

CALIFORNIA  
**FRESH FRUIT**  
ASSOCIATION

# ANNUAL REPORT

## 2015 - 2016

*"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."*  
California Fresh Fruit Association Mission Statement

# Chairman's Report



Top to Bottom: Chairman David Jackson (Family Tree Farms) with Mike and Lori Jackson (Kingsburg Orchards). Past Chairman Ryan Zaninovich (V.B. Zaninovich & Sons, Inc.) with Chairman David Jackson. Jackson Family at CFFA Annual Meeting. Board Chairman David Jackson with Harold McClarty (HMC Farms). David Jackson with Barry Bedwell at the Chairman's Welcome Reception at Annual Meeting.

It has been a pleasure to serve as the 2015-16 Chairman of the California Fresh Fruit Association's (CFFA) Board of Directors. What a year it has been! I would like to share with you some of my thoughts and observations connected to the last two years and highlight some of the past, as well as future issues that will impact each and every one of our businesses.



David Jackson - Chairman, 2014/16

With the past 24 months activities including chairing seven Board meetings, attending numerous committee meetings and making multiple trips to Sacramento and Washington DC, I have learned a tremendous amount, not only about the specific issues that face our members but the tremendous challenges that confront all growers and shippers in California.

I am especially proud of the role CFFA plays in regard to issues dealing with labor. Whether it is fighting for the rights of our members and their employees in seeing the Agricultural Labor Relations Act administered in a fair and just manner or advocating for needed comprehensive immigration reform, our association stands at the forefront of such efforts and is recognized as a key component both at the state and national level.

Food safety is another area where the Association has taken a distinct leadership role. The recall of peaches and nectarines that took place in the summer of 2014, even though there were no serious illnesses connected, was in many ways a wakeup call for the industry. I am pleased to say our membership, particularly those large stone fruit shippers who came forward with intellectual and financial support, rose to the challenge. They insured that consumer and retailer confidence remained intact by not only reacting in a timely and positive manner but also by making a long term investment and partnership with the Center for Produce Safety.

Our members also rely on the growth in markets, both domestically and internationally, for continued success. CFFA stepped into fill a void a few years back and has played a vital role in market development for many of our member's commodities in places such as Australia and the Far East. This is another prime example of how your association works to provide you with valuable benefits.

No matter what the future may bring us, I am confident that the California Fresh Fruit Association will be there fighting for its members and for California agriculture as a whole. This is because you, the members, are the heart and soul of this organization and I know that for generations you have been tremendously resilient in dealing with the challenges placed in your way. With your continued involvement and input, I see no reason for that resiliency to change.

So as I conclude my tenure as your Chairman, I would again like to thank each and every one of you for your support and contributions to the California Fresh Fruit Association! I look forward to continuing to work with you to produce and provide the best fruit in the world!



# CFFA Leadership

**Robert O. Bianco**  
Anthony Vineyards, Inc.

**Steve Biswell**  
MJ Visalia Grape Farms, LLC

**Nicholas Bozick**  
R. Bagdasarian, Inc.

**Bo Brett**  
Mountain View Fruit Sales, Inc.

**Jack Campbell**  
Delano Farms

**Kirk Cerniglia**  
Royal Madera Vineyards

**Bill Chandler**  
Chandler Farms, LP

**David Clyde**  
Grapeman Farms dba Stevco

**Verne Crookshanks**  
Venida Packing, Inc.

**Jerry DiBuduo**  
SunValley Farms

**Moe DiBuduo**  
DiBuduo Fruit Co.

**Edge Dostal**  
Fruit Patch Sales, LLC

**\*Richard Elliot**  
David J. Elliot & Son

**Ken Enns**  
Ken Enns

**Ron Frauenheim**  
Ron Frauenheim Farms

**Ralph Hackett**  
Dayka & Hackett, LLC

**Steve Hash**  
Steve Hash Farms

**Doug Hemly**  
Greene and Hemly, Inc.

**\*Kevin Herman**  
The Specialty Crop Company

**Mike Jackson**  
Kingsburg Orchards

**Casey Jones**  
Sun Valley Packing

**Herbert Kaprielian**  
CRJ Farming Co. LP

**Todd Kinonian**  
Sundale Vineyards

**Wayde Kirschenman**  
Kirschenman Enterprises Inc.

**David Marguleas**  
Sun World International, LLC

**George Nikolich**  
Gerawan Farming, Inc.

**Justin Parnagian**  
Fowler Packing Company, Inc.

**Pat Ricchiuti**  
P-R Farms, Inc.

**Cliff Rolland**  
Abe-El Produce

**Toni Scully**  
Scully Packing Co.

**Jim Simonian**  
Simonian Fruit Company

**Brent Smittcamp**  
Wawona Packing Co., LLC

**Kent Stephens**  
Marko Zaninovich, Inc.

**Matt Surber**  
M. Caratan, Inc.

**Russ Tavlan**  
Moonlight Companies

**\*Dean Thonesen**  
Sunwest Fruit Company, Inc.

**John Tos**  
Tos Farms, Inc.

**Chiles Wilson**  
Rivermaid Trading Co.

**Cliff Woolley**  
Munger Bros., LLC

**John D. Zaninovich**  
Merritt Farms

**\*Jon P. Zaninovich**  
Jasmine Vineyards, Inc.

**Marko S. Zaninovich**  
Marko Zaninovich, Inc.

**\*Ryan Zaninovich**  
V.B. Zaninovich & Sons, Inc.

**EX-OFFICIO**  
**Micky George**

**Cliff Sadoian**  
Cliff Sadoian & Associates

**\*Executive Committee**



## CHAIRMAN

**\*David Jackson**  
Family Tree Farms

## FIRST VICE CHAIRMAN

**\*Harold McClarty**  
HMC Farms

## SECOND VICE CHAIRMAN

**\*Randy Giumarra**  
Giumarra Vineyards Corporation

## SECRETARY/TREASURER

**\*Louis Pandol**  
Pandol Bros., Inc.

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# President's Report



Barry Bedwell - CFFA President

The California Fresh Fruit Association continued its legacy of service this past fiscal year to the thirteen permanent fresh fruit crops it represents in membership. With the agricultural community in the state experiencing the fourth consecutive year of the drought, many issues addressed by CFFA focused on water supply, both short and long term. And in spite of little or no allocations from the state and federal water systems, growers of table grapes, peaches, plums, nectarines, apricots, pears, cherries, apples, kiwi, pomegranates, blueberries, figs and persimmons were able to produce a successful crop through the utilization of groundwater supplies and general efficiencies in their operations.

However, all of our members understand that the exclusive use of groundwater is simply not sustainable in the long run and there must be a realization that additional storage facilities must be constructed soon. In addition, there is a growing consciousness that, unless we have an effective means to recharge our aquifers by the distribution of surface waters in years where there is an excess, the practical effect of the recently enacted groundwater management law will likely be a material reduction in the amount of productive acres in California. The key to our future, both as agriculture and as everyday citizens, is truly this conjunctive use and distribution of water.

