

**CALIFORNIA LEAGUE OF FOOD PROCESSORS
LEGISLATIVE UPDATE
as of 7/12/2010**

This report highlights legislation that is of interest to California food processors. If you would like more detailed information on these bills, or have questions about the status of other bills please contact the CLFP office at (916) 640-8150 or John Larrea at john@clfp.com or Trudi Hughes at trudi@clfp.com.

Ag

AB 1960 (Ma D) Agriculture: fruits, nuts, and vegetables: California Grown Act.

Status: 6/10/2010-Referred to Com. on RLS.

Summary: This bill requires that every state agency purchase California Grown fruit, nuts and vegetables whenever possible if the quality is comparable to other produce and the price is equal to or less than the imported alternative. Impact: Would assist in the competitiveness of California agricultural products.

Position	Assigned
Watch	Trudi

Air Pollution

AB 2328 (Niello R) State Air Resources Board: membership: small business owner.

Status: 6/21/2010-Read second time and amended. Re-referred to Com. on APPR.

Summary: Would require that at least one of the 11 members of the Air Resources Board (ARB) be a small business owner. Impact: will ensure a business perspective on the ARB.

Position	Assigned
Watch	Trudi

SB 1402 (Dutton R) State Air Resources Board: administrative and civil penalties.

Status: 6/29/2010-From committee: Do pass, but first be re-referred to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 10. Noes 0.) Re-referred to Com. on APPR. (Heard in committee on June 29.)

Summary: Would require the ARB provide more information and greater transparency when issuing a notice of violations and when assessing civil or administrative penalties. Impact: potential savings in regulatory and penalty costs.

Position	Assigned
Support	John

SB 1433 (Leno D) Air pollution penalties: inflation adjustments.

Status: 6/29/2010-From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 5. Noes 3.) Re-referred to Com. on APPR. (Heard in committee on June 28.)

Summary: Would require the ARB, on March 1, 2011, and annually thereafter, to adjust maximum civil and criminal penalties for inflation, and to publish the inflation-adjusted maximum penalties on its Internet Web site.

Position	Assigned
Oppose	John

Beverages

AB 2084 (Brownley D) Child day care facilities: nutrition.

Status: 6/24/2010-From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 6. Noes 1.) (June 24).

Summary: Requires that licensed child care facilities meet specified health and nutritional requirements in regards to beverages. Impact: unknown, watching to see what restrictions may be placed on fruit juice.

Position	Assigned
Watch	Trudi

SB 1255 (Padilla D) Schools: nutrition: beverages.

Status: 6/30/2010-From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 14. Noes 5.) Re-referred to Com. on APPR. (Heard in committee on June 29.)

Summary: Prohibits the sale of electrolyte replacement beverages on school campuses within one-half hour of the start of school to one-half hour after the end of the school day. Impact: no direct impact, bad policy, restricting choice.

Position	Assigned
Watch	Trudi

Bottle Bill

SB 390 (Kehoe D) Solid waste: recycling market development.

Status: 6/30/2010-Set, first hearing. Referred to APPR. suspense file.

Summary: Would extend the sunset date from 2012 to 2022 and also updates the Recycling Market Development Revolving Loan Program within the Department of Resources, Recovery and Recycling. We are watching this bill for any amendments that would address fruit or vegetable juice. Expansion of the Bottle Bill is always a concern.

Position	Assigned
Watch	Trudi

SB 1401 (Simitian D) Beverage containers: redemption payments.

Status: 7/1/2010-Read second time. To Consent Calendar.

Summary: This is a cleanup bill for AB 7 X8 of last year (Bottle Bill program). This could be a vehicle to fix the processing fee funding issue for PET and HDPE containers. Impact: without a fix there would be increase processing fees.

Position	Assigned
Watch	Trudi

Chemicals

SB 22 **(Simitian D) Hazardous materials: toxic substances.**

Status: 6/30/2010-From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 12. Noes 1.) Re-referred to Com. on APPR. (Heard in committee on June 29.)

Summary: This is a spot bill intended to further clarify and advance the development of the Toxics Information Clearinghouse.

Position	Assigned
Watch	Trudi

SB 797 **(Pavley D) Product safety: bisphenol A.**

Status: 7/1/2010-In Senate. To unfinished business.

