Vice-Chair Mathis, Devon J.

Members Aguiar-Curry, Cecilia M. Cunningham, Jordan Flora, Heath Gray, Adam C. Irwin, Jacqui Jones-Sawyer, Sr. Reginald B. Levine, Marc Villapudua, Carlos Wood, Jim

# California State Assembly

AGRICULTURE

Deputy Chief Consultant Victor Francovich

Committee Secretary Nicole Willis

Legislative Office Building, 1020 -N- Street, Suite 362 (916) 319-2084

ROBERT RIVAS CHAIR

# AGENDA

Thursday, April 15, 2021 10:30 a.m. -- State Capitol, Room 4202

# **ADOPTION OF COMMITTEE RULES**

# **HEARD IN FILE ORDER**

1.	AB 1009	Bloom	Farm to School Food Hub Program.
2.	AB 866	Megan Dahle	Food and agriculture: Feed Inspection Advisory Board: California Seed Law.
3.	AB 1103	Megan Dahle	Agricultural lands: farmers and producers: agricultural pass program: disaster access to farm lands.
4.	AB 710	Eduardo Garcia	Sale of listed agricultural products: requirements for sale.
5.	AB 1289	Kalra	Smart Climate Agriculture Program: plant-based agriculture.
6.	AB 425*	Mathis	Milk and other dairy products: Dairy Council of California Law: producer-handlers.
7.	AB 350	Villapudua	Agriculture: Cannella Environmental Farming Act of 1995: technical assistance grant program: groundwater conservation planning.
8.	AB 391	Villapudua	Pollinator habitat conservation: funding.
9.	AB 125	Robert Rivas	Equitable Economic Recovery, Healthy Food Access, Climate Resilient Farms, and Worker Protection Bond Act of 2022.
10.	AB 623*	Agriculture	Farmers' markets: county agricultural commissioner certificates.
11.	AB 1012*	Agriculture	Fruit, nut, and vegetable standards: out-of-state processing.

\* PROPOSED CONSENT

#### ASSEMBLY COMMITTEE ON AGRICULTURE Robert Rivas, Chair AB 125 (Robert Rivas) – As Amended April 12, 2021

**SUBJECT**: Equitable Economic Recovery, Healthy Food Access, Climate Resilient Farms, and Worker Protection Bond Act of 2022

**SUMMARY**: Proposes the Equitable Economic Recovery, Healthy Food Access, Climate Resilient Farms, and Worker Protection Bond Act of 2021 (EER Bond) authorizes \$3.302 billion in general obligation bonds. The EER Bond would finance a variety of projects that focus on improving Agriculture resilience and sustainability, protecting the health of farmworkers, expanding health food access and combating hunger, improving regional food economies, supporting Sustainable Groundwater Management Act (SGMA) planning, aid in pest management, reduce food waste and improve state and county fairgrounds. Specifically, *this bill*:

- Makes legislative findings that a secure, resilient, sustainable, and equitable food and farming system is essential for the economic and social well-being of the people of California. The COVID-19 public health pandemic has laid bare the vulnerabilities of this system, which is increasingly threatened by climate change. The scale of these challenges requires a comprehensive approach to achieve sustainability and resiliency, including investments in infrastructure, farms, farmworkers, distribution systems, and food access.
- 2) Defines the following:
  - a) Committee means the Equitable Economic Recovery, Healthy Food Access, Climate Resilient Farms, and Worker Protection Finance Committee, as specified.
  - b) Cultural burn means understory burning consistent with practices used by indigenous peoples, as specified.
  - c) "Disadvantaged community" means any of the following:
    - i) A community located in a census tract in which the median household income of less than 80 percent of the area median income as determined by the Department of Housing and Community Development.
    - ii) A municipality with a population of 20,000 persons or less, a rural county, or a reasonably isolated and divisible segment of a larger municipality where the segment of the population is 20,000 persons or less, with an annual median household income that is less than 85 percent of the statewide median household income.
    - iii) A community located in a census tract in which the household income of at least 20 percent of the population is at or below the federal poverty level based on family size.
  - d) Food hub means a centrally located facility with a business management structure facilitating the aggregation, storage, processing, and distribution of locally or regionally produced food products.

- e) Fund means the Equitable Economic Recovery, Healthy Food Access, Climate Resilient Farms, and Worker Protection Fund, as specified.
- f) Heat-island effect means the effect of increased temperatures in urbanized areas caused by structures, such as buildings, roads, and other infrastructure, that absorb and re-emit the sun's heat more than natural landscapes such as farms, forests, and water bodies.
- g) Local educational agency means a charter school, school district, or county office of education.
- h) Nonprofit organization means a nonprofit corporation qualified to do business in California and qualified, as specified.
- i) Prescribed burn means planned fire that is used as a land management and fire prevention tool, as specified.
- j) Priority Population means any of the following:
  - i) A community defined as a disadvantaged community, as specified.
  - ii) A low incomes community, as specified.
- k) Producer means a person, partnership, corporation, or otherwise legally formed farm or ranch that produces agricultural products through agricultural arts on land that the entity owns, rents, leases, sharecrops, or otherwise controls and has the documented legal right to possess. An entity that rents, leases, or otherwise acquires the right to possess property only during the harvest season for the agricultural products produced on that property is not a producer.
- Resilience means the ability of an entity or system, including an individual, community, or natural system, and its component parts to absorb, accommodate, or recover from the effects of a hazardous event in a timely and efficient manner, including through ensuring the preservation, restoration, or improvement of its essential basic structures and functions. In the case of natural and working lands, resilience includes the preservation, restoration, and enhancement of the lands' ability to sequester carbon.
- m) School food authorities has the same meaning as defined in Section 49563 of the Education Code.
- n) Small- and medium-sized farms means farms and ranches of 500 acres or less.
- o) Socially disadvantaged farmer or rancher has the same meaning as defined in Section 512 of the Food and Agricultural Code.
- p) State-designated fair means a state-designated fair as defined in Sections 19418, 19418.1, 19418.2, and 19418.3 of the Business and Professions Code.
- q) State General Obligation Bond Law means the State General Obligation Bond Law.
- r) Technical assistance means outreach, education, project planning assistance, project design assistance, grant application assistance, project implementation assistance, and

project reporting assistance provided to project applicants.

- s) Tribal government means the government of a tribe, tribal agency, or subdivision thereof.
- t) Tribal organization means any of the following:
  - i) A tribal government.
  - A legally established organization of natives that is controlled, sanctioned, or chartered by a tribal government, is democratically elected by the adult members of the tribal community to be served by the legally established organization, and maximizes participation of natives in all phases of its activities.
  - iii) A nonprofit organization chartered under tribal government law or state law that is primarily led by and serves tribal communities.
- u) Tribal produce means either of the following:
  - i) A member of a tribe who is involved in agricultural production or traditional tending, gathering, hunting, or fishing.
  - ii) A cultural practitioner who manages land traditionally for food, fiber, ceremonial, or other culture-based purposes.
- v) Tribe means a federally recognized Native American tribe or a nonfederally recognized Native American tribe, band, nation, or other organized group or community listed on the California tribal consultation list maintained by the Native American Heritage Commission.
- w) Vulnerable population means a subgroup of a population within a region or community that faces a disproportionately heightened risk of, or increased sensitivity to, impacts of climate change and that lacks adequate resources to cope with, adapt to, or recover from those impacts.
- 3) Proposes the EER Bond that would generally would finance projects improving agriculture resilience and sustainability, protecting the health of farmworkers, expanding health food access and combating hunger, improving regional food economies, supporting Sustainable Groundwater Management Act (SGMA) planning, aid in pest management, reduce food waste and improve state and county fairgrounds.
- 4) Authorizes an amount of not more than 5% of the funds allocated for a grant program to be used to pay administrative costs.
- 5) Authorizes up to 10% of the funds to be used for planning and monitoring necessary for the successful design and implementation of projects.
- 6) Allows grants to disadvantaged communities or socially disadvantaged farmers and ranchers to exceed the 10% threshold.

- 7) Prohibits grants to be used to fulfill any environmental mitigation requirements imposed by law.
- 8) Authorizes advance payments of up to 50% of a grant for projects that serve disadvantaged communities or socially disadvantaged farmers and ranchers.
- 9) Requires agencies who receive EER Bond fund to allocated funds to socially disadvantaged farmers or ranchers, disadvantaged communities, and vulnerable populations, as specified.
- 10) Proposes the following categorical funding:
  - a) \$780 million to improve agriculture resilience and sustainability, as follows:
    - \$482 million for California Department of Food and Agriculture (CDFA) to make grants to improves soil health (\$175 million), water use efficiency (\$100 million), methane reduction (\$100 million), transition to organics (35 million), prescribed grazing (\$40 million), demonstration project (\$18 million) and technical assistance (\$14 million).
    - ii) \$273 million for the Department of Conservation (DOC) to make grants
  - b) \$637 million to protect the health of farmworkers, as follows.
    - \$450 million for the Strategic Growth Council to award grants through the Affordable Housing and Sustainable Communities Program for projects that include the development of multiunit affordable housing for farmworker families and households.
    - \$50 million for the Department of Community Services and Development for grants to improve the energy efficiency, indoor air quality, renewable energy use, and climate resilience of farmworker housing, including single-family homes and multiunit buildings.
    - iii) \$25 million for the Division of Occupational Safety and Health for the creation of a stockpile of personal protection equipment for farmworkers use during emergencies.
    - iv) \$100 million for State Water Resources Control Board for grants to provide safe drinking water and promote public health for farmworker families for projects that include improving septic systems to prevent water contamination and projects that improve wastewater treatment facilities at risk from sea level rise or saltwater intrusion.
    - v) \$12 million for the Office of Emergency Services to expand its California State Warning Center, as specified.
  - c) \$750 million to increase healthy food access and address food insecurity, as follows:
    - i) \$230 million for the Department of General Services to provide funding to specified educational agencies and centers to improve kitchen, meal preparation, meal service, and dining infrastructure used for school nutrition programs, as specified.
    - ii) \$150 million for the State Department of Social Services to provide aid to participants in the Emergency Food Assistance Program, as specified.

