



January 19, 2018

**Environment:**

[AB 1419](#) (Bill Quirk, D-Hayward) expands the authority for the Director of the Department of Pesticide Regulation (DPR) to pursue enforcement cases and grants them increased fine authority from \$5,000 to \$25,000 per violation. A more limited authority was previously in statute but expired and DPR says they want to reestablish the law especially in cases where a grower might operate in several counties or there is a serious human or environmental health impact. Farm Bureau and other agricultural associations have expressed our concerns about the expanded authority and significant penalty increase known to the author and DPR. While we were successful in getting the authority of the Director circumscribed to specific circumstances, we are still seeking clarification about maintaining the county's authority and reducing the proposed penalty threshold. The Assembly Appropriations Committee approved AB 1419 on a straight party line vote with no Republican support. There was no presentation as the measure was included on the suspense file despite not meeting the threshold for state costs impact. AB 1419 will be heard next week on the Assembly floor. CFBF remains opposed unless amended.

**Labor:**

[AB 5](#) (Lorena Gonzalez-Fletcher, D-San Diego) would require an employer of 10 or more employees to offer additional hours of work to an existing hourly employee before hiring an additional employee or subcontractor. The bill requires an employer to distribute additional hours of work among existing workers in a "transparent and non-discriminatory" process, but does not require an employer to offer additional hours to an existing employee if the employee would have to be paid overtime. AB 5 would require employers to maintain documentation that any hours worked by a newly hired employee or subcontractor were first offered to existing employees, documentation of work schedules for all employees, and would require employers to post a notice informing employees of their rights under AB 5. AB 5 will be enforceable by employee complaints to the Department of Industrial Relations, or by civil lawsuits brought by aggrieved employees. AB 5 did not clear the Assembly Appropriations Committee in 2017 before the end-of-session deadline. It was scheduled for consideration at Assembly Appropriations on Jan. 18, but was placed on the suspense file and it not expected to emerge. Farm Bureau opposes.

**Taxation:**

[SB 227](#) (Kevin DeLeon, D-Los Angeles) would propose to establish the California Excellence Fund in the State's General Fund to accept personal income or corporation tax charitable donations and offer a credit equal to the amount of the contribution to taxpayers. These provisions would, in effect, allow Californian taxpayers to deduct funds contributed to the California Excellence Fund under the federal charitable donation credit limits to counterbalance the impacts of the reduced State and Local Tax (SALT) deduction cap to \$10,000 per year established by HR 1 (the Federal Tax Cuts and Jobs Act). While this scheme may provide tax relief to

Californians, the State's authority to allow for these deductions as "charitable" is unclear and may be prohibited provided the Internal Revenue Service deny the federal deductions or Congress clarifies the law. With an urgency clause, this bill will require a 2/3rds vote approval from the Legislature. The bill passed Senate Appropriations Committee on January 18<sup>th</sup> and is currently on the Senate Floor.