Summary: Prohibits, beginning in 2011, the sale, manufacture or distribution of a bottle or cup or a liquid, food or beverage in a can, jar or plastic bottle that contains bisphenol A (BPA) if the item is primarily intended for children three years of age or younger. Repeals this prohibition if the Department of Toxic Substances Control (DTSC) adopts a regulatory response, pursuant to current "Green Chemistry" law. Impact: significant impact and cost to the food industry. CLFP was successful in getting language in the bill that exempts "food and beverage containers designed or intended primarily to contain liquid, food, or beverages for consumption by the general population".

Position	Assigned
Oppose	Trudi

Climate Change/Green House Gas

AB 1846 **(V. Manuel Perez D) Environment: expedited environmental review: climate change regulations.**

Status: 6/21/2010-Read second time and amended. Re-referred to Com. on APPR.

Summary: This bill expands current law to allow use of a "focused" environmental impact report (EIR) for installation of pollution control equipment that reduces greenhouse gas emissions (GHGs) to comply with AB 32. Impact: would ensure timely regulatory response when installing pollution control equipment.

Position	Assigned
Pending	John

AB 2329 **(Ruskin D) Environmental protection: greenhouse gas emissions: Climate Action Team.**

Status: 6/28/2010-Do pass as amended, and re-refer to the Committee on Appropriations

Summary: Codifies the Climate Action Team which would be responsible for coordinating the state's climate change policy under the direction of the Cal EPA Secretary.

Position	Assigned
Oppose	John

AB 2598 (Brownley D) Tidelands and submerged lands: sea level action plan.

Status: 7/8/2010-Do pass as amended, and re-refer to the Committee on Appropriations. (Refers to 6/16/2010 hearing)

Summary: Requires a trustee of legislatively granted public trust lands to prepare a sea level action plan (Plan) by July 1, 2011.

Position	Assigned
Oppose	John

SB 722 (Simitian D) Utilities: renewable energy resources.

Status: 7/6/2010-From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 5. Noes 3.) (Heard in committee on June 30.)

Summary: This bill would revise the Renewable Energy Resources Program to state the intent of the Legislature to increase the amount of electricity generated from eligible renewable energy resources per year, so that amount equals at least 33% of total retail sales of electricity in California per year by December 31, 2020. Impact: increased energy costs.

Position	Assigned
Oppose	John

Delta Plan

AB 2092 (Huffman D) Delta Plan: financing.

Status: 6/28/2010-Read second time and amended. Re-referred to Com. on APPR.

Summary: Requires the Delta Stewardship Council to develop a long-term financing plan for implementing the Delta Plan. Impact: possible long term increase in cost of water.

Position	Assigned
Watch	Trudi

Economic Impact

AB 2734 (John A. Perez D) Office of Economic Development.

Status: 6/30/2010-From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 8. Noes 0.) (June 29).

Summary: Would create the Office of Economic Development, which would be administered by a director appointed by the Governor. The bill would require that the office serve the Governor as the lead entity for economic strategy and marketing of California on issues relating to business development, private sector investment, and economic growth, and make recommendations to the Governor and the Legislature regarding policies, programs, and actions to advance statewide economic goals. The bill would create the California Business Investment Services Program, as specified, within the office, under the authority of the director, for the purpose of serving employers, corporate executives, business owners, and site location consultants who are considering California for business investment and expansion. The bill would also move the Office of Small Business Advocate to the Office of Economic Development.

Position	Assigned
Watch	Trudi

SB 1160 (Dutton R) State fiscal analysis.

Status: 6/10/2010-To Com. on BUDGET.

Summary: Requires the Legislative Analyst's Office and the Department of Finance to use dynamic economic modeling techniques when estimating the impacts of tax law changes that will have a fiscal impact in excess of \$10 million per year. Impact: potential long term tax savings.

Position	Assigned
Support	Trudi

Employee

SB 1304 (DeSaulnier D) Employment: leave and benefits.

Status: 6/30/2010-Read second time. To third reading.

Summary: Requires private employers to permit employees to take paid leaves of absence for the purposes of organ and bone marrow donations. Impact: unknown.

Position	Assigned
Watch	Trudi

Energy

AB 2132 (Carter D) Energy: renewable energy resources and energy improvements.

Status: 6/30/2010-From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 8. Noes 1.) (June 29).

Summary: Would authorize, until January 1, 2013, the use of revenues from the public goods charge for electrical energy improvements in existing buildings built prior to July 1, 1978. Impact: watch to make sure PPP surcharge is not modified.

Position	Assigned
Pending	John

AB 2514 (Skinner D) Energy storage systems.

Status: 6/29/2010-Do pass as amended, and re-refer to the Committee on Appropriations.