- iii) \$270 million for CDFA for grants to ensure communities and tribes are able to obtain or produce foods that are healthy, nutritious, culturally relevant that are gown in California, as specified.
- iv) \$100 million to the California Department of Aging to fund infrastructure that will expand senior nutrition programs, as specified.
- d) \$700 million to strengthen regional food economies, as follows:
  - i) \$500 million for CDFA for grants to enhance local and regional food and fiber infrastructure, such as processing, cooling and storage facilities, and supply chain infrastructure, as specified.
  - ii) \$30 million to the California Coastal Conservancy for grants for the development, restoration, and reconstruction of fishing facilities and related infrastructure serving the commercial fishing industry in urban coastal waterfront areas.
  - iii) \$60 million to CDFA for grants to develop meat-processing facilities and expand or upgrade meat-processing facilities to increase meat-processing capacity, as specified.
  - iv) \$10 million to CDFA for grants to specified educational institutions to provide workforce safety and development training for the meat and poultry processing industry.
  - v) \$100 million to the State Energy Resources Conservation and Development Commission for allocation to accelerate the adoption of energy efficiency and renewable energy technologies at California food processing plants. These funds will help California food processors work towards a low-carbon future, and benefit disadvantaged communities and priority populations by reducing emissions of greenhouse gases.
- e) \$75 million to plan for the impact of SMGA, as follows:
  - i) \$ 50 million to DOC for grants to programs supporting or facilitating reduced use of groundwater and multi-benefit land repurposing at the basin scale.
  - ii) \$12.5 million to CDFA for technical assistance grants to support farmers and ranchers located in critically overdrafted basins in the San Joaquin Valley to reach water use reduction goals established under SGMA.
  - iii) \$12.5 million to the Department of Water Resources for grants assisting small- and medium-sized farms, socially disadvantaged farmers or ranchers, and farmers and ranchers located in disadvantaged communities in meeting their requirements under SGMA.
- f) \$10 million to CDFA for grants to produce beneficial organisms in support of ecological integrated pest management.
- g) \$200 million to the Department of Resources Recycling and Recovery for grants or performance payments to support the development and implementation of projects to improve outdoor air quality through increased diversion of organics from combustion or

landfill disposal.

- h) \$100 million to CDFA for allocation to projects to restore, upgrade, modernize, and improve state and county fairgrounds to serve as community centers, exposition sites, emergency and evacuation shelters, food and agriculture education centers, and farm incubator and food business centers.
- i) \$50 million for prevention of wildfires and promote fire reliance as follows:
  - i) \$20 million to the California Department of Forestry for prescribed and cultural burns to promote wildfire protections and reliance.
  - ii) \$30 million to the Department of Housing and Community Development for support of year-round housing for land management workers on tribal lands, forestlands, and remote watersheds, or for workers involved in wildfire prevention, as specified.
- 11) Provides for standard provisions in general obligation bond law, either explicitly or by reference, with some modifications.
- 12) Specifies the EER bond will be on the November 8, 2022 ballot.

# **EXISTING LAW:**

- 1) Allows the Legislature to place general obligation bonds on the ballot for specific purposes with a two-thirds vote of the Assembly and Senate.
- 2) Requires bonds to be ratified by majority vote in state election.

# FISCAL EFFECT: Unknown.

**COMMENTS**: According to the author, the coronavirus pandemic has laid bare the vulnerabilities of California's communities, exacerbating food insecurity and exposing essential frontline workers to disproportionate health risks. The impacts of the pandemic have been many and diverse, and have fallen heavily on people of color, including the farmworker communities who harvest our food and essential workers throughout our food supply chains. Farmers have lost large percentages of crops due to volatile demand within a rigid supply chain. Shattered food supply chains have resulted in farm products rotting in the fields as millions of Californians go hungry. It is clear that we need to invest in the food and farming systems in California to combat hunger, create and restore jobs, support agricultural businesses, and build resilient communities.

This bond will invest \$3.302 billion over five years to accelerate California's economic recovery from the COVID-19 pandemic while combating climate change, improving food security, and protecting our essential farmworkers. It aims to do this by investing in many parts of the food supply chain from field to table.

California needs many more food hubs to aggregate supply from producers, as well as food processing, meat processing and livestock slaughter facilities, cold storage, and distribution facilities – all with an eye towards building sustainable and resilient local and regional food systems. EER bond addresses farmworker health and safety such as safe and affordable housing,

energy efficiency and renewable energy projects on farmworker homes, and personal protective equipment for wildfires and COVID.

EER bond invest in infrastructure to combat hunger and improve on farm climate reliance and sustainably. With an estimated 6.4 million food insecure Californians, improves food access for the most vulnerable Californians to combat hunger. Furthermore, the EER bond invest in diverse, organic, and regenerative cropping systems help reduce farmers' economic vulnerabilities by expanding market opportunities. EER bond investments also modernize fairground infrastructure, protect groundwater resources, generate more compost, rebuild soil health and improve on-farm resilience to droughts, floods, and pest outbreaks.

Supporters state this bill would direct significant resources to farmers, ranchers, fishers, communities of color, and Tribes who have historically been excluded from many state programs. With this bill, there is a unique opportunity to create an equitable and resilient food and farming system. Increasing access to healthy food; combating hunger in our communities; building resilient and reliable regional food supply chains; supporting small and mid-sized farmers and ranchers; expanding climate-smart farming practices, including organic; and protecting workers in our fields, kitchens, schools, and grocery stores are the investments we need to create a bright future for all Californians.

Furthermore supporters state we cannot afford to delay badly needed investments in our state's food support programs. This bill proposes just such an investment. By including specific, systemic objectives like rebuilding regional food infrastructure investments to increase healthy food access, especially for children, seniors and other vulnerable populations, your bill provides a viable and comprehensive approach for achieving dramatically improved food security in California well into the future. supporters especially appreciate the bill's provisions expressly targeting nutrition programs for our most vulnerable seniors with \$100 million in funding for grants to allow senior nutrition programs to purchase improved kitchen equipment, updated warming, refrigeration, or freezer capacity, refrigerated vehicles, building improvements, and technological and data improvements.

Organizations associated with commercial fishers are in support but have asked for amendments. "There are numerous sections of AB 125 that provide funding support to farmers' markets and the use of agricultural product for programs feeding the food insecure". They request that fisher markets and seafood be added into these sections of this bill.

Opponents state, "While AB-125 is in many respects a good piece of legislation, one section of it must be stripped from the bill. Section 80721 (3) of Assembly Bill 125 allocates one hundred million dollars for grants to livestock and dairy producers to subsidize waste management and storage, compost bedded pack barns, and other costs associated with the mass production of dairy and meat products. Huge factory farms are attempting to paint this provision as a climate solution that reduces methane emissions. However, there is plentiful evidence that these measures can backfire. ... Factory farms are asking taxpayers to spend one hundred million dollars to help with waste management and pollution problems that the industry created as a result of consolidation and mass production. The industry must bear responsibility for its own pollution. Section 80721 (3) cannot be allowed to remain in the bill." Section 80721(3) relates to this bills funding for the Alterative Manure Management program house in CDFA's Office of Environmental Farming & Innovation.

**General Obligation Bonds**: When public agencies issue bonds, they borrow money from investors, who provide cash in exchange for the agencies' commitment to repay the principal amount of the bond plus interest. Bonds are usually either revenue bonds, which repay investors out of revenue generated from the project the agency buys with bond proceeds, or general obligation bonds, which the public agency pays out of general revenues and are guaranteed by its full faith and credit.

Section One of Article XVI of the California Constitution and the state's General Obligation Bond Law guide the issuance of the state's general obligation debt. The Constitution allows the Legislature to place general obligation bonds on the ballot for specific purposes with a two-thirds vote of the Assembly and Senate. Voters also can place bonds on the ballot by initiative, as they have for parks, water projects, high-speed rail, and stem cell research, among others. Either way, general obligation bonds must be ratified by majority vote of the state's electorate. Unlike local general obligation bonds, approval by the state's electorate does not automatically trigger an increased tax to repay the bond. The Constitution commits the state to repay investors from general revenues above all other claims, except payments to public education.

#### **REGISTERED SUPPORT / OPPOSITION:**

#### **Support**

Agricultural Institute of Marin (Co-Sponsor) American Farmland Trust (Co-Sponsor) California Climate & Agricultural Network (CALCAN) (Co-Sponsor) Californians for Pesticide Reform (Co-Sponsor) Carbon Cycle Institute (Co-Sponsor) CCOF (Co-Sponsor) Center for Food Safety; the (Co-Sponsor) Central California Environmental Justice Network (Co-Sponsor) Centro Binacional Para El Desarrollo Indígena Oaxaqueno (Co-Sponsor) **Community Alliance With Family Farmers** (Co-Sponsor) Monterey Bay Central Labor Council, AFL-CIO (Co-Sponsor) Natural Resources Defense Council (NRDC) (Co-Sponsor) Pesticide Action Network (Co-Sponsor) Roots of Change (Co-Sponsor) Sustainable Agriculture Education (Co-Sponsor) A Better Course – for Alemany Farmers Market Acterra: Action for a Healthy Planet Agriculture & Land Based Training Association (ALBA)

Alameda County Board of Supervisors Alameda County Community Food Bank Alianza Ecologista Alliance of Communities for Sustainable **Fisheries** Asian Business Institute and Resource Center Bay Area Ranchers' Cooperative, INC CA4health California Alliance of Nurses for Healthy Environments CAP OC Food Bank CAUSE CUESA California Association of Area Agencies on Aging California Association of Food Banks California Cattlemen's Association California Community Colleges - Employer Engagement for Agriculutre, Water & **Environmental Programs** California Compost Coalition California FarmLink California Food and Farming Network California Institute for Rural Studies California Interfaith Power & Light California Rural Legal Assistance Foundation

California State Grange Californians Against Waste Capay Valley Farm Shop Cardoza and Cardoza Farming Co. Center for Biological Diversity Center for Ecoliteracy Center for Environmental Health Center for Good Food Purchasing Center for Land-Based Learning Center for Regenerative Agriculture & **Resilient Systems** Center for Wellness and Nutrition Central Coast Ag Network & City Farm SLO Central Valley Partnership **Ceres Community Project Chez Panisse** Clean Water and Air Matter **Coastside Farmers Market Common Table Creative** Community Alliance with Family Farmers **Community Environmental Council Cooperation Humbolt** Cultiva La Salud Dock to Dish LA Double OG **Ecology** Center **Environmental Working Group** Everyone's Harvest FACTS: Families Advocating for Chemical and Toxins Safety Farm to Pantry Fibershed **Fillmore Farms** Food Forward Food Share of Ventura County Food System Coalition of San Luis Obispo County Food for People Fresh Approach Friends of the Earth Full Belly Farm Full Circle Wool GMO Free California **GMO** Science Good Eggs Green Foothills Greenbelt Alliance Guru Ram Das Orchards

Health Care Without Harm Hercules Farm House Farm Workers! IRM, Inc (Fresno Interdenominational **Refugee Ministries**) **Innovative Health Solutions** Interfaith Sustainable Food Collaborative Intertribal Agriculture Council Kiss the Ground L.A. Compost LaRocaa Vineyards Latino Coalition for a Healthy California Little Manila Rising Little Paradise Farm Los Angeles Food Policy Council Los Angeles Regional Food Bank Madera Coalition for Community Justice Manzanita Manor Organics Marin Agricultural Land Trust Matthiasson Family Vineyards McGrath Family Farms Meals on Wheels California Mount Shasta Farmers' Market National Young Farmers Coalition North Coast Growers Association North County Farmers Market Association Nourish California Occidental Arts and Ecology Center One Fair Wage **Open Silo Organic Farming Research Foundation Organic Pastures** PT Ranch Pacific Coast Farmers' Market Association Paicines Ranch Pitzer College Point Blue Conservation Science **Prevention Institute** Public Health Institute **Republic Services** Repurpose, Inc. Riverside Food Cooperative, Inc. **Riverside Unified School District** Robert Skinskey Vineyards **Rustic Canyon Family** Sacramento Food Bank & Family Services Sacramento Food Policy Council San Bernardino Valley Concert Association San Diego Fishermen's Working Group

