



August 19, 2011

Existing law requires an employer to furnish each employee with an accurate itemized statement showing, among other things, the name and address of the legal entity that is the employer. [AB 243](#) (Luis Alejo, D-Salinas) would require Farm Labor Contractors to disclose information about the farmers and ranchers they work for on their workers' pay stubs, providing an itemized statement with the name and address of the legal entity that secured the employer's services. AB 243 is on the Senate Floor pending vote. Farm Bureau opposes.

Farm Bureau and many employers organizations oppose [AB 1155](#) (Luis Alejo, D-Salinas) that is designed to undermine the effectiveness of apportionment to determine the degree of impairment caused by a workers compensation-compensable injury. AB 1155 would prohibit race, or any other protected classification, being considered in an apportionment decision. Since such discrimination has already been prohibited by the courts, AB 1155 will invite litigation on a settled matter of public policy and drive up employers' costs of both workers compensation and permanent disability. This bill is on the Senate Floor pending vote.

Without giving clear guidance or any objective test for an employer to make a determination, [SB 459](#) (Ellen Corbett, D-San Leandro) would hold employers responsible for "willful misclassification" of an employee as an independent contractor. SB 459 was amended by the Senate Appropriations Committee to add provisions to stiffen the penalties associated with misclassification and requires the Department of Industrial Relations to inform the State Contractors Licensing Board of any violations if they involve a state-licensed contractor. Any business entity found to have engaged in misclassification must post a notice of this fact signed by the company's highest-ranking officer on its internet website and include specified information about employee's rights against misclassification. Farm Bureau and other employer groups in California oppose SB 459.

California-based businesses that are insured with State Fund are currently required to obtain a separate workers' compensation policy to cover employees who work out-of-state. [AB 228](#) (Felipe Fuentes, D-Los Angeles) clarifies the insurance code by clearly stating the authority for employers to seek workers' comp coverage from State Fund for all employees working in or out-of-state. AB 228 was amended with minor technical changes and will be heard again in Senate Appropriations. Farm Bureau supports.

Legislation to require the High Speed Rail Authority to appoint an agricultural advisory committee was recently amended to add an urgency clause. The advisory committee will be tasked with advising the authority on the impacts their policies, plans and procedures will have on the agricultural community. The urgency clause will insure that if the bill passes and is signed by the Governor it will take affect immediately, thus allowing more time for a committee to be appointed and have input into the plans of

the authority. [AB 292](#) (Kathleen Galgiani, D-Tracy) will be heard again in the Senate Appropriations committee. Farm Bureau supports.

Governor Brown recently signed [AB 349](#) (Wes Chesbro, D-Eureka) that allows a special vehicle length exemption for a section on Highway 101 in Humboldt, Del Norte and Mendocino counties to be continued. The exemption allows licensed carriers of livestock utilizing semi-trailer combinations, which do not exceed 70 feet in total length and kingpin to rear axle settings of 43 feet (instead of the current 40 feet), access to Humboldt, Del Norte and Mendocino counties via Highway 101. Farm Bureau supports.

All Democrats voted in favor and all but one Republican opposed a bill that would allow all eligible forms of renewable energy to participate in the net metering program. [SB 489](#) (Lois Wolk, D-Davis) passed out of the Assembly Appropriations Committee on a 12-4 vote, with Assemblymember Harkey not voting. It's the first committee that the bill did not garner bipartisan support, in particularly from legislators with rural districts as there is strong agricultural support for the SB 489. The utilities remain opposed and continue to argue that the change in parameters to the program will impose additional costs on ratepayers. A number of analyses have shown that not to be the case and in fact the changes to net metering by the bill will likely decrease the costs of the program. The bill may be heard on the Assembly floor as early as the week of August 22nd. CFBF continues to work in support of the bill.

