use of the term appellation of origin unless the cannabis or cannabis product meets the appellation of origin requirement guidelines.
- 2) Makes technical changes.
- 3) Makes chaptering out changes to Business and Professions Code Section 26001 proposed by SB 34 (Weiner) of the current legislative session, if both this bill and SB 34 are enacted and this bill is enacted last.

SB 202 (Wilk) – Animal blood donors. Vetoed by the Governor, October 13, 2019.

This bill permits commercial blood banks for animals (CBBA) to collect blood from community-sourced animal blood and imposes rules around the collection of community-sourced animal blood.

Major Provisions

- 1) Modifies the definition of CBBA to include establishments that produce animal blood or blood component products from community-sourced animals, which are animals kept, housed, maintained at their owners' residences or brought in by owners to a commercial blood bank to have its blood collected.
- 2) Prohibits a CBBA from paying for donated community-sourced animal blood and requires a commercial blood bank to ensure, through a licensed veterinarian providing indirect supervision, that the production of blood is safe and not injurious to the community source animal's health.
- 3) Requires a commercial blood bank to annually report to the California Department of Food and Agriculture (CDFA) on specified metrics related to community-sourced animal blood donations, and requires CDFA, by January 1, 2025, to submit a report to the Legislature on this information.
- 4) Delays the licensing and inspection portion of this bill, as it relates to CBBA, until January 1, 2021, or until CDFA has sufficient funds for licensing and inspection of CBBA.
- 5) Requires CDFA to increase the CBBA license application fee to cover the increased cost of licensing and inspection of CBBAs included in this bill, and make public notice on CDFA's website a notice indicating that a CBBA fee structure is put in place.

GOVERNOR'S VETO MESSAGE:

To the Members of the California State Senate:

I am returning Senate Bill 202 without my signature.

This bill permits commercial blood banks for animals to collect blood from community-sourced animal blood and imposes rules around the collection of community-sourced animal blood.

I am supportive of changing California's law governing animal blood donation. However, this bill does not go far enough. I ask that the Legislature send me legislation that effectively leads to the phasing-out of "closed colonies," where dogs are kept in cages for months and years to harvest their blood for sale. The legislation should provide for the safe and humane treatment of donor animals, the welfare of the recipients and adequate oversight and enforcement of this program.

Sincerely,

Gavin Newsom

SB 253 (Dodd) – Cannella Environmental Farming Act of 1995: Environmental Farming Incentive Program. Held in Committee and under submission.

This bill requires the Department of Food and Agriculture (CDFA), upon appropriation, to establish the Environmental Farming Incentive Program (EFIP) to fund incentives, educational materials and outreach to farmers or ranchers for practices that support environmental and other conservation benefits. This bill also requires the Scientific Advisory Panel on Environmental Farming (Advisory Panel) to advise the Secretary of CDFA on the implementation of EFIP.

Among other provisions, this bill:

- 1) Allows EFIP to provide funding for land fallowing to enhance groundwater supplies and provide wildlife habitat in support of the implementation of the Sustainable Groundwater Management Act.
- 2) Allows the Advisory Panel to advise CDFA on a simplified and coordinated application process to streamline and improve farmer and rancher access to incentive funding from the EFIP, the Healthy Soils Program, the State Water Efficiency and Enhancement Program, and other environmental farming incentives.

This bill was double-referred to the Assembly Agriculture Committee as first committee of reference, and to the Assembly Natural Resources Committee as second committee of reference.

SB 449 (McGuire) – Pest control: Pierce’s Disease. Chaptered by Secretary of State, Chapter 371, Statutes of 2019.

This bill extends, from March 1, 2021, to March 1, 2026, the sunset date for the Pierce's Disease Control Program (PDCP) within the California Department of Food and Agriculture (CDFA). Specifically, this bill:

Requires CDFA to establish a referendum for PDCP by April 15, 2020, and makes conforming and technical changes.

SB 527 (Caballero) – Local Government: Williamson Act: cultivation of cannabis and hemp. Chaptered by Secretary of State, Chapter 273, Statutes of 2019.

Clarifies that commercial cannabis and hemp cultivation may be designated as an agricultural use or a compatible use under the Williamson Act (WA).

This bill defines industry hemp as an agricultural commodity and provides that commercial cultivation of cannabis, as defined by the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA) may constitute a compatible use on WA or non-contracted lands (agriculture preserves).

SB 657 (Monning) – Cannabis cultivation: county agricultural commissioners: reporting. Chaptered by Secretary of State, Chapter 252, Statutes of 2019.

AB 657 would increase the maximum rate of the inspection tonnage tax from \$0.15 to \$0.25 per ton of commercial feed sold; extend the Secretary of the California Department of Food and Agriculture’s authority to designate a specified amount of tonnage taxes collected to provide funding for research and education from January 1, 2020, to January 1, 2025; and, extend the date on which the new license fee requirement of \$100 for each location would take effect from January 1, 2020, to January 1, 2025.

This bill was double-referred to the Assembly Agriculture Committee as first committee of reference, and to the Assembly Business and Professions Committee as second committee of reference.

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