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San Diego Food Bank San Diego Roots Sustainable Food Project San Francisco Bay Physicians for Social Responsibility Santa Clara Valley Open Space Authority Save Mount Diablo Second Harvest Food Bank Santa Cruz County Second Harvest of Silicon Valley Second Harvest of the Greater Valley Sierra Harvest Sierra Orchards Slow Food California Social Justice Learning Institute Solano Land Trust Sonoma Safe Ag Safe Schools Sunrise Movement Orange County Sustainable Agriculture Education

#### **Support If Amended**

Alliance for Communities for Sustainable Fisheries San Diego Fishermen's Working Group

#### **Oppose Unless Amended**

Coalition for Sustainable Food Practices Eat for the Earth Physicians Against Red Meat

#### **Opposition**

None on file

#### Other

Leadership Counsel for Justice and Accountability

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

Sustainable Economic Enterprises of Los Angeles Sustainable Economies Law Center Taylor Farm Retail Inc. The Climate Center The Cloverleaf Farm The Edible Schoolyard Project The Praxis Project The SF Market **True Grass Farms** United Food and Commercial Workers (WFCW) Western States Council Vineyard Team Western United Dairies Wild Farm Alliance Yolo Food Bank Zero Foodprint

#### ASSEMBLY COMMITTEE ON AGRICULTURE Robert Rivas, Chair AB 350 (Villapudua) – As Introduced January 28, 2021

**SUBJECT**: Agriculture: Cannella Environmental Farming Act of 1995: technical assistance grant program: groundwater conservation planning

**SUMMARY**: This bill establishes, within the California Department of Food And Agriculture (CDFA), a technical assistance (TA) grant program to help landowners keep agriculture land, which may be fallowed due to the implementation of The Sustainable Groundwater Management Act (SGMA), in production in the San Joaquin Valley (SJ Valley). Specifically, *this bill*:

- Makes legislative findings about SGMA impact to the SJ Valley, the projected loss of up to 24% of irrigated agricultural lands in the SJ Valley and the need for technical assistance (TA) to help farmers create plans that address continued economic viability and alternative management of their properties impacted by SGMA, thereby creating more economic certainty for the regions that are so heavily dependent on the agricultural economy.
- Requires CDFA to establish and administer a three-year grant program to fund TA for landowners located in critically overdrafted basins of the SJ Valley, with the purpose of encouraging innovation and alternative economically viable approaches to agricultural land management to prevent unnecessary fallowing.
  - a. Requires CDFA to fund one TA provider in each of the designated counties.
- 3) Requires CDFA's grant program to do the following:
  - a. Establish rules and guidelines for TA providers to receive grant to provide TA, if the technical assistance providers have demonstrated previous experience providing agricultural-related TA directly to individuals or entities in the SJ Valley.
  - b. Establish a process for prospective TA providers to apply to CDFA to receive grants to provide TA.
  - c. Determine what type of entity may qualify as a TA provider, including, but not limited to, nonprofit organizations, the University of California Cooperative Extension, and local agencies, including resource conservation districts.
  - d. Establish a process for determining how to distribute grant funds to TA providers in a way that ensures equitable access to TA throughout critically overdrafted basins.
  - e. Ensure at least 25 percent of the grant program funds are used to provide technical assistance to socially disadvantaged farmers and ranchers.
  - f. Review grant program applications from TA providers and recommend grant awardees to the secretary (secretary) of CDFA.
  - g. Allow direct TA costs and a percentage of overhead expenses, to be determined by the secretary, to be funded as part of the grant awards.

- h. Establish regulations that the TA providers shall comply with when providing TA or acting pursuant to this section.
- 4) The TA provided as a result of the grant program shall be provided as follows:
  - a. Directly to landowners in critically overdrafted basins.
  - b. To design, develop, and implement on-farm conservation plans for agricultural lands that are at risk of fallowing due to water shortages. The purpose of the on-farm conservation plans is to recommend how to conserve water, as specified, while preserving agriculturally productive and avoiding permanent fallowing where possible.
- 5) The TA provided as a result of the grant program may include, but is not limited to, conducting initial outreach, determining if landowners are eligible to receive TA through the program, linking landowners with existing funding programs, and assisting landowners with on-farm conservation plan design, development, and implementation.
- 6) Requires the secretary to award grants to each counties' TA providers that shall not exceed one hundred thousand dollars (\$100,000) in each year of the three-year program, for a maximum of three hundred thousand (\$300,000) per technical assistance provider.
  - a. Requires the total grant program not to exceed \$800,000 per year.
- 7) Defines, for the purpose in law, the following:
  - a. Critically overdrafted basin means the basins identified as critically overdrafted by the Department of Water Resources.
  - b. Landowner means an owner of the land that would benefit from the technical assistance or a lessee or other entity designated by the lessor or owner as having the authority to implement an on-farm conservation plan on the land that would benefit from the technical assistance.
  - c. On-farm conservation plan means the planning document that describes the natural and agricultural resources of the landowner's property, documents practices used to protect existing water resources, identifies opportunities to maintain or improve the quality of natural resources on the property, and prioritizes management practices according to the landowner's needs, goals, and timelines.
  - d. San Joaquin Valley means the area comprised of all of the counties of Fresno, Kern, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare.
  - e. Socially disadvantaged farmers and ranchers" has the same meaning as defined in Section 512.
  - f. Technical assistance provider means an entity that receives grant funds from the department and provides technical assistance to landowners.

#### **EXISTING LAW:**

- Requires, under The Cannella Environmental Farming Act of 1995, CDFA to establish and oversee a Healthy Soils Program by providing incentives, including loans, grants, research, and TA, or educational materials and outreach, to farmers whose management practices contribute to healthy soils and result in net long-term on-farm greenhouse gas benefits and establishes the State Water Efficiency and Enhancement Program to provide financial assistance in the form of grants to implement irrigation systems that reduce greenhouse gases and save water on agricultural operations.
- 2) Provides, under SGMA, for the sustainable management of groundwater basins by requiring local government agencies, including basins designated as high- or medium-priority basins by the Department of Water Resources, to take specified actions to conserve and regulate the extraction of groundwater in those groundwater basins.

#### FISCAL EFFECT: Unknown

**COMMENTS**: During a major drought, California Governor Jerry Brown signed a major legislative water initiative for California, SGMA. SGMA consists of three legislative bills, Senate Bill SB 1168 (Pavley), Assembly Bill AB 1739 (Dickinson), and Senate Bill SB 1319 (Pavley). The legislation provides a framework for long-term sustainable groundwater management across California. Under the roadmap laid out by the legislation, local and regional authorities in medium and high priority groundwater basins have formed Groundwater Sustainability Agencies (GSAs) that oversee the preparation and implementation of a local Groundwater Sustainability Plan (GSP). SGMA could mean less water for irrigating farms. The implementation of SGMA is anticipated by the Public Policy Institute of California to transition an estimated 300,000 to 1.2 million acres of farmland, out of more than 5 million acres of total irrigated land, to be taken out of production.

According to the author, landowners will be faced with difficult decisions during the implementation of SGMA, and not all are equipped to make informed land transition decisions on potentially affected parcels. SGMA will have a staggering effect on the San Joaquin Valley; a region which is already one of the most economically distressed in the state. The San Joaquin Valley is home to the majority of the state's overdrafted basins which are overlayed by majority disadvantaged and low-income communities.

Supporters state the grants would make TA available to SJ Valley landowners/farmers in critically overdrafted basins and would work to create conservation management plans specifically addressing the impacts to their agricultural property under the implementation of the SGMA. These management plans would evaluate current and future agricultural resources and create a plan for landowners seeking assistance to address the continued economic viability and alternative management of properties in critically over-drafted locations. This management plan would also serve as a basis for landowners to evaluate economically viable alternative land uses for habitat, open space, alternative energy, and/or temporary rotational fallowing and seek further financial assistance as needed.

The California Groundwater Coalition has requested this bill be amended to expand the grant program to allow for landowners throughout the entire state, regardless of their location or the state of the groundwater basin from which they pump. The bill currently limits the grant program to only landowners within critically overdrafted basins and in the San Joaquin Valley. SGMA requires governments and water agencies of high and medium priority basins to halt overdraft and bring groundwater basins into balanced levels of pumping and recharge, thus affecting many various regions in the state.

#### **REGISTERED SUPPORT / OPPOSITION:**

#### Support

American Farmland Trust (Sponsor) California Climate & Agriculture Network (CALCAN) Community Alliance with Family Farmers Environmental Defense Action Fund

#### **Oppose Unless Amended**

California Groundwater Coalition

#### **Opposition**

None on file.

#### ASSEMBLY COMMITTEE ON AGRICULTURE Robert Rivas, Chair AB 391 (Villapudua) – As Introduced February 2, 2021

#### SUBJECT: Pollinator habitat conservation: funding

**SUMMARY**: This bill appropriates \$5,000,000 from the General Fund to the California Department of Food and Agriculture (CDFA). The funds will increase technical assistance (TA), outreach, and provide grants to incentivize participation in state and federal conservation programs where pollinator habitat and forage are established. Specifically, *this bill*:

- 1) Makes legislative declaration and findings: 1) Working lands offer an opportunity to expand habitat and forage for pollinators which will help sequester carbon and contribute to climate risk reduction, and 2) In order to engage growers in delivering solutions that benefit pollinators, funding is needed for activities that accelerate the adoption of conservation practices that integrate pollinator habitat and forage on working lands.
- 2) Makes a onetime appropriation of \$5 million to CDFA for TA, outreach, and provide grants to incentivize participation in state and federal conservation programs where pollinator habitat and forage are established.
- 3) Requires CDFA to work with the University of California Extension Services (UC Extension), California Resource Conservation Districts (RCD), and the United States Department of Agriculture Natural Resources Conservation Service (USDA-NRC) to increase pollinator habitats programs.

**EXISTING LAW**: Authorizes CDFA to expend in accordance with law all money that is made available for its use.

#### FISCAL EFFECT: Unknown

**COMMENTS**: Pollination occurs when pollen is moved within flowers or carried from flower to flower by pollinating animals such as birds, bees, bats, butterflies, moths, beetles, or other animals, or by the wind. The transfer of pollen in and between flowers of the same species leads to fertilization, and successful seed and fruit production for plants. Pollination ensures that a plant will produce full-bodied fruit and a full set of viable seeds.

Pollination is an important regulating ecosystem service provided by various insects, bats and also several managed pollinator species e.g. the European honey bee. Many of the pollinator-dependent crops rely on pollination services by the European honeybee. However, wild pollinator species (e.g. wild bee species and hover flies) are known to be effective pollinators, too, that may also forage under more inclement weather conditions than the honeybee.

