



## Legislative Update October 1, 2024

### Governor Finalizes Decisions on Bills

Governor Gavin Newsom completed reviewing bills on his desk on September 30, which is the constitutional deadline to sign or veto bills. He signed 1,017 bills and vetoed 189 bills in 2024 for a veto rate of about 15.7 percent.

An overview of key legislation along with the status and Ag Council's position is provided below. Measures comprise both those that were considered at the end of session and others from earlier in 2024.

Please note this is not a list of all bills in the Legislature that impact food and agriculture.

### WATER

**AB 460 (Bauer-Kahan)** – Removed opposition after amendments – Passed Legislature & Signed by Governor

Imposes higher penalties for violations of State Water Resources Control Board curtailment orders. This measure did not proceed in 2023 due to provisions that expanded the Board's authority. Those provisions have been removed and the amended 2024 bill focuses on penalizing bad actors. The bill takes effect in 2025.

**AB 2079 (Bennett)** – Opposed, unless amended - Failed passage in the Senate Committee on Natural Resources

Establishes unworkable groundwater well permit standards that undermine local control and essentially place a moratorium on new industrial and agricultural groundwater wells in many areas where California food is grown and processed.

**SB 366 (Caballero)** – Supported – Passed Legislature & Vetoed by Governor

Creates a water supply planning target of nine million acre-feet of additional water, water conservation, or water storage capacity to be attained by 2040, as part of the 2028 update to the California Water Plan. The target can be achieved through new or expanded surface or groundwater storage, conservation efforts, stormwater capture, recycled water, or other means.

In the veto message, the governor said, "While I appreciate the author's intent, this bill would create substantial ongoing costs for DWR, the State Water Resources Control Board, and other state agencies and departments to assist in the development of water supply planning targets. A revision to the Plan of this magnitude, that creates such significant costs, must be considered in the context of the annual budget."

**AB 878 (Connolly)** – Opposed – Passed Legislature & Vetoed by Governor

Exempts community water systems and managed wetlands from the Sustainable Groundwater Management Act (SGMA) and would place an even greater burden on ag water users.

**SB 1390 (Caballero)** - Supported – Failed to pass Assembly

Clarifies when flood conditions begin and end, recognizes forecasting models, increases accountability and allows for more recharge projects during flood events. Provides the ability to divert flood flows for groundwater recharge through 2029, if certain conditions are met including that a local or regional agency has a local flood control plan, considered flood risks in its general plan, or has a local hazard mitigation plan.

**AB 2060 (Soria)** - Supported – Moved to inactive

Exempts diversions of flood flows from lake and streambed requirements through 2029 if flows are used for groundwater recharge and certain conditions are met.

**SB 1178 (Padilla)** – Opposed – Held in Assembly Appropriations Committee

Establishes a duplicative and ill-defined mechanism for wastewater dischargers complying with existing water quality permits. Amendments to the bill add a confusing labeling requirement for both businesses and consumers.

## **PESTICIDES**

**AB 1864 (Connolly)** – Removed opposition due to amendments – Passed Legislature & Signed by Governor

Mandates that a notice of intent (NOI) to an ag commissioner for a restricted material that is to be applied within ¼ mile of a school include the method of application and the allowable dates and times during which the pesticide is to be applied. Also, expands NOIs to include private schools. For pesticide use reporting, the report must include the method and the date, as well as the start and end time of the pesticide application.

In a positive step, AB 1864 was amended to remove the additional categories of pesticides from the NOI requirements. We had opposed the inclusion of an expanded list of pesticides that would require NOIs. With the amendment, Ag Council removed opposition to AB 1864.

**AB 1963 (Friedman)** – Opposed - Passed Legislature & Signed by Governor

Bill was amended in July to require DPR to complete its scientific reevaluation of paraquat dichloride by January 1, 2029, and then DPR can retain, cancel, or suspend its registration or place new restrictions on the use of pesticides containing paraquat dichloride. Ag Council and other ag groups requested this amendment given the original measure would have banned the use of paraquat dichloride in California. We remained opposed on the principle that decisions to reevaluate should be made by the regulatory officials at DPR and based upon scientific expertise, not through legislation.

**AB 2552 (Friedman)** – Removed opposition after amendments – Passed Legislature & Signed by Governor

Amendments were included in AB 2552 to limit the bill to prohibit the use of first-generation anticoagulant rodenticides or second-generation anticoagulant rodenticides in wildlife habitat areas, except in limited circumstances (e.g. to address invasive rodents & species or mosquito/vector control).

Under the amended bill, food and agriculture can continue to protect public health and food safety as allowed under existing law. Further, in an earlier amendment, the private right of action was removed from the bill.

**AB 2113 (Garcia)** – Neutral – Passed Legislature & Signed by Governor

Increases the pesticide mill assessment and requires more accountability at the Department of Pesticide Regulation (DPR). Substantial efforts were undertaken by a coalition Ag Council participated in to ensure a mill fee increase did not move forward without stronger transparency and specific pesticide registration timelines being included in the bill to ensure process improvements occur at DPR.