While water led the list of challenges facing growers and shippers this past year, the increased and over burdensome regulations related to labor and environmental issues endures and remains a test to the resiliency of our members. The State of California continues to maintain a policy as evidenced by actions of the members of the Agricultural Labor Relations Board, which clearly is one of bias in favor of organized labor and seemingly deaf to worker's real sentiments. At the same time, governmental entities such as the California Environmental Protection Agency are stepping up regulatory actions designed to placate activists and their extreme agenda which, in most cases, means fewer and less effective crop protection materials.

With wages accounting for as much as seventy to eighty percent of our members variable costs, due to being involved with such labor intensive crops, the recent actions taken by government connected to piece rate and non-productive time, paid sick leave, mandated health insurance and massive minimum wage increases projected into the future means that the trials and tribulations currently experienced by production agriculture will only intensify. Our members currently experience seasonal hourly costs in excess of existing minimum wage but know that all labor categories, given minimum wage increases, will incrementally rise making it very difficult for growers to compete in a highly competitive global market.

Thus, the need for efficient and effective public policy representation, with the goal of maintaining true sustainability for our members, is and will be the ongoing reason for CFFA to exist and will become more important with each passing year. The Association is committed to advocacy at the local, state and federal levels so that the multi-generational families that make up the vast majority of our membership can continue to produce, into the future, the fresh fruits that are so important to our domestic food supply, as well as our national security.

Thanks to all of our members who faithfully served on committees and the Board this past year and did so much to set the direction and focus for our organization. Your dedication and input is sincerely appreciated. On your behalf, we look forward to continuing the representation of the best fresh fruit growers and shippers in the world.



Top to Bottom: Bedwell making opening remarks at CFFA's Industry Workshop at Annual Meeting. Nick Buratovich, Jason Day (Kirschenman Enterprises, Inc.), and Bedwell at the CFFA Annual Golf Tournament. Bedwell addressing Sen. Steve Glazer. Bedwell awarding Ken Enns (Ken Enns) with the Mentors' Award. Harold McClarty (HMC Farms) and wife Debbie joined by Barry Bedwell and wife Kim in the greeting line at Annual Meeting's Chairman's Welcome Reception.



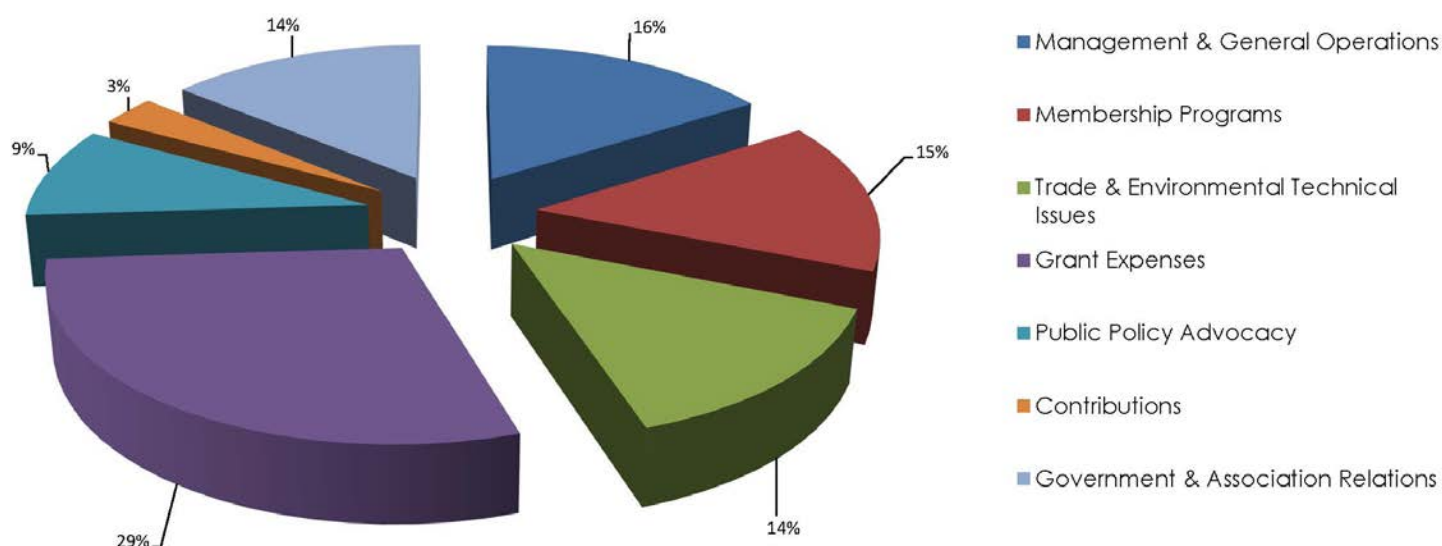
# Financial Summary

The California Fresh Fruit Association's financial footing remained on a strong foundation for the 2015-16 fiscal year. Total assets grew by approximately 3.5%, while member's equity increased by almost 2% to \$1.7 million. Total revenue exceeded for the current year \$2.4 million.

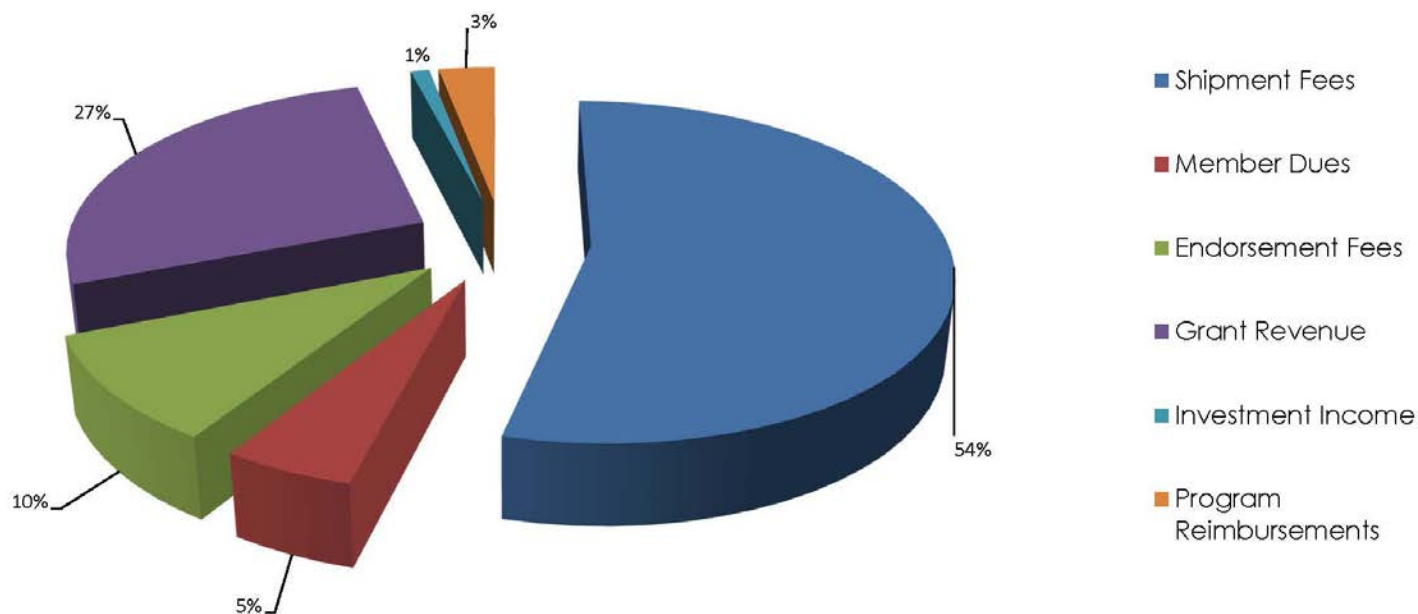
The Association is truly fortunate to have a hands on Secretary-Treasurer, Louis Pandol, who is actively involved in the financial management and oversight for the organization. Along with the Board of Directors, Executive Committee and staff, a network of tight fiscal control over expenditures is maintained as is the consistent effort to add new members and revenue so CFFA can fulfill its mission.