There is growing concern about the decline in pollinators. Bees, as the best documented species, can be seen to be suffering from chronic exposure to a range of stressors, which include: a loss of abundance and diversity of flowers, a decline in suitable habitat for them to build nests; exposure to pesticides and infection by parasites and pathogens, many inadvertently spread by the actions

of humans. It is likely that climate change may impact further on particular pollinators, for example bumble bees, which are cool-climate specialists.

According to the author, numerous states, federal, agricultural, and conservation organizations have identified the opportunity and developed resources to expand pollinator habitat and forage on farms and ranches. Scaling these individual efforts requires bringing together critical elements of public and private investment. Furthermore, in line with the Governor's Executive Order N-82-20 to conserve 30% of habitats by 2030 to support biodiversity and boost climate resilience, the state has an incentive to partner with farmers and ranchers to leverage California's working lands in this effort while retaining the economic prosperity of the nation's leading agricultural economy.

Supporter's state working lands offer an unprecedented opportunity to expand habitat and forage for pollinators. To better engage growers in delivering solutions that benefit pollinators, state investment through this bill is critical to accelerate adoption, imbedding pollinator practices within California's working landscapes.

Organization with a support if amended position stated, "Many of California's native pollinators rely upon native plant species for their continued existence. Research has shown that native bee species vastly prefer native plant species over non-native species. Since Governor Newsom has declared that it is the policy of the state to protect biodiversity (see Executive Order N-82-80), we believe that state investments in generating pollinator habitat should be directed towards protecting and restoring native biodiversity, including native pollinators. For these reasons, we would like to see AB 391 amended to include language that would direct those receiving the funding to integrate pollinator habitat and forage on working lands, including to provide habitat for native plants and use locally appropriate native plant seed mixes when feasible".

# **REGISTERED SUPPORT / OPPOSITION:**

#### Support

Almond Alliance of California (Sponsor) Agricultural Council of California American Pistachio Growers California Association of Pest Control Advisers California Association of Winegrape Growers California Chamber of Commerce California Citrus Mutual California Cotton Ginners & Growers Association California Farm Bureau Federation California Fresh Fruit Association California Pear Grower Association California Seed Association California State Beekeepers Association California Strawberry Commission California Walnut Commission General Mills, INC. Grower-shipper Association of Central California **Pollinator Partnership** 

Project Apis M. Xerces Society for Invertebrate Conservation Western Growers Association Western Plant Health Association

# **Support If Amended**

California Native Plant Society Defenders of Wildlife

# Opposition

None on file.

#### ASSEMBLY COMMITTEE ON AGRICULTURE Robert Rivas, Chair AB 425 (Mathis) – As Introduced February 4, 2021

**SUBJECT**: Milk and other dairy products: Dairy Council of California Law: producerhandlers

**SUMMARY**: This bill makes several technical, conforming and needed changes to the California Dairy law. Specifically, *this bill*:

- 1) Removes producer-handlers from operation of the provisions of the Dairy Council of California Law (DCC law), by revising the provisions of the DCC law to delete the definition of, and all references to, producer-handlers.
- 2) Deletes provision regarding payment by a handler of less than the minimum producer price established under the applicable stabilization and marketing plan, an unlawful trade practice.
- 3) Requires the secretary to collect \$0.0033 per hundredweight of all milk, instead of all eligible milk.
- 4) Makes the payment by a handler of less than the minimum producer price established under the applicable stabilization and marketing plan an unlawful trade practice.
- 5) Allows the CDFA to adopt, by regulation, official final action methods of testing for the determination of the components of milk and products of milk for purposes of compliance with these laws.
- 6) Provides that CDFA's authority to enforce federal milk labeling requirements shall not be construed to supersede or negate certain state-imposed standards of identity or compositional requirements for milk.
- 7) Revises the definition of "total consideration paid or exchanged for raw product" in the case of market milk or market cream, as specified.

# **EXISTING LAW:**

- 1) Establishes DCC law within the state government and prescribes the membership of the council to be appointed by the Secretary of CDFA including 12 members that are producers and 12 members that are handlers or producer-handlers, as defined. DCC law also sets forth various requirements applicable to producers, handlers, and producer-handlers, including the payment of certain assessments on milk and participating in certain referendum procedures.
- 2) Requires CDFA to collect, as prescribed, from each producer \$0.0033 per hundredweight of all eligible milk to defray the reasonable costs of administering the law relating to milk, as specified.
- 3) Establishes labeling and quality standards for milk and milk products, makes it a crime to violate those provisions, and authorizes the secretary to enforce those provisions.

4) Makes it an unlawful practice for a retailer, wholesale customer, manufacturer, or distributor, as defined, to sell milk, cream, or any dairy product at less than cost.

# FISCAL EFFECT: Unknown.

**COMMENTS**: Milk pricing has been regulated in some form since 1935. The California Milk Pooling Act and Price Stabilization Plans were created in 1967 in an effort to stabilize milk pricing and end fluid milk processor's practice of bidding wars between producers that set producers against each other in the market place, leaving some producers without a market for their milk. California is the only state milk pool. Federal milk pools were authorized in the 1930s, under the Federal Marketing Order law; some have been terminated over the years, others have had boundary changes, and some areas, such as Idaho, do not have a pooling system.

Starting in October of 2018, California milk producers moved to a Federal Milk Marking Order (FMMO), the culmination of a four-year process. California milk producers petitioned USDA to form a FMMO for California. USDA held hearings throughout the state, developed a FMMO with input from both milk producers and milk processors, and finally last year voted to enter into the FMMO for California. When California dairy producers move to the FMMO, California law requires the suspension of any milk pooling laws and regulations if a FMMO is enacted and the California laws and regulations are in conflict with the FMMO. AB 590 (Mathis) Chapter 304, Statutes of 2019, addressed needed changes to DCC law and the Milk Producers Security Trust Fund to conform to federal law.

According the author this bill is a clean-up of AB 590 (2019), which made several revisions to the Dairy Council of California Law and the Dairy Council of California. The bill conforms the definition of producer-handler to the FMMO, clarifies CDFA ability to impose states standards on milk, and makes technical changes.

Supporters state, this bill is necessary for establishing a valid benchmark for the state's enforcement against unlawful practices. The unlawful practices section of the California Food and Agriculture Code prevents dairy business from engaging in predatory practices that undermine the marketplace. Predatory practices are destructive in the marketplace because they can potentially result in larger companies putting smaller ones of business with resulting harm to both producers, who will face fewer buyers and reduced bargaining power, and consumers, who eventually see higher prices than they would otherwise. Without the provisions in this bill, CDFA will not have a clear objective standard of milk cost and will not be able to effectively enforce these unlawful practice prohibitions.

# **REGISTERED SUPPORT / OPPOSITION:**

# Support

Dairy Institute of California

# Opposition

None on file.

#### ASSEMBLY COMMITTEE ON AGRICULTURE Robert Rivas, Chair AB 623 (Committee on Agriculture) – As Introduced February 12, 2021

#### SUBJECT: Farmers' markets: county agricultural commissioner certificates

**SUMMARY**: This bill would change the period of time in which a certified farmers' market (CFM) certificate is valid from 12 months to up to 12 months and make other conforming and technical changes.

#### **EXISTING LAW:**

- 1) Allows for directing marketing of agriculture products at CFMs, farm stands and Community Supported Agriculture.
- 2) Requires a CFA operator to annually register with the Department of Food and Agriculture (CDFA) by applying for and obtaining a certificate from a county agricultural commissioner that shall be valid for 12 months.

#### FISCAL EFFECT: Unknown.

**COMMENTS**: Until 1977, regulations required farmers to properly pack, size, and label their fresh fruits, nuts, and vegetables in standard containers to transport and sell in markets anywhere other than the farm site. CFMs in 1977, by CDFA regulations, exempted farmers from packing, sizing, and labeling requirements.

The direct marketing of agricultural products through CFMs benefits the agricultural community and consumers. CFMs provide a flexible marketing alternative without disrupting other produce marketing systems. The high quality and fresh produce brought to the CFMs by its' producers creates a diverse market and provides the consumer with opportunity to meet the farmer and learn how their food supply is produced.

CFMs provide a great opportunity for small farmers to market their products without the added expenses of commercial preparation. This increases their net income and makes it possible for them to stay in business. There are approximately 750 certified farmers' markets and approximately 2,700 certified producers. Of these markets, about 60% are year-round markets and the balance is seasonal. In a typical year, the majority of the seasonal markets operate from April through October of each year.

Not all CFMs operate year-round; approximately 60% of markets are seasonal, and most seasonal markets only operate from April through October of each year. However, due to current law, CFM operators are required to file quarterly reports to CDFA on the vendors that participated in their CFM, each market day, for the entire previous quarter. By changing the CFM certificate valid period to cover only the period when a CFM is open, CFM operators will only need to submit information to CDFA during the time the CFM is in operation.

# **REGISTERED SUPPORT / OPPOSITION:**

# Support

None on file.

# Opposition

None on file.

#### ASSEMBLY COMMITTEE ON AGRICULTURE Robert Rivas, Chair AB 710 (Eduardo Garcia) – As Amended March 18, 2021

#### SUBJECT: Sale of listed agricultural products: requirements for sale

**SUMMARY**: This bill would prohibit a retailer from selling a listed agricultural product (LAP), produced in the state or outside of the state unless the product was produced in compliance with specified California health and environmental protection laws. Furthermore, prohibits a retailer from selling a LAP produced in the state or outside of the country unless the product was produced in compliance with specified California labor laws. Specifically, *this bill*:

- 1) Makes legislative findings and declarations regarding California's healthy and safety laws to protect consumers and agriculture workers, including laws on pesticide use, wages, and child labor. These findings also recognize the role of California farmers in providing healthy and safe working conditions.
- 2) Prohibits a retailer from selling a listed agriculture product (LAP) that was produced in or outside the state unless the LAP was produced in compliance with California health and environmental protections laws, as specified.
- 3) Prohibits a retailer from selling a LAP that was produced in or outside the country unless the LAP was produced in compliance with California labor laws, as specified.
- 4) Requires California Department of Agriculture (CDFA) to make regulations to administer and enforce compliance of the sale of a LAP complying with state laws, as specified.
- 5) Requires CDFA regulations to do all the following:
  - a) Establish a third party system to verify that a LAP was produced complying with California health and environmental protection laws and specified California labor laws.
  - b) Establish a procedure to audit sales of a LAP produced complying with California health and environmental protection laws and specified California labor laws.
  - c) Coordinate with state agencies with existing programs that monitor and enforce compliance of producers of LAPs with specified laws, to insure no additional fees are impose on producers.
    - i) If programs do not exist, the CDFA may impose requirements and fees comparable to existing programs.
- 6) Defines the following:
  - a) Compliance with specified California health and environmental protection laws means the use of only pesticides registered with the Department of Pesticide Regulation, as specified.
  - b) Compliance with specified California labor laws means compliance with all of the following:
    - i. Child labor regulations established by the Department of Industrial Relations.
    - ii. The California minimum wage, as specified.
    - iii. Overtime requirements, as specified.