Under the measure, by 2028, DPR must register a new product within six months, a new active ingredient within 24 months, complete a reevaluation within two years and a label amendment within six months. AB 2113 includes a provision to prioritize hiring in the pesticide registration branch, which is needed given crop protection tools are critical and new registrations are lagging. The mill fee will incrementally rise over four years to a maximum of 30 mills (currently 21 mills). In addition, AB 2113 removes the authority of DPR to raise the mill on its own.

Ag Council was neutral on the measure because, though it is a mill increase, it adds improved and structured pesticide registration timelines into statute and provides more accountability at DPR.

## **PEST PREVENTION**

**AB 2827 (Reyes)** – Supported - Held in the Senate Appropriations Committee

Declares that invasive species prevention and suppression is a primary goal of the state. Requires state agencies to work with stakeholders to detect, control, monitor and eradicate invasive species to protect agriculture, the environment, and natural resources.

## **PACKAGING**

**SB 1231 (Allen)** – Supported - Held in the Assembly Appropriations Committee

Provides an on-ramp for entities to petition CalRecycle allowing producers to continue to make recyclability assertions, such as using the chasing arrows symbol on packaging complying with SB 54 (*single use packaging law*). This means producers can label certain packaging as recyclable as they work to improve recycling rates and while the state implements SB 54.

Amendments to the bill in early July require on-ramp petitions to be submitted to CalRecycle by January 1, 2026. Further, the extension in SB 1231 allowing a 24-month grace period for recyclability claims on packaging is limited to those materials for which an entity has submitted a petition.

SB 1231 is meant to correct the conflict and confusion between the two statutes and allow for an on-ramp for those producers working in good faith to meet recycling standards and statutory requirements.

**AB 2761 (Hart)** – Removed opposition due to requested amendment being adopted & bill author removed bill from committee consideration, so it did not move forward.

Prevents the sale of packaging containing PFAS starting on January 1, 2026. A recent amendment removed PVdC from the bill. PVdC is packaging material used because some foods need protection from oxygen to maintain product color and prevent microbial spoilage during storage.

## **ENERGY**

**AB 2661 (Soria)** – Supported - Passed Legislature & Signed by Governor

Expands the authority of Westlands Water District to own and operate renewable energy projects, including solar and battery storage, and encourages additional renewable energy development in the San Joaquin Valley.

**AB 2083 (Berman)** – Removed opposition due to amendments. Held in Senate Appropriations Committee

Multiple amendments to AB 2083 removed the mandates for specific industry emissions targets and instead required CARB to assess the potential for reducing greenhouse gas emissions from the industrial sector in the next Scoping Plan. However, this measure was held in committee.

**SB 1374 (Becker)** – Neutral - Passed Legislature & Vetoed by Governor

Allows residential customers and public schools to benefit from lower rates if they generate renewable energy. The bill does not extend to assist agriculture in using a single renewable energy installation to offset onsite load across multiple meters and contiguous parcels, which is needed due a decision by the Public Utilities Commission to effectively eliminate on-farm renewable energy aggregation. The decision is hampering the ability to further develop renewable energy projects on agricultural land.

## **AIR QUALITY & TRANSPORTATION**

**AB 2900 (Soria)** – Supported - Passed Legislature & Signed by Governor

Requires CARB to establish the Small Agricultural Truck Fleet Assistance Program, or utilize an existing program, to provide dedicated technical assistance to owner-operators or owners of small fleets to support the transition to cleaner emission-compliant trucks, giving priority for near-zero-emission or zero emission trucks where feasible.

## **WAREHOUSES & LOGISTICS**

**AB 98 (Carrillo)** – No position/Signed Letter of Concern – Passed Legislature & Signed by Governor

Beginning, January 1, 2026, prohibits cities and counties from approving new or expanded logistics uses unless specific standards are met. Creates setbacks for certain sized warehouses siting near sensitive receptors, such as residences, hospitals, daycare centers and schools. Requires truck routing plans that prioritize routes designed for heavy duty and other commercial vehicles to avoid sensitive receptors. Mandates 21<sup>st</sup> century energy efficiency standards for certain expanded or new warehouses.

## **FOOD & BEVERAGE**

**AB 660 (Irwin)** – No position – Passed Legislature & Signed by Governor

Beginning July 1, 2026, food and beverage items for human consumption can no longer use the

phrase “sell by” on packaging. Instead, if a food retailer, processor, or manufacturer chooses or is required by law to use a quality or safety date, the phrase “best if used by” or “best if used or frozen by” must be on the package to indicate the quality date. Alternatively, to indicate the safety of the product, the phrase “use by” or “use or freeze by” is permissible under the bill. Shorter iterations, “bb” (*best by*) or “ub” (*use by*), are permissible on small packages.

