



## LEGISLATIVE UPDATE

### August 15, 2025

#### **Cap-and-Trade Reauthorization**

Cap-and-trade reauthorization is a priority for Ag Council, and it is expected to take the spotlight amid other issues during the end of the legislative session. Ag Council supports an extension of the existing market-based program through 2045 to lower greenhouse gas emissions while recognizing the needs of the food processing sector, including free allocations and allowing for offsets as proposed by the governor. Importantly, crucial ag programs are funded through the Greenhouse Gas Reduction Fund (GGRF), which only exists through cap-and-trade dollars. To read more about our GGRF priorities, please click [HERE](#).

**Status:** Ongoing negotiations between legislators and the governor.

**Position:** Support

#### **SENATE BILLS**

##### **SB 72 (Caballero) California Water Plan: long-term supply targets**

**Summary:** Existing law mandates the Department of Water Resources to update "The California Water Plan" every five years to manage the state's water resources effectively. The plan must discuss water supply strategies such as water storage, conservation, recycling, desalination, conjunctive use, and transfers to meet future needs. This bill requires setting an interim water supply planning target of nine million-acre-feet by 2040.

**Status:** Passed the Senate and pending in the Assembly Appropriations Committee.

**Position:** Support

##### **SB 279 (McNerney) Solid waste: compostable materials**

**Summary:** Provides the ability to compost larger amounts of ag products/ag waste onsite rather than shipping it to an offsite facility. SB 279 proposes that the onsite compost amount for excluded activities that do not require a permit be increased from 100 to 500 cubic yards. SB 279 allows some composting operations to distribute or sell up to 5,000 cubic yards of compost annually, instead of the current limit of 1,000 cubic yards and is important with the near complete ban on ag burning in the San Joaquin Valley.

**Status:** Passed the Senate and awaiting Assembly Appropriations Committee consideration.

**Position:** Support

##### **SB 310 (Wiener) Failure to pay wages: penalties – INACTIVE**

**Summary:** Existing law imposes a penalty on individuals who fail to pay employee wages. This penalty can be recovered as a statutory penalty by the employee or as a civil penalty by the Labor Commissioner. SB 310 would have undermined the 2024 PAGA

reforms and allow penalties to be recovered through an independent civil action. It would have given trial attorneys a method to file wage and hour cases against employers of any size and would have increased litigation when there are already mechanisms in place to address the failure to pay wages.

**Status:** Moved to inactive in the Senate due to strong opposition by a coalition, including Ag Council.

**Position:** Opposed

### **SB 601 (Allen) Water: waste discharge**

**Summary:** Adds new water quality permit requirements for dischargers, creates a new category of waters under the highly litigated term “nexus waters” (non-navigable waters), and increases penalties. Though we appreciate that the private right of action was removed from the bill, we are strongly opposed given the measure contains a confusing and complex definition of nexus waters, escalates costs and removes economic considerations relating to permit restrictions.

**Status:** Approved by the Senate and pending in the Assembly Appropriations Committee process.

**Position:** Opposed

### **SB 88 (Caballero) Air resources: carbon missions - biomass**

**Summary:** Requires CARB and CalFire to publish on its website an assessment of the avoided emissions from not burning agricultural and forestry biomass resources. The bill also requires CARB to update its strategy in the next Scoping Plan to support carbon removal products, such as biochar, from ag or forest biomass resources.

**Status:** Passed the Senate and awaiting Assembly Appropriations Committee consideration.

**Position:** Support

## **ASSEMBLY BILLS**

### **AB 411 (Papan) Livestock disposal: composting**

**Summary:** Existing law restricts the transport of dead animals, allowing them only to be taken to certain facilities unless a waiver is granted by the State Veterinarian. This bill permits composting of livestock carcasses from routine mortality events or on-farm processing if certain conditions are met, specifically that the composting follows best management practices for livestock composting approved by the Sec. of Food and Ag.

**Status:** Passed the Assembly and pending in the Senate Appropriations Committee.

**Position:** Support

### **AB 732 (Macedo) Agriculture: neglected or abandoned crops - pests**

**Summary:** Abandoned or neglected ag land can impact neighboring farms by causing pest and disease issues. A recent example is the rodent infestation in the San Joaquin Valley, which has cost farmers millions of dollars due to rodents destroying irrigation equipment and other infrastructure, as well as burrowing that damages root systems. Under AB 732, if a landowner makes a good faith effort to address a pest related public nuisance issue within 30 days of notice, they will not be penalized. If they do not take such action, AB 732 allows a county agricultural commissioner, in lieu of imposing a

lien, to levy a civil penalty after a minimum of 30 days and the penalty goes up if they do not act in good faith to rectify the violation within 45 days. Landowners can request a lower penalty under the bill. Beneficial pests are excluded in AB 732 if used as a biological control agent or a conservation practice. The bill requires that the person charged with the violation receive notice of the violation and be given an opportunity to be heard. The bill would sunset on January 1, 2035.

**Status:** Approved by the Assembly and pending in the Senate Appropriations Committee.

**Position:** Support

#### **AB 942 (Calderon) Net energy metering: eligible customer-generators**

**Summary:** Amendments to this bill remove Ag Council's opposition. The prior language would have altered the on-site solar generation contract terms for farmers and food processors by placing them on the current tariff, if they have been a customer-generator on Net Energy Metering (NEM) 1.0 or NEM 2.0 for more than 10 years. That language was eliminated from the bill. In fact, the bill no longer deals with NEM at all.