- iv. Listed agricultural product means fresh or value-added fresh apples, asparagus, bell peppers, blueberries, dates, honeydew melons, lemons, nectarines, olives, and table grapes.
- v. Retailer has the same meaning as in Section 6015 of the Revenue and Taxation Code.
- 7) Provides that a violation of this section is not subject to criminal penalty.

# **EXISTING LAW:**

- Requires all California state-owned or state-run institutions, except public universities, colleges and school districts, to purchase agricultural products grown in California when the price of the California-grown agricultural product does not exceed by more than 5% the lowest bid or price for an agricultural product produced outside the state and the quality of the products are comparable.
- 2) Establishes within CDFA a public and private collaboration known as the "Buy California Program" to encourage consumer nutritional and food awareness and to foster purchases of California agricultural products.

# FISCAL EFFECT: Unknown

**COMMENTS**: Agriculture is a key California industry that generated more than \$50 billion in annual output in 2019. California produces over 400 commercial crops. California has a strong agricultural export market because the "California" brand. Part of that brand is due to strong pesticide regulation, food safety laws, robust labor laws and an industry that understands consumer buying habits, making California agriculture products some of the safest in the world.

According to the author, California laws require growers to follow some of the strictest environmental, labor, and health and safety regulations in the country. California's pesticide regulations, for example, exist in order to ensure health and safety standards for our consumers. The state should ensure that produce shipped into the state meet the same requirements.

Supporters state agriculture is a critical aspect of our state and local economy. However, out-ofstate agriculture producers oftentimes do not adhere to the same standards that California growers do to help ensure the health and safety of their workers and the environment. Unfortunately, this places in-state growers at a competitive disadvantage and places California local agriculture economies at risk. By increasing applicability of the same California standards, California can also increase adherence to California's values. Otherwise, many communities throughout the state will bear the cost in loss of jobs and ancillary economic impacts associated with the agriculture sector. Many agriculture regions in the state experience the highest unemployment and poverty rates in the state. AB 710 can help ensure the future of its agriculture economy.

Opponents state, grocery stores, across California, source as much fresh produce they can from California when it is in season. When the California growing season ends, produce suppliers get products from other countries or states who are either still in their growing season or are approaching it. Certain products grown in California, like apples, are not grown at a scale that can meet the demand of the 39 million people in the state. In order to meet the demand, apples have to be brought in from other states and the southern hemisphere.

Furthermore, Opponents point out that the minimum wage compliance provision alone, will stop the importation of many of the produce that are mentioned in the bill. California has the highest minimum wage in the United States. Other countries set their minimum wage at a different standard and currency. This will make it difficult for California companies to anticipate the market as foreign currencies fluctuate on a regular basis.

Opponents worry that that bill may force grocery stores to:

- 1) not sell products when California is not growing (off-season), which means empty shelves/unavailable products and losing customers; or
- 2) having to increase cost of labor in order to verify/track whether our suppliers and/or manufacturers out-of-state comply with CA's applicable laws.

"If it's #2, then stores would pass the cost to our customers and may potentially lose them because produce would be more expensive. Customers may be faced with one of two scenarios: they cannot afford products or they cannot purchase due to limited or no availability".

#### **Commerce Clause:**

Commerce clause is a provision of the U.S. Constitution (Article I, Section 8) that authorizes Congress "to regulate Commerce with foreign Nations, and among the several States, and with Indian Tribes." The commerce clause has traditionally been interpreted both as a grant of positive authority to Congress and as an implied prohibition of state laws and regulations that interfere with or discriminate against interstate commerce. In its positive interpretation, the clause serves as the legal foundation of much of the federal government's regulatory power.

In November 2008, voters passed Proposition 2, which addressed confinement of farm animals. The law requires that certain farm animals, including egg-laying hens, have room to move freely. AB 1473 (Huffman), Chapter 51, Statutes of 2010, required out-of-state egg producers to comply with California animal care standards. In two cases, State of Missouri, et al. v. Harris, et al. and State of Missouri v. State of California, Plaintiffs argued that California is regulating extraterritorially by telling farmers in other states how to run their businesses, thus violation the commerce clause. In both these cases, the courts allowed California to continue to require out of state egg producer to meet California standards.

The California foie gras law (SB 1520 of 2004) prohibits the "force feeding of a bird for the purpose of enlarging the bird's liver beyond normal size" as well as the sale of products that are a result of this process. This banned the traditional method of producing foie gras in California. The law went into effect in 2012. In 2015, U.S. District Judge Stephen Wilson held that the portion of California's law banning the sale of foie gras within the state was preempted by the federal Poultry Products Inspection Act, and enjoined the California Attorney General from enforcing it. That decision was overturned on appeal on September 15, 2017, but that decision was denied on January 7, 2019, leaving the lower court ruling in effect.

On July 14, 2020, District Judge Stephen Wilson lifted the ban on foie gras, ruling that the state's health code does not prevent the food from being imported from out of California.

These two examples suggest that this bill, if it becomes law, will likely face some form of commerce clause lawsuit.

# **PREVIOUS LEGISLATION:**

AB 582 (E. Garcia) of 2020 would have prohibited a retailer from selling an agricultural product, to the public unless the agricultural product is grown in the state, with limited exceptions. This bill was held in the Senate Business, Professions and Economic Development Committee.

AB 1248 (E. Garcia) of 2019, would have required all state institutions to purchase Californiagrown agricultural products, with specified exemption. This bill was held in Senate Governmental Organization Committee.

AB 2106 (E. Garcia) of 2018 would have increased the existing bid preference from 5% to 10% for state purchases, as specified, for California-grown, or California-packed or processed agricultural products over those produced out of state. This bill was held on the Senate Appropriations suspense file.

AB 822 (Aguiar-Curry) Chapter 785, Statutes of 2017, allows for 5% price difference for state purchases, as specified, for California-grown, or California-packed or processed agricultural products over those produced out of state.

AB 199 (Holden) in 2013 provided a 5% preference for state purchases of California-grown agricultural products in the early versions of that bill. However, the final version of the bill removed the 5% preference. It required that state-owned and state-run institutions purchase California-grown products instead of those grown out of state if the price was equal to or less than the out-of-state product, and if the availability and delivery schedule of the agricultural product was acceptable. This bill was vetoed by Governor Brown.

AB 1960 (Ma) of 2010, encouraged the State of California and its agencies to purchase California grown, or grown and processed, fruit, nuts and vegetables if the price is equal to or less than, imported fruits, nuts and vegetables. This bill was held in the Senate Rules Committee.

AB 2994 (Frommer) of 2004, proposed requiring state agencies to give preference to the purchase of lumber and certain solid wood products harvested from forests in California when price, fitness, and quality are equal. This bill was vetoed by Governor Schwarzenegger.

AB 801 (Salinas) of 2001, proposed requiring California state-owned or state-run institutions to purchase agricultural products grown in California before those that are grown outside this state, provided the prices for California grown products do not exceed the lowest price of products grown outside California by more than 5%. It also included California public schools, but only when price and quality were equal to products grown outside California. This bill was vetoed by Governor Davis.

SB 1893 (Perata) of 2000, proposed requiring state agencies and school districts to purchase agricultural products produced in California if the cost and quality are equal or superior to those produced outside California. If California products were not found to be equal, preference was

to be given to products produced in other states over foreign products, if the cost and quality are equal. This bill was held on the Senate Appropriations suspense file.

AB 214 (Wiggins) of 1999, proposed establishing preferences for the purchase of U.S. and California manufactured materials, with respect to public works contracts entered into by public entities. The bill was vetoed by Governor Davis.

#### **REGISTERED SUPPORT / OPPOSITION:**

#### Support

Growing Coachella Valley (Sponsor) California Apple Commission California Blueberry Commission California Date Commission California Fresh Fruit Association Coachella Valley Water District Desert Fresh INC Imperial Irrigation District Olive Growers Council of California Twenty-nine Palms Band of Mission Indians

#### **Opposition**

California Grocers Association

#### ASSEMBLY COMMITTEE ON AGRICULTURE Robert Rivas, Chair AB 866 (Megan Dahle) – As Amended March 9, 2021

SUBJECT: Food and agriculture: Feed Inspection Advisory Board: California Seed Law

**SUMMARY**: This bill allows Secretary of the California Department of Food and Agriculture (CDFA), to approve other governmental and commercial laboratories to provide regulatory testing and analysis to the Commercial Feed Regulatory Program (CFRP) and Seed Services Program (SSP). Specifically, *this bill*:

- 1) Expands the types of entities that may be established or designated to administer all or part of the law governing commercial feed to include any state accredited, certified, or licensed laboratories.
- 2) Changes from requiring to allowing CDFA to maintain a properly equipped laboratory for examining and testing seeds.
- 3) Allows CDFA to maintain a properly equipped laboratory for examining and testing seeds for the purpose of enforcing the germination and purity standards established by the California Seed Law (CSL).
- 4) Allows CDFA to approve laboratories to conduct germination and purity examinations and testing of seeds that meet specified requirements.

# **EXISTING LAW:**

- 1) Establishes the Feed Inspection Advisory Board (FIA Board) in state government and generally requires it to serve in an advisory capacity to the Secretary of CDFA with respect to the operation of the law governing commercial feed.
- 2) Allows the FIA Board to establish or designate one or more other entities to administer all or part of the law governing commercial feed and requires CDFA to adopt regulations and procedures to be used by the entity or entities.
- 3) Specifies the entity or entities that may be established or designated by the FIA Board for this purpose including state accredited or certified chemistry laboratories.
- 4) Regulates seed sold in California.
- 5) Requires CDFA to maintain a properly equipped laboratory for examining and testing seeds.

#### FISCAL EFFECT: Unknown.

**COMMENTS**: CFRP conducts routine sampling and inspections, quality assurance inspections of feed manufacturing facilities, responds to consumer complaints, and enforces the laws and regulations that govern the manufacturing distribution of livestock feed. CFRP, along with the feed manufacturing industry, ensures a clean and wholesome supply of milk and meat as well as

providing assurance that the product received by the consumer is the quality and quantity purported by the manufacturer. This program is funded through the collection of a licensing fee and inspection fee based on tonnage sold. The FIA Board advises CDFA on many of these practices.

The goal of seed law enforcement is to protect seed consumers, including vegetable and field crop growers, as well as urban landscapers. Through CSL, the SSP does the following:

- 1) Regulates the marketing of seeds so that quality information is accessible and accurate.
- 2) Tests for seed purity and germination through sampling.
- 3) Investigates seed complaints and attempts to resolve buyer/seller disputes through mediation.
- 4) Works to prevent the transmission of noxious weed seeds through seed products.
- 5) Supports research and development of seed biotechnology.

