



# 2015 TOP 10 ISSUES

*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. Water Supply/Drought-Related Impacts

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 sustaining a viable agricultural sector. The drought conditions that continued through 2014 placed significant stress onto farming operations, shifting more permanent fresh fruit crop producers to rely upon groundwater supplies. With the passage of Proposition 1, we are concerned that politically driven efforts against new water storage projects will hamper the ability to secure long-term water certainty in a state, that should to rely upon conjunctive use principles, but instead harbors real division over questions of water storage and ecosystem protection.

## 2. Food Safety

Implementing Good Agricultural Practices and Good Handling Practices has allowed fresh fruit growing and shipping operations to provide consumers with safe and nutritious food. However, continuing to advance good sanitization practices and conducting related food safety research will help to better identify potential risks and further advance the safe production of fresh fruit. Growers and packers are faced with conforming to government standards such as the Food Safety Modernization Act for safe production and ever increasing retailer demands for meeting demand-side food safety expectations. The industry will look to lead with the implementation of science and risk-based practices to continue to preserve consumer confidence and meet their expectations.

## 3. Immigration Reform

The President's Executive Order to extend deferred action and provide temporary relief from deportation and, as well as provide work authorization, to those not legally present in the U.S. who meet physical presence and family relationship requirements has specific implications for agriculture, yet quantification is difficult to assess because of the lack of a clarity over the number of individuals who will qualify for relief. Although encouraged by movement to recognize the undocumented population and provide a path for productive individuals to continue to make economic contributions, the temporary action will continue to be met with fierce political resistance. As an active member of Agriculture Coalition for Immigration Reform we will we continue to impress upon our elected representatives that Congressional action is needed to ensure a long term solution toward addressing labor security for the agricultural sector.

## 4. Health Care Mandates/Affordable Care Act

The employer health care coverage mandate, resulting from the implementation of the Affordable Care Act, is increasing operational costs. Growers securing labor through the services of a farm labor contractor are facing pass-through costs that vary depending on number of eligible employees and contract terms, which may include higher commission rates and added per employee charges. With implementation underway the cost of labor will climb to an even higher proportion of an operation's overall labor costs.

## 5. Labor Laws and Regulations

Every year the California Legislature considers measures that advance opportunities for organized labor to unionize the agricultural labor force. Missing from that consideration is the thorough examination of the will of the labor force and the value they perceive in paying a percentage in dues for added wages, benefits, and working conditions which either have been addressed or continue to be advanced by the Legislature or through regulation, thus rendering union membership unnecessary. The Association remains committed and ready to confront attempts to amend the Agricultural Labor Relations Act that circumvent the voice of the employer and the will of the employee to freely choose whether or not to be part of a union.



## 6. Labor Costs/Minimum Wage Increase Impacts

Labor costs will continue to increase resulting from the implementation of health care mandates, the reduction of immigrant labor and an increasing minimum wage, which rose to \$9.00 per hour in July 2014 and will rise to \$10.00 per hour in January 2016. Seasonal wages, along with those in every category of agricultural production such as tractor drivers and irrigators, increase proportionately along with a higher minimum wage. Farmers routinely experience seasonal hourly costs of approximately \$10.00 to \$14.00 per hour now and these amounts will only increase as the largest business cost for growers and shippers of labor intensive fresh fruit commodities who must compete in a highly competitive global market.



## 7. Groundwater Management Requirements

In 2014 the California Legislature passed and the Governor signed into law the Sustainable Groundwater Management Act to provide for local management of groundwater basins throughout California. The creation of sustainable groundwater management agencies will combine management with enforcement mechanisms in an attempt to ensure the sustainability of groundwater resources through planning which must be in place as early as 2020, and achieve sustainability goals in the basin within 20 years of implementation. There is significant concern that as a result of this Act less groundwater will be available for agriculture and hasty implementation of a regulatory system may fundamentally alter legal doctrine surrounding water rights and individual property rights.

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

The burden of improving the water quality for disadvantaged communities in rural areas has fallen onto agriculture through the adoption of water quality regulatory programs. Farming operations have seen added impacts in the form of compliance costs but much remains unknown with respect to nitrogen use and the potential to degrade groundwater. The Association is positioned to continue its work across legislative and regulatory audiences to shape implementation of regulatory proposals in a way which recognizes that there is shared responsibility to ensure compliance with water quality goals.

## 9. Invasive Pest Issues

The Association continues to work with key regulatory officials and trading partners in the effort to combat the devastating effects of invasive pests, such as the European Grapevine Moth, Light Brown Apple Moth, and Spotted Wing Drosophila at a time when both Federal and State resources continue to shrink. Without proper focus on the prevention of invasive pests and diseases, the ability for California producers to sell their products globally, not to mention out of state, can be greatly impacted due to mandatory quarantines. Investment in prevention is always preferable to eradication efforts that become necessary once an infestation takes place.

## 10. Workers' Compensation Costs

Increases in workers' compensation costs remain an important concern given the volume of labor needed to perform field and packing activities. Employers are constantly incorporating advances in safety training to increase the awareness of workplace hazards and practices to mitigate and reduce risk of injury or illness caused by a work activity or process. With the passage of recent legislation, employers face increased costs imposed by joint liability on labor contractors and client employers for the failure to maintain valid workers' compensation insurance for workers.



**Engaging** decision makers



**Advocating** together



**Sharing** our stories

*“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.”*

**CFFA Mission Statement**