Summary: Would require the CPUC to open a proceeding to establish procurement targets for each electrical corporation for energy storage systems. Impact: possible increase in energy costs for CLFP members.

Position	Assigned
Watch	John

AB 2561 (Villines R) Energy: commission and department.

Status: 6/29/2010-Do pass as amended, and re-refer to the Committee on Rules.

Summary: Would create a Secretary of Energy, renames the California Energy Commission the Department of Energy (DOE), consolidates various existing state and local energy-related duties within the DOE.

Position	Assigned
Watch	John

SB 722 (Simitian D) Utilities: renewable energy resources.

Status: 7/6/2010-From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 5. Noes 3.) (Heard in committee on June 30.)

Summary: This bill would revise the Renewable Energy Resources Program to state the intent of the Legislature to increase the amount of electricity generated from eligible renewable energy resources per year, so that amount equals at least 33% of total retail sales of electricity in California per year by December 31, 2020. Impact: increased energy costs.

Position	Assigned
Oppose	John

Enterprise Zones

SB 974 (Steinberg D) Income and corporations tax: hiring and career credits.

Status: 6/29/2010-Set, first hearing. Hearing canceled at the request of author.

Summary: Enacts the Career Pathways Investment Credit; Repeals TEA Criterion for Enterprise Zone Hiring Credits, and Requires Taxpayers to Submit Applications for Certification for All Qualified Employees Within 21 Days of Hire Date. Impact: potential funding decrease for labor related projects.

Position	Assigned
Pending	Trudi

Food

AB 2720 (John A. Perez D) Public health: food access.

Status: 7/1/2010-From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 6. Noes 2.) (June 30).

Summary: This is a spot bill that will deal with "food deserts", low income communities that are lacking in grocery stores and fresh produce.

Position	Assigned
Watch	Trudi

Food Ingredients

SB 928 (Simitian D) Consumer products: content information.

Status: 7/1/2010-From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 5. Noes 3.) (Heard in committee on June 29.)

Summary: Requires a manufacturer or wholesaler of a designated consumer product, as defined, on or before March 31, 2011, to provide a notice that lists all substances, identified by a number or other unique identifier, that are contained in that product, by posting that information on the manufacturer's or wholesaler's Internet Web site.

Position	Assigned
Oppose	Trudi

Food Labeling

SB 190 (Wright D) Misbranded food: pomegranate juice.

Status: 8/27/2009-Placed on inactive file on request of Assembly Member Torrico.

Summary: Directs the Department of Public Health (DPH) to adopt regulations establishing definitions and standards of identity for 100% pomegranate juice. CLFP opposes the funding mechanism, which is food processor registration fees. We believe the pomegranate industry should pay the regulatory cost. Impact: redirects a portion of food processor registration fees.

Position	Assigned
Oppose	Trudi

Food Safety

AB 2612 (Committee on Agriculture) Food and agriculture: omnibus bill.

Status: 6/30/2010-Read second time. To third reading.

Summary: Assembly Ag committee bill includes provision to extend the sunset for the Department of Public Health Food Safety & Education program surcharge for five years. Impact: continuation of \$100 surcharge.

Position	Assigned
Support	Trudi

SB 602 (Padilla D) Food safety.

Status: 7/1/2010-Read second time. To third reading.

Summary: Would require a food handler to obtain a food handler card within 30 days after his or her hire date at a food facility.

Position	Assigned
Watch	Trudi

Hazardous Materials

AB 2379 (Feuer D) Environmental protection: hazardous waste source reduction.

Status: 7/1/2010-From Special Consent Calendar pursuant to Joint Rule 22.2. Ordered to third reading.

Summary: Would expand the number of priority categories of hazardous waste generators that the Department of Toxic Substances Control must select for participation in the department's cooperative source reduction technical assistance and outreach program.

Position	Assigned
Watch	Trudi

Labeling

SB 1454 (DeSaulnier D) Recycling: plastic products.

Status: 6/29/2010-From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 7. Noes 3.) Re-referred to Com. on APPR. (Heard in committee on June 29.)

Summary: Requires that plastic products sold in the state and labeled as compostable or marine degradable meet specified standards. This bill also prohibits the sale of plastic products labeled as "biodegradable", "degradable", or "decomposable". Impact: no direct impact; watching for any change that would impact CLFP member products.

Position	Assigned
Watch	Trudi

Labor

AB 2437 (V. Manuel Perez D) State government: economic development.