CDFA states poor quality seeds can cost farmers and home gardeners alike considerable amounts of time, money, and resources, by way of reduced yields, poor crop quality, contamination by weeds or other unwanted species. By enforcing CSL regarding marketing and labeling, CDFA is able to ensure that consumers receive the desired product.

According to the author, The CDFA's Center for Analytical Chemistry (CAC) and Plant Pest Diagnostic Center (PPDC) have been the sole providers of regulatory fee-for-service testing and analysis for CFRP and SS). CDFA laboratories provide testing and analysis to support compliance with state and federal feed standards and seed purity and germination standards.

The CAC recently re-evaluated its mission and has transitioned away from providing regulatory fee-for-service testing and analysis of feed samples. While there are several commercial feed laboratories in California who could provide testing and analysis of feed samples, the CFRP conducted an inter-governmental laboratory search and were fortunate to contract with two laboratories at the University of California, Davis to run their samples. While, the PPDC remains the sole CDFA laboratory providing fee-for-service purity and germination testing and analysis for the SSP, there are multiple government and commercial laboratories that can provide equivalent levels of purity and germination testing and analysis.

Supporters state this bill will provide CDFA with the authority, if needed, to approve other governmental and commercial laboratories to provide regulatory testing and analysis to the CFRP and SSP. This aligns with the Secretary's current authority to approve commercial laboratories to provide regulatory testing and analysis to comply with the requirements of CDFA's Industrial Hemp Program. Taking these steps will provide CDFA with the ability to expand laboratory capacity for the CFRP and SSP, increase efficiency, turnaround time, and provide cost-savings in both the short-term and long-term to farmers and consumers.

# **REGISTERED SUPPORT / OPPOSITION:**

#### Support

Almond Alliance of California (Co-Sponsor) California Grain & Feed Association (Co-Sponsor) California Seed Association (Co-Sponsor)

# Opposition

None on file.

#### ASSEMBLY COMMITTEE ON AGRICULTURE Robert Rivas, Chair AB 1009 (Bloom) – As Amended March 30, 2021

#### SUBJECT: Farm to School Food Hub Program

**SUMMARY**: This bill would establish the Farm to School Food Hub Program to create farm to school food hubs for serving as an aggregator and supply chain intermediary for local or regional farms food products to public institutions and nonprofit organizations. Specifically, *this bill*:

- 1) Defines the following:
  - a) Beginning, in reference to a farmer or rancher, means a person who has participated in the operation of a farm or ranch for 10 years or less, as specified.
  - b) Limited resource has the same definition as in Section 760.107 of Title 7 of the Code of Federal Regulations.
  - c) Office means the Office of Farm to Fork in the Department of Food and Agriculture (CDFA).
  - d) Program means the Farm to School Food Hub Program.
  - e) Small, mid-size or any other size, in reference to a farm or ranch, shall be identified based on annual gross cash farm income, using the farm typology developed by the Economic Research Service of the United States Department of Agriculture.
  - f) Socially disadvantage means a person who has been subject to racial, ethnic, or gender prejudice because of the person's identity as a member of a group, including, but not limited to, American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women, without regard to their individual qualities.
  - g) Sustainable agriculture production practices or methods means practices such as organic methods, biological control, and integrated pest management, and ecologically beneficial means of soil improvement, irrigation, cultivation, harvesting, transportation, and marketing for California agriculture based on methods designed to accomplish both of the following:
    - i) The control of pests and diseases of agricultural importance through alternatives that reduce or eliminate the use of pesticides and petrochemicals.
    - ii) The production, processing, and distribution of food and fiber in ways that consider the interactions among soil, plants, water, air, animals, tillage, machinery, labor, energy, and transportation to enhance agricultural efficiency, public health, and resource conservation.

- 2) Establishes The Farm to School Food Hub Program (F2SFHP) for the purpose of investing in the capital aggregation and distribution infrastructure needed to increase purchasing of local, environmentally sustainable, climate adaptation friendly, and equitably produced food by schools and other institutions, build a better food system economy, support the local farming economy, accelerate climate adaptation and resilience, and employ food system workers with fair wages and working conditions.
- 3) Requires CDFA's Office of Farm to Fork (OF2F) to administer F2SFHP, in consultation with The Sustainable Agriculture and Research Education Program, housed within the University of California Agriculture and Natural Resources.
- 4) Requires CDFA to establish the Farm to School Food Hub Advisory Committee (committee) to advise CDFA on issues related to F2SFHP.
  - a) Requires the committee to advise CDFA on education, outreach, and technical assistance for F2SFHP.
  - b) Requires the committee to have nine members appointed by OF2F, with three members from each of the following regions in the state: Northern, Southern, and Central.
  - c) Requires four or five members and their alternates to be an executive or manager of a food-supply chain business, including a producer, processor, or purchaser, headquartered in California.
  - d) Requires four or five members and their alternates to be an executive or director of a civil society organization, or a representative of an academic institution, with expertise in advancing food system improvements supportive of local food systems, equitable access to healthy food, fair labor in the food system, or climate-adaptive and climate-resilient food systems.
  - e) Allows the committee to appoint officers and form subcommittees, as specified.
  - f) Allows alternates to serve as a member of the committee or subcommittee if a member is absent, as specified.
  - g) Provides that committee members and alternates to be reimbursed for reasonable expenses in the performance of their duties as determined by the committee and approved by CDFA.
  - h) Allows the Secretary of CDFA or their representative, the State Public Health Officer or their representative and a county agricultural commissioner to serve as ex-officio member of the committee.
- 5) Requires F2SFHP to incentivize the creation and permanency of public-serving aggregation and distribution enterprises, known as farm to school food hubs, which may be founded by charter as a nonprofit organization or a Certified B Corporation. A farm to school food hub shall do both of the following:

- a) Serve as an aggregator and supply chain intermediary for local or regional farms or ranches, particularly those optimizing sustainable agriculture production practices or methods and following fair labor practices. The farm to school food hub shall prioritize, but is not limited to, serving farms or ranches that are small to mid-size, cooperatively owned, or owned by farmers or ranchers who are socially disadvantaged, beginning, limited resource, veterans, minorities, or disabled.
- b) Prioritize, to the greatest extent feasible, distributing food products from the farms or ranches described above to public institutions and nonprofit organizations, with primary emphasis on public schools and food banks in the region, as specified.
- 6) Requires phase one of F2SFHP to be administered as follows:
  - a) Requires OF2F, by June 30, 2022, to request proposals for planning grants to create farm to school food hubs that meet the requirements.
    - i) Requires proposals shall include a five-year business plan, and be submitted to OF2F by September 30, 2022.
  - b) Requires OF2F to award planning grants of one hundred fifty thousand dollars (\$150,000) each to three proposals based in northern California, three proposals based in central California, and three proposals based in southern California.
    - i) Requires planning grants to be distributed by December 15, 2022.
  - c) Requires one million eight hundred fifty thousand dollars (\$1,850,000) be available for phase one to be allocated as follows:
    - i) One million three hundred fifty thousand dollars (\$1,350,000) planning grant disbursement.
    - ii) Two hundred and fifty thousand dollars (\$250,000) for grant administration and committee management.
    - iii) Two hundred fifty thousand dollars (\$250,000) for technical support.
- 7) Requires phase two of F2SFHP to be administered as follows:
  - a) Requires OF2F, by December 31, 2023, to select proposals submitted and distribute development grants of one million dollars (\$1,000,000) to five million dollars (\$5,000,000) each for capital and operating expenses for use over a five-year period. Grants must go to at least one farm to school food hub in northern California, at least one farm to school food hub in central California, and at least one farm to school food hub in southern California.
  - b) Requires a Farm to School Hub selected as a grant recipient to report to OF2F and the committee every quarter for two years after the receipt of the funds regarding the use of the funds.

- c) Requires OF2F, for at least 5 years, to provide the legislature with a report on status on Farm to School Food Hubs.
  - i) Requires the report to include the following information:
    - (1) Financial viability.
    - (2) The number and type, with respect to size and ownership, of farms from which food products were sourced, and the volumes of food products sourced from each farm.
    - (3) The number and type of institutions served by farm to school food hubs, and the volumes of food products provided to each institution.
    - (4) A farm to school food hub selected pursuant to paragraph (1) may request federal or local matching funds, including, but not limited to, economic development and workforce investment funds.
- 8) States implementation of F2SFHP is upon appropriation from the legislature.

**EXISTING LAW**: Establishes OF2F within CDFA and requires OF2F, to the extent that resources are available, to work with various entities, including, among others, the agricultural industry and other organizations involved in promoting food access, to increase the amount of agricultural products available to underserved communities and schools in the state.

#### FISCAL EFFECT: Unknown.

**COMMENTS**: The United States Department of Agriculture's(USDA) working definition of a food hub is "*a centrally located facility with a business management structure facilitating the aggregation, storage, processing, distribution, and/or marketing of locally/regionally produced food products.*" By actively coordinating these activities along the value chain, food hubs are providing wider access to institutional and retail markets for small to mid-sized producers, and increasing access of fresh healthy food for consumers, including underserved areas and food deserts. Demand for locally grown food is continuously gaining traction, including among larger institutional buyers. This trend is creating sales opportunities for smaller-scale farms that would otherwise focus on direct market channels such as farmers markets and sales to restaurants.

According to the author, The COVID-19 pandemic has dramatically revealed shortcomings in the U.S. food system, stripping the façade of a seemingly robust supply chain and revealing a system ill-equipped to handle disruption to the complex network of supply and demand. Food system reform increasingly calls for more regionalized food systems, which in turn provides greater resilience in times of natural or public health disaster. During the pandemic, those areas that had community facing food hubs were able to pivot quickly toward redirecting their supply chains to areas of need, such as the non-profit The Common Market, which provided support for local farmers and emergency food relief in Philadelphia, New York, Georgia, and Texas. While California leads the nation in agricultural production, it lags behind in the development of regionalized food systems, which require capital investment in aggregation, and distribution infrastructure, such as food hubs, needed to increase purchasing of local, climate friendly, and

equitably produced food. This is particularly important intermediary supply chain support for by schools (the largest food service provider in any region) and other large-scale institutions.

Supporters state that AB 1009 can improve California's food system by creating a framework to develop new farm to school food hubs. These farm to school hubs will give priority to farms or ranches that are small to mid-scale, cooperatively owned, or owned by farmers or ranchers who are socially disadvantaged, beginning, limited resource, veterans, minorities, or disabled. AB 1009 will create increased opportunities for these and other underserved growers and ranchers to become part of truly sustainable and equitable agriculture throughout the state.

This bill refers to fair labor practices or fair labor several times, but does not define the phrase. In order to avoid ambiguity the author may wish to develop a definition for fair labor, if this bill moves forward.