The following represents the Association's revenue and expenditures for the 2015/16 fiscal year:

## 2015/16 FY CFFA Expenses



## 2015/16 FY CFFA Revenue





# 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. WATER SUPPLY/DROUGHT RELATED IMPACTS

The Association's (CFFA) 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 2015 placed significant stress on farming operations, shifting more permanent fresh fruit crop producers to rely upon groundwater supplies. The Association is actively working to protect Prop 1 water bond resources designed specifically for larger, aboveground surface storage projects which stand to produce the broadest benefits to water users, in the face of active opposition attempts to restrict available resources.



## 2. RETROACTIVE LABOR REGULATION COSTS & RELATED IMPACTS

With the passage of AB 1513, an addition to section 226.2 to the California Labor Code regarding compensation and wage statement requirements for rest and recovery periods and "other nonproductive time" for piece-rate employees, employers are open to serious financial liability. In addition, other labor costs will continue to increase resulting from the implementation of health care mandates, a tightening labor supply and an increasing minimum wage, which rose 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 \$12.00 to \$15.00 per hour currently 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.

## 3. FOOD SAFETY PRACTICES & IMPLEMENTATION

The implementation of preventative food safety practices has allowed fresh fruit growing and shipping operations to provide consumers with safe and nutritious food. Ensuring a safe food supply remains a top priority and the industry continues its advancements in producing science and risk-based practices through food safety research designed to identify potential risks and guide the continued production of safe, fresh fruit. Growers and packers are looking to ensure that their implementation of food safety practices conform to government standards such as the Food Safety Modernization Act for safe production and the ever increasing retailer demands for meeting demand-side food safety expectations. The industry, as well as CFFA, will look to lead with the implementation of science and risk-based practices to continue to preserve consumer confidence and meet their expectations.

## 4. IMMIGRATION REFORM

Despite both legal and political hurdles, as an active member of Agriculture Coalition for Immigration Reform, the Association will 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. CFFA continues to be a key component in the policy shaping debate on both short and long-term proposals to make sure our members have a legal and stable workforce.

SGM Sustainable Groundwater Management





## 5. GROUNDWATER MANAGEMENT REQUIREMENTS

The passage of the Sustainable Groundwater Management Act provides 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 the governance of groundwater supplies will look much different in just a few years as local agencies will be tasked with ensuring groundwater pumping does not jeopardize the basin's ability to be sustainable over the long-term.



## 6. LABOR REGULATIONS

The California Legislature continues to consider measures that advance opportunities for organized labor to unionize the agricultural labor force. There is a strong need for a 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, either which have been addressed or continue to be advanced by the Legislature or through regulation, thus rendering union membership unnecessary. The Association will continue to confront misguided rulemaking and legislative attempts to amend the Agricultural Labor Relations Act, which have the impact of ignoring the will of the employee to freely choose whether or not to be part of a union.

## 7. WATER QUALITY REGULATIONS

Farming operations have seen added impacts in the form of compliance costs associated with regulatory oversight and reporting related to water quality. Significant efforts remain to identify whether agricultural nitrogen management practices are sufficiently protective of groundwater or whether practices must change in order to mitigate groundwater degradation. In the near-term, reporting will project clearer pictures from which to discern the potential impacts from agricultural practices. 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 while continuing to advance the importance of maintaining the economic viability of the agricultural sector.

## 8. HEALTHCARE MANDATES/AFFORDABLE CARE ACT

Implementation of the Affordable Care Act continues to increase operational costs for employers. Growers securing labor through the services of a farm labor contractor are facing pass-through costs that vary depending on the 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.

## 9. INVASIVE PEST ISSUES

The Association continues to collaborate 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. Prevention of invasive pests and diseases is imperative to California producers who sell their products globally. Investment in prevention is always preferable to eradication efforts that become necessary once an infestation takes place.

## 10. WORKERS' COMPENSATION COSTS

Workers' compensation costs remain an important concern given the volume of labor needed to perform field and packing activities. New safety techniques and training help to increase the awareness of workplace hazards and practices, which help to mitigate and reduce risk of injury or illness caused by a work activity or process. Joint liability for both labor contractors and client employers for the failure to maintain valid workers' compensation insurance for workers, potentially add to the growing costs of doing business for growers.



# Membership

When you support the Association, you are a part of a unified voice that advocates relentlessly for the fresh table grape, tree fruit and berry communities, so that our operations may stay viable, profitable and sustainable in California. We continually strive to be the best resource for our members regarding a wide range of labor, environmental, transportation, marketing, technical and regulatory issues. Above all else, we are committed to helping our members succeed.

It is due to your financial contributions and the organization's grassroots approach that we are able to accomplish the things that we do each and every year. This Annual Report summarizes areas the Association has worked on this past fiscal year. As always, in addition to the Annual Report, the Association continues to publish our bi-weekly newsletter "On Target!" to keep members up-to-date regarding important industry news.

The Association strives every day to serve our members to the best of our ability. The challenges are countless, but together we can make a positive impact for our industry. We look forward to continuing to represent you!

## 2015/16 New CFFA MEMBERS

The Membership & Communications Committee kept a steady pace to recruit new Association members and communicate to current members about the many benefits associated with membership. The newest membership additions included:

Hronis Inc.  
DeBenedetto Ag  
Palogix International USA, LLC  
Westbridge Agricultural Products  
Aon Risk Services  
Premier Valley Bank  
EPIC Insurance Brokers & Consultants  
Moss Adams LLP  
USA Food & Produce Worldwide Inc.  
M.D. Manouel Insurance Agency, Inc.  
AgVantage Consulting LLC  
Baker Peterson Franklin CPA LLP  
California Association of Food Banks  
Churchwell White LLP  
Legacy Packing and Cold Storage  
Macro Plastics Inc.  
National Exploration, Wells and Pumps  
Sagaser, Watkins & Wieland PC  
Sunrise Manufacturing Inc.