## **LABOR**

**SB 1116 (Portantino)** – Opposed - Bill failed in Assembly Insurance Committee.

Provides unemployment benefits to workers on strike. Historically, unemployment benefits go to those who are searching for and available for work and who are unemployed through no fault of their own. California employers are already paying higher taxes due to the \$20 billion debt in the state Unemployment Insurance Fund. Governor Newsom vetoed a prior measure in 2023 due to significant costs to the state budget.

**SB 1299 (Cortese)** – Opposed – Passed Legislature & Vetoed by Governor

Implements a disputable presumption that a heat related injury arose out of the course of employment if an injury develops within a specified timeframe after working outdoors in agriculture for an employer who fails to comply with heat illness standards.

**SB 399 (Wahab)** – Opposed – Passed Legislature & Signed by Governor

Prevents discussion of political topics by employers and violates the First Amendment right to free speech. Among the concerns, SB 399 will hinder businesses from communicating with workers about legislation and regulations. The measure is unnecessary given that federal and state law protect employees from coercion for their political views or actions.

**SB 1105 (Padilla)** – No position - Passed Legislature & Signed by Governor

Allows farmworkers, who are entitled to sick days under California law, to use existing paid sick days to avoid flooding, heat, or smoke conditions during a local or state emergency. Nothing under current regulation prohibits such use of existing sick leave, and SB 1105 does not add any additional sick days into law.

## **NURSERY**

**AB 1573 (Friedman)** Neutral after amendments - Bill remained inactive and did not move forward

In 2023, this measure was introduced to require a native plant mandate in new and renovated nonresidential landscapes. Ag Council and our nursery members actively worked to amend the bill and - after extensive amendments in the fiscal committee - the bill was placed on the Senate inactive file given the author did not want the amended version to proceed.

In August 2024, the author considered amending AB 1573 to eliminate the native plant language and change it into a bill relating to potable water use and non-functional turf. Ag Council and several of our members provided input on that possible amendment language. However, those amendments did not take place, and the bill did not move forward.

## **DAIRY**

**AB 2316 (Gabriel)** – Removed opposition due to adoption of requested amendment – Passed Legislature & Signed by Governor

A recent amendment eliminated titanium dioxide from the bill. The Food and Drug Administration finds titanium dioxide to be safe given studies do not demonstrate safety concerns. Ag Council and others removed opposition once titanium dioxide was removed from the bill. The amended measure is narrowed to prohibit public schools from providing food containing color additives, such as blue, green, red, and yellow dyes.

## **GATES**

**AB 2149 (Connolly)** – Opposed, unless amended - Bill held in Senate Appropriations Committee Requires specified rolling and swinging gates to meet certain standards for safety and requires the specified gates be inspected by a professional or qualified employee on or before July 1, 2026, and at least every 10 years after that date. Bill applies to gates of certain size and weight that are “intended to be used by the public, an entire community or neighborhood” or any considerable number of persons.”

## **CA DEPT. OF FOOD & AGRICULTURE (CDFA)**

**SB 1270 (Grove)** – Supported - Passed Legislature & Signed by Governor

Restructures and increases CDFA Market Enforcement Branch (MEB) fees. MEB is solely industry-funded, however, it is no longer generating sufficient revenue to offset operational costs and is expected to be insolvent within a few years without a fee increase.

Specifically, SB 1270 increases: 1) the complaint filing fee (capped in the bill at \$250, depending upon the amount of the complaint), 2) the fee schedule for licenses issued to a person who contracts, solicits, negotiates, or acts as a processor or a cash buying processor on behalf of a processor (fee capped in the bill at \$650 per year), and 3) the fee for each agent of a licensed producer or dealer/broker (capped at \$100). This bill also establishes the Market Enforcement Advisory Committee and includes representation from farmers and processors.

## **CLIMATE BOND**

**SB 867 (Allen)** – No position – Passed Legislature & Signed by Governor

Legislators approved a climate bond titled the “Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, Clean Energy & Workforce Development Bond Act of 2024.” This \$10 billion bond measure passed the Legislature, was signed, and will be on the November 2024 ballot. For further details about the components of the bond, click [HERE](#).

## **PAGA REFORM**

**AB 2288 (Kalra) & SB 92 (Umberg)** – Supported – Passed Legislature & Signed by Governor

In a major agreement between business, labor, agriculture, Governor Newsom, and legislators, PAGA reform was signed into law. The legislation ensures workers’ labor claims are addressed while incentivizing businesses to comply outside of litigation, which will lower costs. Ag Council is

supportive of the improvements given that PAGA often leads to frivolous litigation and attorneys – not workers – are the ones who benefit.

The legislation includes the following:

- Requires the employee to personally experience the alleged violations.
- Caps penalties for employers who work to comply with the Labor Code prior to receiving a notice.
- Boosts the share of penalties that employees receive from 25 percent to 35 percent.
- Small employers have a stronger right to cure process through the state labor department to lower costs and reduce litigation.
- Larger employers are given the opportunity for an early resolution in court.
- Allows for injunctive relief.