#### **REGISTERED SUPPORT / OPPOSITION:**

#### Support

50 Acterra Action for A Healthy Planet Acta Non Verba: Youth Urban Farm Project Alliance of Nurses for Healthy Environments Asian Business Institute and Resource Center (ABIRC) California Association of Wheat Growers California Certified Organic Farmers Californians for Pesticide Reform Cattani Farms Center for Ecoliteracy Center for Food Safety; the Center for Land-based Learning Center for Urban Education About Sustainable Agriculture **Ceres Community Project** Community Alliance with Family Farmers Cultiva LA Salud Dean's Greens Duende Consulting, LLC Everyone's Harvest Farm to Fight Hunger Farm2people Friends of Public Banking Santa Rosa Friends of The Earth U.S. Good Eggs Greenbelt Alliance Humboldt County Visitors Bureau I Love to Glean - South County Food Hub Institute for The Study of Societal Issues, UC Berkeley

Los Angeles County Office of Education Los Angeles Food Policy Council Los Angeles Regional Food Bank Multinational Exchange for Sustainable Agriculture (MESA) Napa Farmers Market Natural Resources Defense Council North American Climate, Conservation and Environment (NACCE) North Coast Growers Association Peaceful Valley Farmers Market Pesticide Action Network Pie Ranch **Resource Conservation District of Greater** San Diego County Riverside Food Cooperative, INC. **Riverside Unified School District** Roots of Change San Luis Coastal Unified School District School Garden Network Sebastopol Farmers Market Sierra Harvest Sierra Orchards Slow Food California Slow Food Sonoma County North Slow Food South Bay Slow Money SLO So Cal Farm Network Solutions for Urban Agriculture Sonoma Wine Shop & LA Bodega Sustainable Agriculture Education

Sustainable Conservation Sustainable Economic Enterprises Los Angeles Tahoe Food Hub The Bullock Garden Project INC Urban Tilth West Contra Costa Unified School District

63 California Farmers

# Opposition

None on file.
Date of Hearing: April 15, 2021

### ASSEMBLY COMMITTEE ON AGRICULTURE Robert Rivas, Chair AB 1012 (Committee on Agriculture) – As Introduced February 18, 2021

### SUBJECT: Fruit, nut, and vegetable standards: out-of-state processing

**SUMMARY**: This bill would expand the exemption to standards for fruits, nuts, and vegetables that are being transported or delivered under specified conditions, to all packing plants, regardless of the state in which the packing plant operates, and delete a provision that would become redundant.

### **EXISTING LAW:**

- 1) Authorizes the Secretary of Food and Agriculture (CDFA) to adopt regulations regarding fruit, nut, and vegetable standards.
- 2) Exempts from these standards fruits, nuts, and vegetables that are being transported or delivered under specified conditions, including from the orchard or field where they were produced to a packing plant within the state for first processing, grading, or packing.
- 3) Exempts from the fruit, nut, and vegetable standards the shipment, transportation, or movement of melons and vegetables in field bins or bulk out of the state, up to 25 miles beyond the border, as specified.

FISCAL EFFECT: Unknown.

**COMMENTS**: California law places a general prohibition on the transportation of melons and vegetables to out of state for first-point of processing that does not meet the packaging and minimum quality standards. This prohibition has been in place since the 1930s. The United States Supreme Court invalidated a similar law in Arizona in 1970 because the Court determined that it placed a burden on interstate commerce. (Pike v. Bruce Church, Inc., 397 U.S. 137 (1970))

In 1970, AB 2183 added an exception to California's prohibition by allowing melons and vegetables to be graded and packaged in packing houses that are located in adjacent states as long as the packing houses are within 25 miles of the California border.

According to the author, this bill will add out of state packing/processing locations to the exemption from CDFA's packing and shipping standards, if the produce is coming from the field or orchard. In turn, this will give more options for farmers.

Standardization laws establish minimum standards for maturity, quality, size, standard container and pack, and container markings. County agricultural commissioners and their staff enforce standards at the local level. Inspections take place in fields and packing houses, at wholesale markets and retail distribution centers, retail outlets, and highway inspection stations.

### **REGISTERED SUPPORT / OPPOSITION:**

Support

None on file.

## Opposition

None on file.

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

Date of Hearing: April 15, 2021

### ASSEMBLY COMMITTEE ON AGRICULTURE Robert Rivas, Chair AB 1103 (Megan Dahle) – As Introduced February 18, 2021

**SUBJECT**: Agricultural lands: farmers and producers: agricultural pass program: disaster access to farm lands

**SUMMARY**: This bill would authorize specified local agencies to establish within a county an agricultural pass program for the purpose of issuing identification documents (ID) granting any qualifying agricultural producer, as defined, or employee access to the qualifying agricultural producer's farm or ranch property during or following a natural disaster, as specified. Specifically, *this bill*:

- 1) Allows a county board of supervisors, a county agricultural commissioner (CAC), or other agencies designated by the county board of supervisors, to establish within that county an agricultural pass program (Ag Pass).
- 2) Allows a county to issue IDs granting any qualifying agricultural producer, or employee of the qualifying agricultural producer, access to the qualifying agricultural producer's farm or ranch property during or following a flood, storm, fire, earthquake, or other disaster.
- 3) Defines qualifying agricultural producer as meaning commercial agricultural producer, as determined by the county agency, who has been certified as successfully completing the curriculum developed, as specified.
- 4) Requires an applicant for an Ag Pass to provide, or the relevant county agency to obtain, documentation sufficient to demonstrate that the applicant is a commercial agricultural producer, or employee of a commercial agricultural producer.
- 5) Allows the documentation to include, but is not limited to, any of the following:
  - a) An operator identification number issued by the Department of Pesticide Regulation.
  - b) An Internal Revenue Service Schedule F (Form 1040) attesting to the applicant's Profit or Loss from Farming.
  - c) Assessor's parcel numbers confirming agricultural zoning for the property or properties upon which access is sought.
  - d) Agricultural land lease documentation.
  - e) Documentation attesting to the applicant's enrollment in a Williamson Act contract as specified.
  - f) Documentation from the United States Department of Agriculture Farm Service Agency attesting that the applicant is a commercial agricultural producer.
  - g) Current registration of a livestock brand with the Bureau of Livestock Identification.

- 6) Requires an applicant for an Ag Pass shall furnish to the relevant county agency a description or map of all lands owned or managed by the applicant for which disaster access is sought.
- 7) Requires access granted pursuant to an Ag Pass be limited to the purposes of sheltering, moving, transporting, evacuating, feeding, watering, or administering veterinary care to livestock, irrigating crops, or providing auxiliary support to peace officers and emergency personnel.
- 8) States auxiliary support may include identifying access roads, water points, and other local expertise that may assist in firefighting or other emergency response.
- 9) Requires an Ag Pass ID to include, at a minimum, all of the following information:
  - a) The name of the applicant and cardholder.
  - b) The name or names of the farm or ranch to which the cardholder seeks access in the event of a disaster.
  - c) The expiration date of the ID, if an expiration date was established by the county.
  - d) The seal or logo of the authorizing agency and the signature of the issuing officer.
- 10) Provides that an Ag Pass ID authorizing access during a disaster that does not include a photograph of the cardholder shall not be a valid document for purposes of subdivision (a) unless accompanied by a valid photo ID issued by the state or federal government.
- 11) Requires an Ag Pass issued by a county in which an Ag Pass or equivalent program was established before January 1, 2022, to be deemed to be in compliance with this section until the expiration date noted on the Ag Pass or until December 31, 2025, whichever date occurs first.
- 12) Requires, before January 1, 2023, the State Fire Marshal, with the involvement of the Statewide Training and Education Advisory Committee, to develop a curriculum for agricultural producers eligible for the Ag Pass program.
  - a) Requires the curriculum provide education regarding basic fire behavior, communications during a disaster emergency, and incident command structure.
  - b) Requires the curriculum to provide for the initial certification as well as the continuing education or recertification of agricultural producers eligible for the Ag Pass program.
  - c) Declares legislative intent that any certification training utilizing the curriculum developed pursuant to this section be no more than four hours in duration, ensuring that commercial agricultural producers may avail themselves of the curriculum.
- 13) Allows an individual who holds a valid Ag Pass ID, as specified, to enter an areas closed due to natural disaster, as specified, unless a peace officer, as specified, finds that the disaster

presents an imminent harm to the document holder or that the presence of the document holder would interfere with disaster response.

### **EXISTING LAW:**

- 1) Requires the Secretary of CDFA to examine persons who desire to become CAC or deputy CAC.
- 2) Requires the CAC to be responsible for local administration of enforcement and requires the secretary to be responsible for overall statewide enforcement, as provided.
- 3) Requires the secretary to furnish assistance in planning and otherwise developing an adequate county enforcement program, as specified.
- 4) Authorizes specified law enforcement and public safety officers and professionals to close an area where a menace to the public health or safety is created by a calamity, as specified.

### FISCAL EFFECT: Unknown.

**COMMENTS**: Wildfires in California are continuing to increase in frequency and intensity, resulting in loss of life and damage to property, infrastructure, and ecosystems. This year alone, wildfires have burned more than 4.1 million acres. Six of the 10 largest recorded fires in California's history happened this year (August Complex, Mendocino Complex, SCU Lightning Complex, Creek, LNU Lightning Complex, and North Complex). In 2020, there were more wildfires in closer proximity to agricultural lands. While much of Ag land in the Central Valley has seen a limited impact, the Coastal ranges and foothill communities on the edge of the Sierras have seen greater impact to Ag lands, specifically in vineyards and grazing lands throughout the state.

According to the author, lack of timely access to a farm or ranch during a wildfire or other emergency incident can be devastating to livestock and force farmers and ranchers to make truly difficult decisions. In 2020, one rancher lost hundreds of cattle to the Bear Fire (part of the North Complex Fire) as he struggled to gain access to his rangelands. Many farmers and ranchers have ignored evacuation orders, knowing that once they leave they may not be able to gain return access to care for their animals. Others have been evacuated only to eventually make the difficult choice to bypass roadblocks to access their farm or ranch, risking their safety and a misdemeanor charge to ensure the welfare of their animals.

When farmers and ranchers are granted access to their property during a wildfire or other emergency incident, they often must be escorted by law enforcement or emergency responders because they lack expertise in fire behavior and incident response. This supervised access diverts critical emergency response resources during a wildfire or other emergency. This bill aims to address all of these issues by providing farmers and ranchers training in fire behavior and emergency response and providing a process by which law enforcement and emergency responders may grant them access to a farm or ranch to care for animals or irrigate crops.

Supporters point out that Ventura County became the first jurisdiction to institute an Ag Pass program. The program trains farmers and ranchers in fire hazards and safety issues, entrapment avoidance, incident organization, and fire behavior to ensure they are equipped to safely access

the site during an emergency. The program also has protocols for identifying enrolled farmers and ranchers to emergency responders, streamlining access during a wildfire incident.

In the past year, Santa Barbara and Butte counties have followed Ventura's lead. Unfortunately, with no statewide framework, Ventura, Santa Barbara, and Butte counties have had to 'reinvent the wheel' in developing a training curriculum, coordinating with local and state emergency responders, and administering the Ag Pass program – significantly burdening limited local resources. This burden has deterred Supervisors, Agricultural Commissioners, and other officials in fire-prone counties from instituting their own Ag Pass programs.