The Membership & Communications Committee is responsible for exploring membership opportunities and overseeing communication to current and prospective members regarding the value of Association membership. The Committee plays a key role in helping CFFA's membership continue to be a strong suit for the organization. Growth in membership is evidence that the Association continues to demonstrate the value of being part of a unified voice, where the members' resources are used in the most efficient manner to maximize benefits.





# Programs & Services

## TRANSPORTATION

CFFA has been successfully partnering with **C.H. Robinson Worldwide, Inc.** for full service logistics since 2007. The grower-shipper program offers benefits through transportation management assistance, which was designed to specifically address the transportation needs of fresh fruit operations. Through the partnership with CHR, a rebate is provided to CFFA for each load moved by a shipper member who uses the transportation company, which further strengthens the organization's advocacy efforts.



## CROP INSURANCE

**Rain and Hail Insurance Service, L.L.C.** has served

as an endorsed carrier for CFFA for more than 15 years, establishing a long-lasting and successful relationship with CFFA members. Although all insurance rates and procedures are the same, the Association encourages its members to select the company for their crop insurance needs, based on top-quality service and the company's solid dedication to California's specialty crops. The company continues to be the leading crop insurance provider in the state, with approximately 30 percent of its business in California.

## WORKERS' COMPENSATION

**Zenith Insurance Company** became CFFA's endorsed carrier of workers' compensation insurance in 2012, and the relationship grows stronger each year with combined efforts to provide employers with resources to reduce exposures, claims, and costs. Activities from the 2015/16 FY included exclusive safety seminars for CFFA members, which were developed to address the supervisors' safety responsibilities including safety enforcement, inspection and training. In addition, two employees from CFFA member companies (**The Specialty Crop Company** and **Green Leaf Farms Inc.**) completed Zenith's 6-month Agricultural

Leadership Program. Zenith's Ag Summit was also held and open to CFFA members. All training and outreach material is designed specifically to meet the needs and exposures unique to the California fresh fruit industry. Zenith's safety specialists address the exposures by providing examples of proven practices that have reduced or eliminated workplace injuries.

## PROPERTY, CASUALTY & AUTO INSURANCE

On January 22, 2015, CFFA's Board of Directors approved Zenith Agribusiness Solutions as an endorsed provider of property & casualty insurance for California agribusiness and farms. Zenith Agribusiness Solutions, a division of Zenith Insurance Company, serves as the Association's partner to provide exceptional value, coverage and service to grower, shipper and associate members through independent insurance agencies.



## GROUP PROPERTY INSURANCE

The Association continues to endorse the Group Property Insurance Program marketed by **Buckman-Mitchell, Inc.**, which provides considerable savings compared to existing insurance policies; sometimes offsetting the cost of annual CFFA membership dues! The underwriter of the program, Farmland Insurance/**Nationwide Agribusiness Insurance**, is an A+15 rated agribusiness insurance specialist. Group participants are eligible to receive dividends based on overall group performance results.



## RETIREMENT

The Association's Board of Directors has endorsed **Alerus Retirement Solutions** since April 1998 for its group 401 (k) program after it was thoroughly reviewed by the CFFA's Insurance & Financial Benefits Committee. Association members are eligible to participate in a full-service retirement program with Alerus, which is a specialized program offering great value to participants because members receive additional services without the added charges and fees.



The Insurance & Financial Benefits Committee is responsible for monitoring the Association's group property insurance program, property & casualty insurance program, crop insurance endorsements, workers' compensation insurance program and the group retirement program. In addition, the committee is charged with creating additional insurance programs that may prove beneficial for Association members.



Top to Bottom: Selleck Zaninovich (**V.B. Zaninovich & Sons, Inc.**) and John Stenderup (**C.H. Robinson Worldwide, Inc.**). Ken Enns (**Ken Enns**) and Scott Schoenborn (**Zenith Agribusiness Solutions**). Jack Passarella (**Zenith Insurance Company**) and CFFA Director of Environmental & Regulatory Affairs Christopher Valadez at a Zenith Safety Seminar.



# Ag Network

## EDUCATIONAL OPPORTUNITIES

During the 2015/16 FY, the Association helped to educate members through workshops and seminars on a wide range of topics.

### A.B. 1513/PIECE RATE SEMINAR

The California Fresh Fruit Association (CFFA) and California Citrus Mutual (CCM) hosted an industry-wide seminar in Visalia to review how piece-rate compensation should be handled in accordance with Assembly Bill 1513. The new law created an optional program which permits employers to retroactively compensate piece-rate employees in exchange for a safe harbor from class action lawsuits. The bill also clarifies how piece-rate employees should be compensated as of January 2016.

Guest speakers, Kim Card, Lead Counsel and Victoria Hassid, Deputy Director of Legislation from the Department of Industrial Relations (DIR) reviewed the legislation and its implementation. Participants received a valuable opportunity to hear explanations of provisions within the law directly from DIR staff members, who will be responsible to enforcing the law.



Pictured Above and Below: Association members attending the A.B. 1513 Seminar in Visalia, Ca.



### CFFA Hosts FOOD SAFETY SEMINAR

As part of a continued commitment to providing important food safety related information to its members, the California Fresh Fruit Association (CFFA) hosted an industry wide food safety seminar. The event was attended by a wide range of the Association's membership, representing thirteen commodities and a wide geographic area from the State. In addition, individuals from the Washington Tree Fruit Research Commission and U.C. Davis were also in attendance.

The seminar started off with Joan Rosen, a well know food safety specialist, reviewing her findings from cooperative audits she conducted during the 2015 growing season. Ms. Rosen made recommendations on where focus and improvements could be made in specific food safety protocols. Dr. Elis Owens, of the Birko Corporation, made an informative presentation on details related to sanitization procedures. Dr. Steven Pao, of Fresno State, presented on the efficacy of current packing practices in reducing surface microbial loads in stone fruit. In concluding the seminar Dr. Jim Gorny, from the Produce Marketing Association, explained the implementation of the Food Safety Modernization Act (FSMA) and in particular, the requirements related to water testing.

CFFA President, Barry Bedwell, stated "Seminars, like the one held today, allow for our members to receive the most up to date information on best food safety practices. In addition, these educational efforts confirm the dedication of the Grower and Shipper Community, as well as their understanding the importance of making food safety job number one."



Pictured Above: Association members attending a food safety seminar in Selma, Ca.



## COLLABORATING WITH OTHERS

During the 2015/16 FY, the Association continued to collaborate with agricultural associations in positive advocacy efforts for the industry.

### CHAIRMAN AND STAFF ATTEND UNITED FRESH WASHINGTON CONFERENCE

Joined by California Fresh Fruit Association Chairman, David Jackson (**Family Tree Farms**; pictured, right), President Barry Bedwell, Director of Environmental & Regulatory Affairs Christopher Valadez and Director of Member Relations and Communications Ian LeMay traveled to Washington, D.C. to participate at the United Fresh Produce Association's Washington Public Policy Conference held September 28-October 1.