Status: 6/29/2010-From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 6. Noes 1.) (June 28).

Summary: Authorizes the establishment of the California Manufacturing Competitiveness Act of 2010 for the purpose of supporting the retooling and expansion of California's manufacturing facilities, enhancing the state's logistics network, and retaining and creating jobs. Impact: positive impact on the economy, job creation/retention and new revenue to the state.

Position	Assigned
Watch	Trudi

AB 2774 (Committee on Labor and Employment) Occupational safety and health.

Status: 6/28/2010-Read second time. To third reading.

Summary: Would expand the definition of "serious violations". Impact: potential for more workplace citations and regulatory costs.

Position	Assigned
Oppose	Trudi

SB 968 (Negrete McLeod D) Unemployment insurance: training and retraining benefits.

Status: 6/23/2010-From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 8. Noes 4.) Re-referred to Com. on APPR. (Heard in committee on June 23.)

Summary: Would establish the California Training Benefits Program; would specify that an unemployed individual shall be automatically eligible for those training and retraining benefits. Impact: unknown, watching for any impact on Employment Training Panel program for seasonal workers.

Position	Assigned
Watch	Trudi

SB 1121 (Florez D) Overtime wages: agricultural workers.

Status: 7/1/2010-In Senate. To enrollment.

Summary: Would remove the exemption for agricultural employees.

Position	Assigned
Watch	Trudi

Market Enforcement

AB 2240 (Ma D) Agriculture: processors of farm products: dealers: licensing: fees.

Status: 6/21/2010-Read second time and amended. Re-referred to Com. on APPR.

Summary: This bill would authorize California Department of Food and Agriculture (CDFA) to reevaluate the Market Enforcement Program (MEP) fee structure based on operating costs and increase certain fees. Impact: CLFP is opposed to the MEP for the fruit and vegetable processing industry. We agreed to go "neutral" on this bill as long as the current top tier license fee (\$400) is not increased. All CLFP members are in the top tier.

Position	Assigned
Neutral	Trudi

Nuisance

SB 1224 (Wright D) Air discharges.

Status: 6/23/2010-Read second time. To third reading.

Summary: Authorizes the Air Pollution Control District (APCD) or the Air Quality Management District (AQMD) to adopt a rule or regulation that ensures district staff and resources are not used to investigate complaints determined to be repeated and unsubstantiated, alleging a nuisance odor violation concerning the discharge of current prohibited air contaminants. Impact: potential regulatory cost savings.

Position	Assigned
Support	John

Penalties, Violations, Fines

AB 846 (Torrice D) State agencies: civil and administrative penalties.

Status: 6/30/2010-From committee chair, with author's amendments: Amend, and re-refer to committee. Read second time, amended, and re-referred to Com. on G.O.

Summary: This bill requires the Department of Toxic Substances Control (DTSC), Air Resources Board (ARB), Department of Industrial Relations (DIR), and State Water Resources Control Board (SWRCB) to update the minimum and maximum amounts of civil and administrative penalties for annual inflation. The bill also requires these entities, if seeking a penalty below the applicable maximum amount, to assess liability that at a minimum recovers any economic benefits derived by the violator. Impact: would increase fines to violators. Since penalty increases would be tied to the Consumer Price Index (CPI), there would be no limit to potential increases.

Position	Assigned
Oppose	John

Pesticides

AB 2122 (Mendoza D) Pesticides: regulations: continuing education.

Status: 6/29/2010-From committee: Do pass, and re-refer to Com. on APPR with recommendation: To Consent Calendar. Re-referred. (Ayes 7. Noes 0.) (June 28).

Summary: Modifies the continuing education requirements of the Department of Pesticide Regulations for Pesticide Control Advisors (PCAs).

Position	Assigned
Support	John

AB 2595 (Huffman D) Irrigated agriculture: pesticide use: operator identification number: water quality: waste discharge requirements.

Status: 6/29/2010-From committee: Do pass, and re-refer to Com. on APPR. Re-referred. (Ayes 5. Noes 2.) (June 28).

Summary: Would require a grower receiving operator identification numbers for the purpose of buying or using pesticides must demonstrate compliance with waste water discharge requirements. Impact: potential regulatory cost increase to growers.

Position	Assigned
Watch	Trudi

Producer Responsibility

SB 1100 (Corbett D) Product stewardship: household batteries.

Status: 6/30/2010-From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 6. Noes 3.) Re-referred to Com. on APPR. (Heard in committee on June 29.)