Opposition stated, "We oppose granting passes that allow employees of farms and ranches to work inside evacuation zones because these workers should not be asked to work, or be allowed to work, in areas deemed unsafe for the public." Opposition also expressed concerned about the proposed Ag Pass that would allow access to evacuation zones, unless a peace officer finds that the disaster presents an imminent harm to the Ag Pass holder. Experience over the last few years has shown that wildfires can expand rapidly. Allowing access until risk rises to the level of "imminent harm" leaves no margin of safety. The opposition has asked for amendments to address the concern about agriculture employee being sent into evacuation zones.

The California Climate & Agriculture Network (CalCAN) has a support if amended positon and state the following: "AB 1103 offers a practical solution by enabling more counties to establish Ag Pass Programs, similar to the successful example set by Ventura County. Our coalition supports the expansion of these programs in a way that balances the need for improved access to farms and ranches during disasters with reasonable safety precautions and protocols to protect producers, their employees, and first responders. We believe striking this balance will result in broadly supported and sustainable Ag Pass Programs."

To that end, CalCAN is suggesting amendments that do the following:

- 1) Require at least two Ag Pass holders be present in order to gain access to ensure no one is ever alone in a disaster area.
- 2) Limit the number of Ag Pass holders that can gain access to a farm or ranch to what is reasonable to carry out the purposes of an Ag Pass, specifically for public safety concerns.
- 3) Clarify that no employee shall be required to work in an area that has been evacuated or closed due to a disaster.
- 4) Require an employee safety and evacuation plan in order to obtain an Ag Pass.
- 5) Add employee safety to the list of topics required to be addressed in the Ag Pass curriculum to be developed by the State Fire Marshall.

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#### **REGISTERED SUPPORT / OPPOSITION:**

### Support

California Cattlemen's Association (sponsor) Wine Institute

### **Support If Amended**

California Climate & Agriculture Network (CalCAN)

### **Oppose Unless Amended**

California Rural Legal Assistance Foundation (CRLA Foundation)

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

Date of Hearing: April 15, 2021

### ASSEMBLY COMMITTEE ON AGRICULTURE Robert Rivas, Chair AB 1289 Kalra – As Amended April 8, 2021

### SUBJECT: Smart Climate Agriculture Program: plant-based agriculture

**SUMMARY**: This bill establishes the Smart Climate Agriculture Program (SCAP), within the California Department of Food and Agriculture (CDFA), to provide grants to specified farms for the purpose of transition from animal agriculture to plant based agriculture. Specifically, *this bill*:

- 1) This bill makes legislative declarations and findings that:
  - a) The legislature has taken significant steps to preserve and protect the environment, combat climate change, provide for the health and well-being of all people, and support the state's farmers.
  - b) The State has some of the world's most productive agricultural lands, representing a large fraction of the fruits, nuts, and vegetables grown in the United States. However, much of the production goes to animal feed, with an increase in recent years of land in animal feed production.
  - c) That studies have shown that livestock and feed production are contributors to climate change through emissions of greenhouse gases and b transitioning away from livestock and feed crop farming to more plant-based agriculture, the state can reduce its emissions of greenhouse gases.
  - d) That plant-based agriculture can benefit society by providing healthy foods, more fruit and vegetables to food deserts, increasing a person's health and can help aide and support the future demands placed on our food supply.
  - e) Keeping small to midsize farms in operation and diversifying the state's working lands, it is the intent of the Legislature to increase agricultural revenue in the state and help the state become a leader in supplying and processing plant-based foods and products.
  - f) This state should adopt additional practices that will protect and preserve the state's environment and natural resources as the population continues to grow. By encouraging plant-based foods and practices, the state can improve its efforts to implement this policy.
- 2) Defines the following:
  - a) Expert assistance means assistance from an agricultural scientist, climatologist, pedologist, horticulturist, hydrologist, or agronomist for assessment, design, planning, and best management practices of a land-use transition to plant-based agriculture.
  - b) Feed crop means a crop that is grown for livestock consumption.
  - c) Livestock means poultry, cattle, dairy cows, sheep, swine, goat, or fish.

- d) Plant-based agriculture means any farming that uses crops for growing inputs for plantbased products and does not include livestock farming, dairy, or any crop production for livestock feed.
- e) Program means SCAP.
- f) Technical assistance means outreach, education, expert assistance, legal support for contractual barriers, project planning, project design, grant application assistance, buyer expertise and packaging assistance, project implementation, or project reporting assistance provided to a farmer to improve their successful participation in the program.
- g) Technical assistance provider means resource conservation districts, the University of California Cooperative Extension, and nonprofit organizations, with demonstrated technical expertise in designing and implementing agricultural management practices.
- 3) Establishes SCAP within CDFA.
- 4) Requires CDFA's SCAP to do all the following:
  - a) Provide grants to persons farming on small to midsize farms to transition the use of the land from raising livestock or growing feed crops to plant-based agriculture.
  - b) Develop best practices for transitioning land used for raising livestock or growing feed crops to plant-based agriculture.
  - c) Provide technical assistance, in consultation with technical assistance providers, to persons farming on small to midsize farms.
  - d) Develop a rubric to prioritize applications for farmers to transition to sustainable crops in the following order:
    - i) Less water-intensive crops in high demand
    - ii) Less water-intensive crops in low demand
    - iii) High water-intensive crops in high demand
    - iv) High water-intensive crops in low demand
- 5) Requires applicants for a SCAP grant to submit all of the following to CDFA in the application:
  - a) A description of the land that will be transitioned from raising livestock or growing feed crops to plant-based agriculture.
  - b) A plan that demonstrates how the applicant will transition the land to plant-based agriculture using the best practices developed by the CDFA, as specified.
  - c) Any other information CDFA deems necessary.
  - d) Requires a person who receives a SCAP grant to do both of the following as a condition of receiving a grant to provide a report, in consultation with a technical assistance provider, to CDFA that demonstrates that the SCAP grant recipient is transitioning to plant-based agriculture.

### **EXISTING LAW:**

- 1) Requires CDFA to promote and protect the agricultural industry of the state.
- 2) Requires CDFA to establish and oversee an environmental farming program to provide incentives to farmers whose practices promote the well-being of ecosystems, air quality, and wildlife and their habitat.

#### FISCAL EFFECT: Unknown

**COMMENTS**: CDFA oversee an environmental farming program to provide incentives to farmers whose practices promote greenhouse gases (GHG) reduction, air quality, and wildlife and habitat. This bill would establish the Smart Climate Agriculture Program, which would provide grants to small and mid-sized farmers to transition their lands from animal to plant-based agriculture. The bill would also provide technical assistance to those farmers, as well as develop best practices for transitioning the land.

According to the author, currently there and federal and state programs that have invested in sustainable farming and reducing GHG but there is still more that can be done to assist farmers achieve sustainable farming, reducing their GHG emissions, and saving farmers from selling their farm due to high debt or being unable to continue operating their business. This bill seeks to establish a program to provide assistance for farmers who would like to transition to plant-based agriculture for a sustainable practice to help reduce their GHG emissions, diversify working lands. This could help make California a leader in supplying and processing plant-based foods and products, and save farmers from struggling to keep their operations going due to either debt, changing market trends or other requirements to operate.

Supporter's state that despite dairy being one of the largest producers in the livestock agriculture industry, farmers are experiencing a decline in demand due to overproduction, trade wars, and milk alternatives. As a result, farmers are incurring debt and struggling to keep their businesses operating. Family farms that have transitioned from livestock, dairy, or crop feed farming to less water-intensive crops have been able to generate new job opportunities and business growth as the market for plant-based products continues to grow—a \$5 billion industry that some experts say could be worth \$85 billion by the year 2030.

Expanding the supply of locally grown fruits and vegetables can provide greater distribution to communities that are located in food deserts. According to a number of studies, plant-based diets help lower cholesterol, increase the consumption of naturally occurring vitamins and minerals, and lower the risk of chronic health conditions. By increasing supplies of plant-based foods, Californians can generate more healthful food options.

Opponents state this bill relies upon false assumptions that land dedicated for ranching or dairying can be readily transitioned into row crops, such as lettuce or strawberries, or permanent crops, like tree nuts or pom fruits. Farmers weigh many factors when determining what to produce on any one parcel including weather, pest pressures, soil type, land quality, resource availability (like water access), commodity prices, production costs, labor availability and proximity to adjacent services, like processing facilities and packing houses. These factors and more lead landowners to pursue production that is the highest and best use of a parcel. This bill assumes that farmers have not considered any of these criteria and instead, myopically pursued livestock rearing and dairying. Even if a farmer would ideally like to transition from livestock or dairying to plant agriculture production, acreage that hosts California's livestock populations are

typically not irrigated, do not have access to water, appropriate soil quality, a readily-available labor supply, or cost/revenue margins that can support alternative production.

Furthermore, opponents state the bill currently defines "plant-based agriculture" as farming that is lower water use and not livestock, dairying or production of feed crops. The bill, however, provides no reference of what is a lower water use crop and what to index water use to. Would this be water use in comparison to production of feed crop or cattle? What if a producer transitions to grow a product that is processed and the byproduct, like nut hulls, rice straw or grape pumice, is used to feed cattle—is this considered a feed crop? The bill requires the Department to develop best management practices to facilitate the transition from livestock to plant production—this would be a potentially exhaustive effort, as California produces over 400 different commodities and individualized varieties. Finally, under the Program considered, a farmer would be required to produce the declared transitional plant for an unspecified time. This rigidity will not accommodate typical rotations of different crop types, annual resource constraints that dictate crop selections, like water availability or market demands, and could force farmers to remain unprofitable while they wait for their trees or vines to reach maturity and begin producing product. These are just some of the concerns and questions this coalition have on the program proposed in this bill.

### **REGISTERED SUPPORT / OPPOSITION:**

#### Support

Social Compassion in Legislation (Sponsor) Animal Legal Defense Fund **Butler Farms** Craig Watt Farm Cultivate Empathy for All **Direct Action Everywhere** East Bay Animal Pac Eat for The Earth Gayle Paul Humane Society of The United States; the Janeunchained Los Angeles Democrats for The Protection of Animals Pawpac Physicians Against Red Meat Poison Free Malibu Project Counterglow **Redbud Hill Naturals Riverside Animal Rights Voters** St. John Creative The Paw Project The Transfarmation Project V-dog Vegan of La Wellstone Democratic Renewal Club Women United for Animal Welfare (WUFAW)

### **315** Individuals

### Oppose

Agricultural Council of California Agricultural Energy Consumers Association Association of California Egg Farmers California Cotton Ginners & Growers Association California Dairies INC. California Dairy Campaign California Farm Bureau Federation California Food Producers California Grain and Feed Association California Poultry Federation Milk Producers Council Pacific Coast Rendering Association Pacific Egg and Poultry Association Western Agricultural Processors Association

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