While in D.C., the conference covered a wide range of topics, including the Food and Drug Administration's recent release of the Preventive Controls Rule, the Fresh Fruit and Vegetable Program, the school nutrition standard for fresh produce in school meals and National Labor Relations Board's new joint-liability standard.

The Conference also featured a panel discussion on the California Drought covering pending Federal legislation, as well as the state and federal regulatory climate that impacted water releases. CFFA President Barry Bedwell served as a panelist.



Pictured at Top: Chairman David Jackson on the steps of the United States Supreme Court.

Pictured at Bottom: Barry Bedwell participates on a California Water Panel at the United Fresh Produce Washington Conference.

### CFFA PARTNERS WITH CENTER FOR PRODUCE SAFETY



The California Fresh Fruit Association pledged \$100,000 to the Center for Produce Safety (CPS). The pledge is part of the Campaign for Produce Safety, a major fundraising initiative publicly launched in September 2015 designed to secure \$20 million over the next five years to fund critically needed, actionable produce safety research.

Since the Center for Produce Safety was founded in 2007, the Center has provided \$18.4 million to fund produce-specific safety research. The Center for Produce Safety aims to expand this vital work to close knowledge gaps with science-based research that enhances produce safety in the United States and worldwide.

### CULTIVATE CALIFORNIA CONNECTS CONSUMER WATER USE TO FOOD



An outreach program determined to convey the efforts of how California farmers are using water efficiently to produce the world's safest and healthiest food went live with a website and social media program in 2015.

Cultivate California focuses on encouraging Californians to value the state's agricultural industry, by acknowledging that California farmers grow the food they eat.

The California Fresh Fruit Association is a supporter of Cultivate California, and is joined by many other individuals, cooperatives, companies and organizations throughout California's agriculture industry.

Members are encouraged to take a minute to visit the Cultivate California website ([www.cultivatecalifornia.com](http://www.cultivatecalifornia.com)) or participate in the social media outreach programs on Instagram and Twitter by using @CultivateCA and #CAonMyPlate.





The Labor Committee continually monitors the complex set of agricultural labor regulations at both the state and federal levels that agricultural employers must judiciously comply with. Some of the issues of the Labor Committee include: federal and state OSHA regulations, California Agricultural Labor Relations Board laws, Industrial Welfare Commission regulations and immigration policy.



Pictured Above: Assemblyman Jim Patterson, Association Staff, and Gerawan Employees gather outside the Capitol prior to the A.B. 1389 hearing.

## A.B. 1513 Non-PRODUCTIVE TIME A.B. 1389 PR Activity RECAP

The origin of A.B. 1513 can be traced back to an effort during the previous legislative session, where an attempt to limit employer exposure through legislation was explored in response to two Court of Appeals rulings on separate cases that required employers to pay non-productive time. Companies subject to class action lawsuits for non-productive time payment entered into a negotiation with organized labor to develop safe harbor protections in exchange for requiring non-productive time payment covering a look back period, while clarifying payment requirements moving forward. The opaque process that shaped the bill excluded participation from impacted stakeholder representatives and served to appease the United Farm Workers Union by discriminating against specific companies in a case where an active non-productive time wage claim was filed as of March 1, 2014 and/or for which a claim had been alleged against an employer for adding of "ghost" employees to reduce wages.

The Association strongly opposed the legislative effort. While ultimately signed into law, understanding non-productive time payment calculations when incorporating piece-rate payment(s) led to a clarifying interpretation that payment of a flat hourly rate plus a production bonus as part of an employee's total compensation is held as a piece-rate for purposes of non-productive time payment for rest and recovery periods.

With the goal of calling attention to flaws within the Agricultural Labor Relations Act (ALRA) preventing the recognition of the will of the farmworker, the Association sponsored Assembly Bill 1389, as introduced by Asm. Jim Patterson (R-Fresno), in an attempt to highlight fundamentally needed changes which include providing farmworkers the opportunity to attend Mandatory Mediation and Conciliation (MMC) proceedings, empowering farmworkers with the ability to ratify the terms of the contract set through the MMC process, and decertification of a union after a 3-year period of abandonment. The Association used a messaging strategy in conjunction with Allen Strategic to gain attention on the deficiencies of the ALRA. The Association led a coalition of roughly 25 groups in a 2 week blitz of op-eds, radio ads, website banner ads, and on-air radio commentary to give light to how farmworkers, using the Gerawan situation as the example, were excluded from all parts of a decision making process (MMC) that purportedly is in place to better their working conditions.

The bill was voted down in committee along a party line vote but the hearing provided another, on the record, opportunity to highlight the UFW's lack of interest in representing farmworker interests, as evidenced by their testimony in which they argued that there is no role for farmworkers in the MMC process.



Pictured Above: Barry Bedwell addresses over 300 seminar attendees in Visalia regarding A.B. 1513.

## CAL/OSHA HEAT ILLNESS PREVENTION STANDARD

The Cal/OSHA Standards Board responded to unfounded allegations casting doubt on the implementation successes of the state's heat illness prevention standard, by amending the requirements to include a new shade-present trigger at 80F and to require the employer to have enough shade to accommodate all employees at any one time and amongst other changes, created a new Ag-only required break triggered at 95F, which requires a minimum 10-minute break every two hours, resulting in an additional paid break for workdays extending beyond the 8th hour. The board voted 5-1 to approve the changes while failing to address claims made by the Association and others challenging the failure to convey a necessity in support of the changes, which included strong evidence showing high rates of employer compliance.



## DHS A.B. 60 LICENSE RESPONSE

A coalition of agricultural associations, including the California Fresh Fruit Association and labor law counselors analyzed guidance issued by the U.S. Department of Homeland Security in response to employer uncertainty about whether to accept A.B. 60 licenses for Form I-9 purposes. Due to the outstanding uncertainty, the coalition created a concise document for employers offering insight into the U.S. Department of Homeland Security's guidance as well as clarity on discrimination implications for not accepting AB 60 licenses.

In response to the agriculture industry inquiry, the U.S. Department of Homeland Security, Citizenship and Immigration Services (USCIS) updated its Frequently Asked Questions page to address the question of whether driver authorization and driver privilege cards are acceptable List B documents. With respect to states that issue licenses to individuals who do not need to present evidence of lawful presence in the U.S., the USCIS response provides that the license is an acceptable List B document.

Further, the USCIS response provides that accepting a List B identity document such as a driver's license or identification card that meets Form I-9 requirements does not, in and of itself, support a conclusion that the employer had actual or constructive knowledge (i.e. knew or should have known) that an employee is not employment authorized.

This response was solicited in an attempt to provide clarity to employers in California who could face legal exposure for taking action against an employee because the person holds or presents an "AB 60 driver's license"; named after the 2013 California Assembly bill that authorized the issuance of this type of driver's license.



## ALRB PROPOSED ACCESS RULE

The Association testified at an Agricultural Labor Relations Board (ALRB) public hearing in Fresno on a proposal to permit ALRB staff to take access onto agricultural work sites for the purpose of educating farmworkers and field supervisors about the rights and responsibilities provided by the Agricultural Labor Relations Act (ALRA).