**Status:** Approved by the Assembly and awaits Senate Appropriations Committee consideration.

**Position:** Removed opposition, given the amendments.

#### **AB 1042 (Ransom) Managed Honeybee Health Program**

**Summary:** Establishes the Managed Honeybee Health Program at the California Department of Food and Agriculture (CDFA) to improve the health and well-being of managed honeybees, which are crucial for agricultural pollination. Recent amendments would ensure the program is embedded into existing CDFA infrastructure and makes the funding discretionary. The bill authorizes CDFA, as funding is available, to provide incentives and grants for projects that benefit honeybees.

**Status:** Approved by the Assembly and pending in the Senate Appropriations Committee.

**Position:** Support

#### **AB 1234 (Ortega) Employment: nonpayment of wages - complaints**

**Summary:** Existing law allows the Labor Commissioner to investigate employee complaints, as well as hold hearings regarding wage recovery and related issues, and the Labor Commissioner penalizes employers who violate specific work regulations. This bill would revise and speed up the investigations and hearings. Among the bill's provisions, any award granted after a wage recovery hearing will include up to a 30 percent administrative fee on employers, which goes into a newly created Wage Recovery Fund to support the Labor Commissioner's activities. We do not oppose the expedited claims provisions in the bill. However, we oppose the administrative penalty (up to 30 percent) provision mandated whether or not the employer acted in good faith.

**Status:** Approved by the Assembly and pending in the Senate Appropriations Committee.

**Position:** Opposed

### **AB 1264 (Gabriel) Ultra-processed food (UPF)**

**Summary:** Defines "ultra-processed food" (UPF) and requires regulations to identify "particularly harmful ultra-processed food" by July 1, 2026. This process will involve the Office of Environmental Health Hazard Assessment (OEHHA) evaluating scientific evidence on health risks. Further, schools are mandated to start eliminating "particularly harmful" UPF foods by 2028, and vendors are prohibited from supplying them to schools by 2032.

In July, a significant amendment was incorporated into the bill regarding which foods would be considered UPF. Specifically, UPF would be defined as a food or beverage containing high amounts of saturated fat, sodium or added sugar, and the food or beverage contains one of the substances listed in the bill (e.g., emulsifiers, thickeners, stabilizers, artificial colors/flavors, non-nutritive sweeteners, or surface-active agents, etc). "High amounts" in the bill means 20 percent of the daily value. This amendment helps to narrow the scope of the measure.

Ag Council staff has worked extensively to pursue amendments to the bill and appreciates the July 18 amendments detailed above and the following exclusions to the definition of UPF, which are also now in the bill: minimally processed food (as defined), Class I milk, alcohol, and the removal of surface finishing agents (e.g. waxes).

In addition, Ag Council has spoken with the governor's office and the bill author to encourage that the Department of Public Health be given the regulatory authority to implement the bill, rather than OEHHA, which does not have expertise in food and nutrition.

**Status:** Passed Assembly and pending in the Senate Appropriations Committee.

**Position:** Ag Council intends to move to a neutral position (and will no longer be opposed, unless amended) pending one final amendment, which has been discussed with the bill author.

### **AB 1319 (Shultz) ESA protections**

**Summary:** Mandates that the Fish and Game Commission review any species that experiences a decrease in federal protection and consider a California Endangered Species Act (CESA) listing for any California native species with lowered protections under the federal Endangered Species Act (ESA). The Commission and California Department of Fish and Wildlife can already do that on their own through an emergency process, and they do not need a public petition to take this action. However, they are not currently required to review all instances of decreased federal protection and that is what the bill mandates. AB 1319 is written to address backsliding on species protections, if/when the federal government takes action to decrease ESA protections.

**Status:** Passed Assembly and pending in the Senate Appropriations Committee.

**Position:** Opposed, unless amended.

**AB 1331 (Elhawary) Workplace surveillance**

**Summary:** Restricts how employers use workplace surveillance tools. Artificial intelligence, cameras and other surveillance tools are used to protect the safety of both employees and employers, as well as property, and the bill undermines that purpose.

**Status:** Passed Assembly and pending in the Senate Appropriations Committee.

**Position:** Opposed

**AB 1413 (Papan) SGMA groundwater adjudication**

**Summary:** The Sustainable Groundwater Management Act (SGMA) specifically prohibits a Groundwater Sustainability Agency (GSA) from being the sole decision maker in determining water rights in an adjudication. AB 1413 provides this significant power for GSAs in an adjudication. It does so by stating that a court cannot find a safe yield that exceeds the Groundwater Sustainability Plan's (GSP) sustainable yield, but a court can find a smaller number. This means a GSP's sustainable yield number is, in every instance, the maximum amount of water that may be used and does not account for a situation where a GSA has incorrectly determined the number. The measure essentially elevates a GSP from a management document to controlling evidence and allows GSAs to determine water rights, which is prohibited under SGMA.

**Status:** Passed Assembly and pending in the Senate Appropriations Committee.

**Position:** Opposed, unless amended.

*\*Please note, this is an abbreviated overview and is not a list of all legislation affecting food and agriculture.*