

# 2014 TOP 10 ISSUES



*The California Fresh Fruit Association's Board of Directors identifies its top 10 issues, in order of priority, on an annual basis. The following is this year's list, along with brief explanations.*

## **1. Immigration Reform/Enforcement/E-Verify/I-9 Audits**

Frustrations continue as earnest attempts to secure passage of a comprehensive immigration package have been met with resistance in the House and slowed by electoral politics. In order to ensure the continued production of a domestic food supply, comprehensive reform that contains an agricultural labor component remains vital. In working as part of diverse national coalitions, including the Agricultural Coalition for Immigration Reform (ACIR) and the more recently formed Agricultural Workforce Coalition (AWC), which further extends the national reach of the coalition effort, the Association continues to urge Congressional representatives to support measures designed to ensure an adequate and legal work force for agriculture, while highlighting the fact that the pressure on employers and the employee base continue to mount, due to the volume of I-9 audits and no-match letters.



## **2. California Labor Laws/Regulations/ALRA/OSHA**

Year-in and year-out, the California Legislature considers measures that significantly tip the application of labor laws to favor a unionized agricultural workforce. In June 2011, the Legislature considered, and ultimately Governor Brown vetoed, SB 104 "card check" legislation, yet the Governor moved forward with a proposal of his own, SB 126, which made significant changes impacting the discretionary authority of the Agricultural Labor Relations Board in regard to union certification and findings of misconduct on the part of the employer. In 2013, emboldened by a supermajority in the Legislature, union activists moved aggressively with SB 25 to circumvent the bargaining process, in order to compel a contract through mandatory mediation. The bill did not pass the Legislature in 2013, however, it is expected to be revived in early 2014.

## **3. Water Supply Issues**



The Association's membership is highly diverse, spanning from Lake and Mendocino counties in the north, down through the San Joaquin Valley and south into the Coachella Valley. The need for long-term water certainty remains of utmost importance to maintaining a viable agricultural sector and was exacerbated, due to drought conditions that continued from 2012 through 2013. With rainfall, in most areas, well below normal and with a reduced snowpack, there is a high likelihood that surface water deliveries, through the Federal and State water contracts, will be minimal, leading to the potential for overreliance on groundwater supplies. As the Brown Administration unveils and moves forward with its plans, significant concern remains over the prospect of securing agreement on long-term

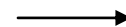
water certainty in a state divided over questions of water conveyance, capturing supply and ecosystem protection.

## **4. Health Care Mandates/Affordable Care Act**

Compounding the continual rise in health care costs, employer mandates resulting from the passage of the Federal health care proposal have begun to affect employers in a manner creating the potential for significant increases in operational costs. In addition, confusion continues with both employers and employees, as unintended consequences are encountered, particularly for undocumented employees.

## **5. Labor Costs/Minimum Wage Increase Impacts**

Operating costs, including those of California's family-farming operations, will continue to increase due to regulatory burdens and government-mandated increases, such as those resulting from the passage of AB 10 to raise the California minimum wage twice, once to \$9.00 per hour in July 2014, and again to \$10.00 per hour in January 2016. The challenge of remaining economically viable in the quest to continue producing the highest quality fruit has become even more difficult. Even though seasonal wages generally average \$9 to \$12 per hour, every mandated minimum wage increase causes each category of wages to grow incrementally higher.



## 6. Invasive Pest Issues

The Association continues to work with key regulatory officials and trading partners in effort to combat the devastating affect of invasive pests, such as the European Grapevine Moth, Melon Fruit Fly, Spotted Wing Drosophila and Light Brown Apple Moth, at a time when State and Federal resources continue to shrink. The situation involving the Asian Citrus Psyllid and Huang Long Bing disease for the citrus community serves as a stark example of the potential impact of invasive species.

## 7. Water Quality Regulations (Nitrogen, Salts, etc.)

California has placed much of the burden of improving the water quality for disadvantaged communities in rural areas onto agriculture. With the adoption of new regulations aimed at water quality, farming operations will see added impacts in the form of compliance costs. Combined with a high level of interest in the Legislature to create new funding streams for clean drinking solutions, the Association is positioned to continue its work across legislative and regulatory audiences to shape rules and legislative proposals in a way which recognizes that there is responsibility on the part of the state, not just agriculture, to ensure compliance with water quality goals.



## 8. Workers' Compensation Costs

Increases in workers' compensation costs remain an important concern, as carriers have sought rate adjustments to cover the rising costs associated with health care. In addition, as in the past, more legislative proposals, which seek to increase benefits in a manner to undue previous needed reforms, are expected. The Association will work to see that any changes are warranted and will not, once again, create an uncompetitive economic climate for the state.

## 9. Food Safety Modernization

The passage, and subsequent promulgation, of regulations to implement the Food Safety Modernization Act has led to positioning by the Association, together with fellow agricultural organizations and Congressional allies, to advocate the importance of food safety practices throughout the entire supply chain and to see that rules are commensurate with the relative risk of contamination. The implementation effort has the potential to unfairly affect growing and handling practices. The Association continues to work to ensure appropriate applicability to the growing, harvesting, packing and holding activities of its membership.

## 10. Air Quality Regulations/Fees/Costs



The implementation of the truck and bus on-road diesel emissions regulation requires California farmers to replace operational vehicles in order to meet increasing air quality goals. Combined with anticipated regulations, such as the off-road mobile agricultural equipment regulation, farmers will again be faced with added costs associated with improving air quality. The Association continues to impress the fact that the agricultural sector has demonstrated a significant commitment to utilize and upgrade to newer equipment, as part of an effort to reduce impactful emissions. Since the emissions footprint extends well beyond agriculture, the Association continues to work with regulatory bodies

to minimize the impact of the rules on the agricultural sector alone, while advocating for greater incentive funding to support the turnover of older equipment.



*"To fulfill the needs of its membership while serving as the primary public policy organization advocating on behalf of fresh fruit growers and shippers in California."*