During the hearing, President Bedwell cast doubt on the necessity of this proposal by advancing that any attempt to enact a new access rule must first examine the existence of a strong bias favoring unionization, while recognizing outstanding concerns respecting the ALRB's credibility in the eyes of both the employer and employee communities. Instead, President Bedwell advanced the successful employer/agency educational model, used to educate employees and employers about the requirements under the heat illness prevention regulation and used specific examples of educational sessions conducted off-site. Under the contemplated regulation, ALRB agents could trespass on the premises of randomly selected agricultural employers merely because they suppose agricultural employees there should be told of their rights under the ALRA.



Pictured Above Harold McClarty (HMC Farms) testifying in front of the Agricultural Labor Relations Board.



Pictured Above: Members of the Agricultural Labor Relations Board meeting in Fresno during a Public Forum on their proposed Access Rule.



# Government Relations

## ANNUAL GOVERNMENT RELATIONS TRIP

On Tuesday, March 1st, eleven Association members traveled to Sacramento to take part in the 2016 Government Relations trip. The policy-oriented, 24-hour trip kicked off with a series of focused regulatory agency meetings, followed by a reception and dinner event.

Trip participants first met with Director Brian Leahy of the Department of Pesticide Regulations. The Director touched on his background as a former rice farmer, as well as the balance he tries to strike between allowing farmers to use the tools available to them, while upholding the requirements of his department's purpose.

Trip participants also met with California Department of Water Resources Deputy Director, Gary Bardini, to discuss the State's current hydrology and the implementation/funding of Proposition 1 projects. Association members utilized their time to stress the organization's voter and legislative intent behind the water storage chapter of the water bond, stressing the importance of ensuring that large, above ground surface storage projects, receive primary consideration for the available funding.

Kim Craig, Deputy Cabinet Secretary for Governor Jerry Brown, also met with the group to give an overview of the Governor's priorities for his remaining three years in office. Association representatives expressed their appreciation for the Governor's past efforts, such as with his work on the Water Bond, but cautioned for him not to push too hard to finish certain "Legacy Projects" without fully vetting their true impact on the State as a whole.



The group finished up the first day by meeting with Agricultural Labor Relations Board Chairman, Bill Gould, to discuss his vision for increasing the efficiency and accountability of how the ALRB manages a daunting caseload, as well as a renewed emphasis on demonstrating the authority of the Board to provide outreach to agricultural employees in order to educate them about employee rights under the Act.

The following day began with a breakfast conversation with State Treasurer John Chiang regarding the State's current financial health. Trip participants then traveled to the Capitol to meet with Senator Tom Berryhill (R-Fresno), as well as Senator Steve Glazer (D-Walnut Creek), Senator Jean Fuller (R-Bakersfield), Assembly Member Adam Gray (D-Merced) and Assembly Member Chad Mayes (R-Yucca Valley).

CFFA President, Barry Bedwell, stated that "CFFA's Annual Government Relations Trip allows a small, highly involved portion of our membership to closely interact with selected regulators and elected officials to discuss issues in depth. In addition, strong relationships are developed and strengthened for the benefit of the Association and California Agriculture."



Association staff would like to thank this year's participants for taking the time to participate and engage with regulatory officials and legislators on key issues of importance to California agriculture. 2016 Government Relations Trip Participants: John Tos (**Tos Farms**), Jon P. Zaninovich (**Jasmine Vineyards, Inc.**), Ryan Zaninovich (**V.B. Zaninovich & Sons, Inc.**), Wayde Kirschenman (**Kirschenman Enterprises Inc.**), Randy Giumarra (**Giumarra Vineyards Corporation**), Melissa Poole (**Wonderful Orchards**), Toni Scully (**Scully Packing**), Patrick Scully (**Scully Packing**), Pat Ricchiuti (**P-R Farms, Inc.**), Paul Giboney (**Hronis Inc.**), Peter Baldwin (**Alliant Insurance Services, Inc.**).

Pictured Above (From Left to Right): John Tos (**Tos Farms**), Wayde Kirschenman (**Kirschenman Enterprises Inc.**), Jon Zaninovich (**Jasmine Vineyards, Inc.**), Peter Baldwin (**Alliant Insurance Services, Inc.**), and Ryan Zaninovich (**V.B. Zaninovich & Sons, Inc.**) discussing water policy with Senator Jean Fuller (R-Bakersfield) and Barry Bedwell.

Pictured Bottom Left: Ken Enns with Assemblyman Frank Bigelow (R-Madera) during the CFFA Annual Fruit Delivery.



## ANNUAL FRUIT DELIVERY

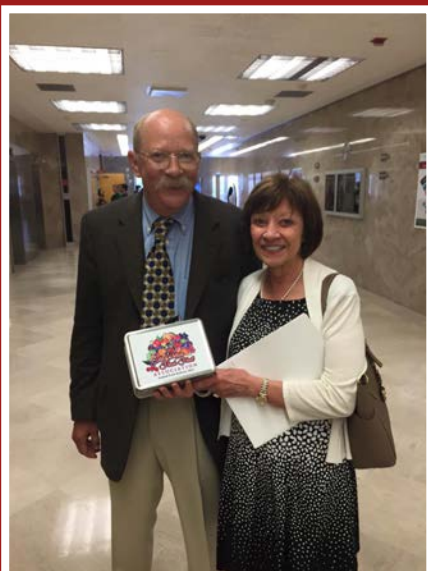
Association Board Member Ken Enns (**Ken Enns**) and Association staff members, Ian LeMay and Sara Frauenheim, traveled to Sacramento on August 20th for the Annual Fruit Delivery, which provides legislators, regulators and legislative staff with a reminder of the value of our fresh grape and deciduous tree fruit communities.

For 2015, state leaders were presented with a redesigned Association lunch pail, delicately packed with delicious fruit. More than 140 Association fruit deliveries were made, covering the Capitol and various regulatory agencies, including the California Department of Food & Agriculture, Agricultural Labor Relations Board and the California Environmental Protection Agency.

We would like to give a special thank you to our Association members who donated produce for our Annual Fruit Delivery – Louis Pandol (**Pandol Bros., Inc.**), Ryan Zaninovich (**V.B. Zaninovich & Sons, Inc.**), Jon P. Zaninovich (**Jasmine Vineyards, Inc.**), Harold McClarty (**HMC Farms**), David Jackson (**Family Tree Farms**) and Dean Thonesen (**Sunwest Fruit Company, Inc.**).



Counter Clockwise Top Right: Government Relations Trip Members preparation prior to meeting with members of the Assembly and Senate. Ken Enns (**Ken Enns**) delivering fruit to California Department of Food & Agriculture Secretary, Karen Ross. Packed fruit pails for our CFFA Annual Fruit Delivery. Pat Ricciuti (**P-R Farms, Inc.**) and Assemblyman Adam Levine (D-San Rafael) at the CFFA Annual Government Relations Reception. Government Relations Trip participants on the Senate Floor. Bedwell addressing Department of Pesticide Regulation Director, Brian Leahy.





