



CALIFORNIA FARM BUREAU FEDERATION

FRIDAY REVIEW

LEGISLATIVE AND GOVERNMENTAL UPDATE

January 27, 2012

Legislation to modify overtime rules for the agricultural industry got new life this week by being removed from the “inactive file” in the Senate. [AB 1313](#) (Michael Allen, D-Santa Rosa) would require agricultural employers to pay overtime pay for any employee who works more than 8 hours in a day or 40 hours in a week. The measure stalled in the legislature during the last days of the legislative session last year. The bill is to be referred to the Senate Rules Committee, for likely re-referral to the Senate Labor and Industrial Relation Committee for a policy committee hearing. The hearing could occur sometime in the next couple of weeks. The Farm Bureau will continue to aggressively **oppose** this measure as we have in the past. Similar legislation authored by former Senator Dean Florez passed the legislature, but Governor Arnold Schwarzenegger vetoed the measure.

Legislation to establish a publicly-funded single-payer health care system for California stalled in the Senate. [SB 810](#) (Mark Leno, D-San Francisco) failed to get the 21 vote simple majority needed for passage. The bill is likely dead for the year. Farm Bureau was opposed.

The 2011 mileage reporting deadline for on-road diesel trucks registered for use in agriculture has been extended. The state Air Resources Board has set March 30 as the new reporting deadline. The new reporting deadline does not extend the deadline for registering as an “AG” truck; that deadline was April 29, 2011. The mileage reporting deadline extends the time to report 2011 mileage for those agricultural trucks already registered with ARB. ARB has been experiencing computer problems, so it is advised that you wait until early February to submit your 2011 mileage reporting to ensure the computer glitches have been resolved. For further information about reporting, training, or compliance tools, visit the ARB website at www.arb.ca.gov/dieseltruck, or call 866-634-3735, or email 8666diesel@arb.ca.gov.

CFBF is preparing comments relative to the California Department of Agriculture’s (CDFA) proposal to establish a state phytosanitary and master certificate fee to cover the CDFA’s administrative costs related to issuing these certificates. Recent budget cuts to the department include cutting the Pest Exclusion Branch budget by \$1.53 million. These fees are being sought to replace this loss of general funds.

The revised proposal establishes a three-year sunset that we support. The sunset provides the impacted parties with an opportunity to evaluate the activities and associated costs of the program in the future and determine if they are appropriate. At the end of the three years the Farm Bureau and other stakeholders plan to do a thorough review of the functions, purpose and associated costs of the certificate program to determine if this or any other similar fee should be continued.

The department’s revised proposal does reflect a more accurate calculation of the number of state phytosanitary certificates issued. Therefore, it reduces the cost per certificate to \$5.30 from the previous

proposal of \$6.55. Though this will result in an increased cost to our members, we recognize that this is temporarily necessary in order to maintain this program and the ability to ship product outside the state and country.

We are asking CDFA to annually adjust the state phytosanitary fee according to the balance collected from the previous year. For instance, if the revenue from the fees collected is greater than \$1.461 million, then the following year's fees should be adjusted to reflect the carryover from the previous year. After a year of collecting the fee, the department and the industry will have more specific data on the number of certificates issued and the state's associated costs.

We do have concerns with the fee proposed for the master certificates and the associated activities. It is not clear what the different administrative activities are for administering the issuance of a state phytosanitary certificate versus administering the issuance of a master certificate and we are requesting that information from the department now. We think this is an important question and one we will be reviewing with the department in further detail in the coming months.