[SB 513](#) (Anthony Cannella, R-Ceres) would extend the sunset on California's Certified Farmer's Market program until January 1, 2014. Over the past year there has been increased focus on the integrity of farmer's markets and a desire to improve enforcement by the California Department of Food and Agriculture (CDFA) to ensure that produce sold at these markets is grown by the farmer selling them. Over the next year CFBF will work with CDFA and other stakeholders to develop an improved enforcement program to ensure continued integrity of California's Certified Farmer's Markets. CFBF supports SB 513 which passed out of the Assembly Appropriations Committee 16-0 this week.

The State Water Resources Control Board (SWRCB) held a follow up "Fee Stakeholder Meeting" this week to inform fee payers about the status of the Waste Discharge Permit Fund (WDPF) after more than \$21 million in State General Fund support was removed from the WDPF in the 2011-12 budget. The WDPF houses funds for the following nine programs:

1. NPDES (National Pollution Discharge Elimination System)
2. WDR (Waste Discharge Requirements, or General Orders)
3. Land Disposal
4. Storm Water
5. 401 Certification
6. Confined Animal Facilities
7. SWAMP (Surface Water Ambient Monitoring Program)
8. GAMA (Groundwater Ambient Monitoring and Assessment Program)
9. Agricultural Waivers, or Statewide Irrigated Lands Regulatory Program (ILRP)

The SWRCB is scheduled to adopt the 2011-12 fee schedule on September 20th and must match the adopted state budget and the board's fee authority. They cannot increase or decrease personnel to balance their budget without a legislative directive but must instead match fees with their legislative authorized programs. Because the state budget reduces the state general fund augmentation to these programs, the board must match fees to cover that loss of general fund.

The new fee include \$1.4 million for the National Pollution Discharge Elimination System, \$1.8 million for the Irrigated Lands Regulatory Program (Ag Waivers), \$6.7 million for basin planning activities, and \$11.5 million for Total Maximum Daily Load activities

Staff presented two options they may recommend to the SWRCB. Option 1 will increase each program's fees to generate revenue to meet program budgetary expenditures. With the pro rated basin planning and TMDL costs the ILRP would jump from 12 cents per acre to 56 cents. Option 2 will provide some relief to the Storm Water Program since the SWRCB has over collected approximately \$22 million in the past six years for this program. Under this option the other WDPF programs would pick up the difference and the ILRP would jump to 61.

The following three bills went to the Assembly Appropriations Committee Suspense File this week. They were placed on the suspense file due to potential State General Fund costs. They will be voted on next week and either be allowed to move to the Assembly floor for a vote or kept on the suspense file which normally means a bill is "dead" for this legislative session.

[AB 6](#) (Felipe Fuentes, D-Sylmar) improves access to CalFresh, California's "food stamp" program. The bill streamlines the reporting requirements; implements cost saving measures for fraud prevention efforts; and put into place a "heat and eat" provision that increases access to additional federal funding. CFBF supports.

The Assembly Appropriations Committee determined that the costs could be in the millions to manage the distribution of 10% of the revenues that will be paid by large businesses subject to the state's new mandatory climate change program (AB 32). This large price tag placed [SB 535](#) (Kevin De Leon, D-Los Angeles) on the suspense calendar to be taken up again next week. De Leon wants to set up a process that allows the funds from the cap and trade program to be used in the most impacted and disadvantaged communities to fund projects that reduce greenhouse gas emissions or mitigate the impact of climate change. Farm Bureau opposes.

[SB 618](#) (Lois Wolk, D-Davis) would encourage the siting of utility-scale photovoltaic solar projects on marginally productive or physically impaired farmland. The bill would allow land that fits the definition of "marginally productive or physically impaired" to terminate its Williamson Act contract through the rescission process provided it is enrolled in a solar-use easement. Amendments have been drafted to tighten the definitions of the qualifying land to stop any potential manipulation of the process and to require a modest rescission fee. Any proposed designated land for this process would have to be reviewed and approved by the Director of the Department of Conservation, in consultation with the Secretary of Food and Agriculture with input from local agricultural commissioners where the land is located. Farm Bureau supports SB 618 as means of taking pressure off other more productive farmland whether in the Williamson Act or not.