# Marketing & Trade

## PORTS ACT

The PORTS Act was introduced by Senator Cory Gardner (R-CO) in 2015 and would grant state governors Taft Hartley powers to form boards of inquiry and use federal courts to enjoin slowdowns, strikes, or lockouts at U.S. ports. This approach aligns political incentives and promotes action to prevent lasting damage to the U.S. economy and trade. The bill clearly defines situations in which Taft Hartley can be invoked, preventing the President or governors from using legal ambiguity to excuse inaction, and allows a governor from any state to initiate the process by forming a board of inquiry.

It would allow those most affected by the disruptions (local community leaders and constituent business, employers, and consumers) to apply pressure on their governors, rather than trying to mobilize a national campaign to convince the President to act.

The bill would build upon a well-known statutory process, informed by 70 years of federal case law and first-hand experience, that applies specifically to port owners and unions.

Contract negotiations and related labor disputes at U.S. ports have become increasingly problematic over the past decade, causing significant damage to the U.S. economy and the millions of businesses and jobs. The Protecting Orderly and Responsible Transit of Shipments (PORTS) Act of 2015 would allow state governors to intervene in labor disputes at seaports to stop disruptions and protect American businesses, employees and consumers from economic harm.



Market access and competitiveness at the domestic and international levels are both of the utmost importance to growers, shippers and marketers of California fresh fruit. The Marketing & Trade Committee focuses on issues that could affect this aspect of the membership's operations, including the Farm Bill, Mexico Stone Fruit Export Program, phytosanitary measures, PACA regulations, produce traceability initiative (PTI) and foreign trade issues, including MRLs. The Committee also handles transportation issues, including interstate commerce commission regulations, railroad operating practices, loading rules and claim procedures.

## PEACH FRUIT FLY (PFF)

On September 25, 2015, a California Department of Food and Agriculture (CDFA) lab confirmed that a trap at a residence in E. Fresno (North of Kings Canyon) was a single male Peach Fruit Fly. The trap was a lured trap, which meant it was not necessarily the location where the fly originated. A single trapped adult male does not trigger a quarantine, however if during the delimitation trapping, six additional adults or one mated female are found then a quarantine action would be implemented.

PFF is native to S. and S.E. Asia and many California crops are at risk including; pome and stone fruits, citrus, figs and others.

Likely, this PFF was introduced into Fresno by a resident receiving an infested package or receiving goods through another channel. Often infested packages are unknowingly transported through the postal service or other parcel carrier.

A total of 452 delimitation traps were deployed in the area surrounding the original detection site and will continue to be monitored bi-weekly for the next 2 life cycles, as determined by accumulated heat units. A weather station and soil temperature probes were placed in the core area to also assist with the delimitation process. Without additional detections, the life cycles should be completed by late spring/early summer 2016.

The California Fresh Fruit Association and CDFA will continue to provide updates and we will notify members of on-going monitoring activities.





## LIGHT BROWN APPLE MOTH (LBAM)

The light brown apple moth (LBAM), *Epiphyas postvittana* (Tortricidae), is a native pest of Australia and is now widely distributed in New Zealand, the United Kingdom, Ireland, as well as all counties within Hawaii. LBAM was detected in Alameda County, California on March 22, 2007.

In fall 2007, the moth eradication program involved aerial spraying of a product, containing LBAM attractant sex pheromones as its active ingredient, over sixty square miles near the Pacific coast between Monterey and Santa Cruz. The EPA authorized the aerial spraying of the pheromone spray every 30 days until 2010.

These quarantine measures and aerial spraying were imposed in an effort to eradicate the moth, however it led to substantial public controversy and reports of adverse health effects. On September 24, 2007 the group Helping Our Peninsula's Environment (HOPE), opponents of the spraying and concerned over the potential impacts to humans and the environment, filed suit to halt the spraying program because the California Department of Food and Agriculture claimed it was exempt from California's Environmental Quality Act, which required analysis of the environmental impacts of the use. In June of 2008, the State of California announced that it was abandoning plans for aerial spraying over population centers in favor of using local application of pheromone-impregnated twist-ties.

Since this time, USDA and CDFA have been working to continue to control and suppress LBAM, to minimize its impact on agriculture production and trade. LBAM was originally identified as a particular concern because it can damage a wide range of crops and other plants. The complete "host list" contains well over 1,000 plant species and more than 250 fruits and vegetables. However, as of July 2015, 21 counties within California have areas designated under quarantine (almost one-half of the state). CDFA continues to struggle with available funds in an effort to maintain the federal regulations. It is estimated that trapping and treatment alone are a minimum of \$5 million per year. Detection trapping is required, however treatment may be dropped due to lack of funds.

A cost-saving factor was to allow some commodities to apply for exemption to the conditions required in the LBAM domestic order for interstate movement of regulated articles; stone fruits, grapes, blueberries, kiwifruit, apples and others. This has also allowed us to address concerns with other states in the event that the quarantine impacted the areas of production; these states were willing to accept the assessment performed on the exempted hosts. However, exemption status has not been accepted by export trade partners as yet.

The LBAM infestation continues to expand into new counties and areas within existing infested areas. Detections in San Diego are most concerning, due to the potential impacts to the counties large nursery industry (over 700 nurseries in San Diego) and the increase in regulatory program costs as a result. It is estimated that San Diego County alone would cost \$4 million each year, if the quarantine expands into nursery production areas.

CDFA and APHIS have had discussions regarding the need to update the economic analysis and pest risk assessment, as it does not appear the estimated impacts have resulted in the types of losses originally projected. Given its widespread distribution throughout the state, containment is becoming more difficult, as well as justification in continuing to fund a program that is not likely to be successful.

This discussion will continue, as well, engaging the State's Plant Health Directors and export trade partners, such as Mexico and Canada.

The California Fresh Fruit Association will continue to work with CDFA and APHIS in the LBAM strategic direction working group as we move forward and will keep members updated about any potential impacts.