Summary: Requires producers of household batteries to institute programs to manage used household batteries by September 30, 2011. Impact: sets a bad precedent for extended producer responsibility requirements for other products.

Position	Assigned
Oppose	Trudi

Regulatory Reform

AB 2130 (Huber D) Professions and vocations: sunset review.

Status: 6/30/2010-Withdrawn from committee. Re-referred to Com. on APPR.

Summary: AB 2130 is a companion piece to AB 1659. AB 1659 establishes a Joint Sunset Review Committee to review virtually all departments and offices within state government. Impact: good government bill.

Position	Assigned
Support	Trudi

AB 2738 (Niello R) Regulations: agency statement of reasons.

Status: 6/29/2010-Read second time and amended. Re-referred to Com. on RLS.

Summary: Would require greater justification, transparency, and specificity when an agency promulgates regulations that mandate the use of a specific technology. Impact: potential cost savings.

Position	Assigned
Support	Trudi

SB 1351 (Wright D) California Global Warming Solutions Act of 2006: State Air Resources Board regulations.

Status: 7/1/2010-From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (Heard in committee on June 28.)

Summary: Would require the ARB to make public the implementation schedule for any adopted regulation. Impact: potential savings in time and money to comply with regulations.

Position	Assigned
Support	John

State Regulations

SB 356 (Wright D) Regulations: small businesses.

Status: 6/28/2010-Re-referred to Com. on RULES.

Summary: Would clarify the term "any interested person" to include "a small business or organization or trade association whose members are affected by a regulation," as it relates to obtaining a judicial declaration as to the validity of any regulation or order of repeal by bringing action for declaratory relief in Superior Court pursuant to current law. Impact: regulatory cost savings.

Position	Assigned
Support	Trudi

Tax exemption

AB 2060 (Calderon, Charles D) Sales and use taxes: exemption: fixed price contract.

Status: 7/1/2010-Do pass as amended, and re-refer to the Committee on Appropriations.

Summary: Would for any increase in the state sales and use tax rate that occurs on or after the effective date of this bill, exclude from that increased rate of tax, the sale of, and the storage, use or other consumption in this state of, tangible personal property that is subject to a fixed price contract under specified circumstances entered into prior to the operative date of the state sales and use tax rate increase, as provided.

Position	Assigned
Watch	Trudi

Wastewater

AB 1834 (Solorio D) Rainwater Capture Act of 2010.

Status: 6/28/2010-Do pass as amended, and re-refer to the Committee on Appropriations

Summary: Allows a landowner to install a rainwater recapture system to irrigate landscaping or recharge groundwater.

Position	Assigned
Watch	Trudi

SB 1284 (Ducheny D) Water quality: mandatory minimum civil penalties.

Status: 6/29/2010-From committee: Do pass, but first be re-referred to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 10. Noes 0.) Re-referred to Com. on APPR. (Heard in committee on June 29.)

Summary: Exempts certain violations of waste discharge reporting requirements from existing mandatory minimum penalties. Impact: potential savings in penalty fees.

Position	Assigned
Watch	Trudi

Water

AB 2336 (Fuller R) Delta Stewardship Council.

Status: 6/29/2010-In committee: Set, first hearing. Held without recommendation.

Summary: Would require the Delta Stewardship Council when developing and implementing the Delta Plan to conduct an assessment of stressors on native fish species in the Delta, the Sacramento and San Joaquin rivers.

Position	Assigned
Support	Trudi

SB 565 (Pavley D) Water resources.

Status: 7/1/2010-From committee: Do pass as amended, but first amend, and re-refer to Com. on APPR. (Ayes 7. Noes 6.) (Heard in committee on June 29.)

Summary: Would further clarify and expand the State Water Resources Control Board's authority over water diversions.

Position	Assigned
Oppose	John

SB 918 (Pavley D) Water recycling.

Status: 6/30/2010-From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 10. Noes 2.) Re-referred to Com. on APPR. (Heard in committee on June 29.)

Summary: Requires the Department of Public Health to adopt criteria for groundwater recharge with recycled water by December 31, 2013.

Position	Assigned
Watch	John

SB 1173 (Wolk D) Recycled water.

Status: 6/30/2010-From committee: Do pass, but first be re-referred to Com. on APPR. (Ayes 6. Noes 3.) Re-referred to Com. on APPR. (Heard in committee on June 29.)

Summary: Defines raw water in statute and prohibits the use of raw water when recycled water is available and appropriate for use.

Position

Watch

Assigned

Trudi