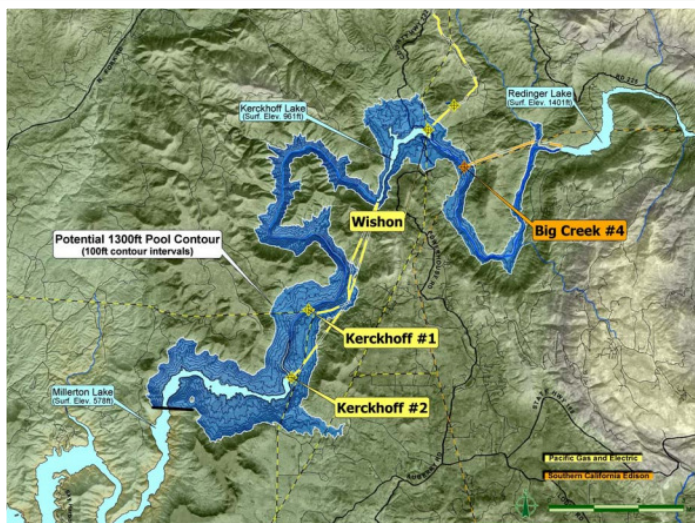


# Environmental Resources

## CALIFORNIA WATER COMMISSION PROP 1 FUNDING, ABOVE GROUND SURFACE STORAGE CONSIDERATIONS

After having worked to gain the successful passage of the Water Quality, Supply, and Infrastructure Improvement Act of 2014 (Proposition 1), the Association immediately directed focus toward implementation centering on the Bond's Chapter 8, which stipulates the California Water Commission's process for defining how eligible projects may qualify for funding under public benefits criteria. The criteria that must be met in order for a project to be deemed eligible for funding must include providing improvements to the Delta ecosystem or to the Delta tributaries. Hence, the Association advanced large projects, such as a large surface storage project, as best able to meet the challenges posed in the public benefits section for improving water quality in the Delta and river systems, to support the restoration of groundwater resources, provide flood control benefits, and support emergency responses such as supplying water to prevent salt water intrusion, and to support recreational purposes.

Through the comment process, the Association worked to remind the California Water Commission of their requirement to develop a program to fund projects that provide the largest return on investment. The Commission is tasked with creating regulations that define the methods for the quantification and management of public benefits associated with eligible water storage projects



Pictured Above: Proposed area of interest for Temperance Flat.

## FDA PREVENTATIVE CONTROLS RULE

Upon the release of the draft FDA Food Safety Modernization Act (FSMA) Preventive Controls for Human Food rule, the Association met with FDA officials and provided public comment to request the consistent application of regulatory requirements. The final rule, requires some facilities that pack or hold fresh produce to be covered under the Preventive Controls rule while most other like facilities are covered under the Produce Safety Rule.

FDA was cautioned against establishing two different sets of rules, as it would, and did cause confusion with the creation of a Secondary Activities Farm definition.

The Association, along with other trade associations, asked for clarification of FDA's statutory interpretation for creating an ownership and commodities link requiring off-farm facilities to be regulated differently, with respect to the risk-based hazard analysis requirement. Now that the rule is final and FDA is slated to produce guidance documents addressing various topics. The Association, upon review of guidance, will look to provide comment in an attempt to clarify implementation expectations.

## FDA FOOD SAFETY MODERNIZATION ACT

## PANNA v. DPR AMICUS BRIEF

The California Fresh Fruit Association joined allied associations to file for intervenor status in PANNA v. DPR. Pesticide Action Network North America (PANNA) argued the California Department of Pesticide Regulation (DPR) should not have approved, for use, two neonicotinoid products because DPR's review of neonicotinoids has not yet been completed. As such, PANNA contended that DPR prematurely registered two neonicotinoid products and in doing so circumvented state law. In recognition of the impact from the legal action to restrict California farmers' ability to utilize neonicotinoids by restricting any future registrations of any neonicotinoid products, the Association, along with a coalition of allied interests, was named an intervenor in the case, to add the perspective of the importance of maintaining the availability of important plant health materials. Oral arguments have yet to be scheduled, however a court decision is expected sometime in 2017.



## DPR FIELD FUMIGANT NOTIFICATION & PESTICIDE USE NEAR SCHOOLS REGULATORY CONCEPTS

DPR announced that it would move forward on two regulatory concepts, which separately would lead to the creation of a new regulation aligning soil-applied fumigation notification requirements with current notification requirements for methyl bromide field fumigations and would create a new regulation to add additional pesticide use restrictions and notification requirements when applications are made near schools.

DPR is looking to methyl bromide notification requirements as the most stringent model for application. According to DPR, the public has a right to know what is being applied. Labels for soil-applied fumigants require the applicator to either notify or conduct sensory monitoring if residences or businesses are inhabited and are inside the notification/monitoring zone, which is set anywhere from 50-300 feet from the edge of the buffer. If aligned with the Mb notification requirement, monitoring would no longer be an option and instead, any inhabited site within 300 feet of the outer edge of the buffer zone would be required to have been notified prior to an application. The Association expressed concerns during a Sacramento workshop session over the lack of consideration of the role of hazard-based risks and their influence on use restrictions and added safety precautions, as they have been designed to further reduce the risk of exposure. Unfortunately, DPR is attempting to address a "perception" by potentially adding more use restrictions, as opposed to qualifying the perception(s) and more clearly conveying how risks are minimalized.

With respect to the second concept, DPR explored adding pesticide use restrictions for applications made near schools. As justification, DPR is focusing on a patchwork of requirements in some counties, which exist largely due to permit conditions placed on the application of state restricted materials, which in some cases do not require that a school be notified in advance of an application. As a model, DPR looked to restrictions in place in San Bernardino County, which contains requirements for all commercial pesticide applications made within ¼ mile of a K-12 school site and include a 24 hour notice prior to application and a prohibition on the application of all Category I pesticides with the Danger-Poison signal word.

The Association remarked, during DPR's public workshop, that its own summary of complaints and resulting investigations failed to uncover any exposure related illness or documentation of any incident; hence the Association opposes DPR's intent to move forward, given the unqualified nature of the complaints.



The Environmental Resources Committee is one of the most active CFFA groups, due to the intense regulatory oversight that exists in California. Some of the issues targeted include: regulation of air quality restrictions, Food Safety Modernization Act and water quality regulations (i.e. Irrigated Lands Program), water quantity discussions, energy issues and volatile organic compound (VOC) emissions.

## SUSTAINABLE CONSERVATION ON-FARM RECHARGE PROJECT

The Association was approached by Sustainable Conservation to determine whether grower members had an interest in assessing the potential for winter groundwater recharge. The project included data collection and interviews with growers to obtain information about the acceptable timing and duration of water being captured on farmland for recharge by confidentially interviewing growers with experience in the use of available excess flood water. Sustainable Conservation partnered with UC Davis on the project and envisions using the results from the winter 2016 project to generate data assessing the viability and suitability of on-farm groundwater recharge.

The Association, in recognition of the interplay between the project and the role of recharge under the Sustainable Groundwater Management Act, worked to assess potential benefits from project participation. CFFA also encouraged participating state agencies, such as the State Water Resources Control Board, to further examine how water right priorities and water delivery and conveyance costs would be impacted to determine whether as a matter of policy the agricultural sector should be incentivized to perform on-farm recharge given broader recognition for improving aquifer conditions.





# Standards & Packaging

## EPA REGISTRATION REVIEW: SULFUR DIOXIDE

The Environmental Protection Agency (EPA) reviews each registered pesticide at least every 15 years to determine if it continues to meet the Federal Insecticide, Fungicide, Rodenticide Act (FIFRA) standard for registration.

The requirement is that registered chemicals should be reassessed to confirm that they continue to meet the statutory standard (changes in science, policy and pesticide use practices that occur over time).

In part, EPA has included within the sulfur dioxide registration review work plan, that current labels do not have clear or harmonized application information such as: maximum single application rate, maximum number of applications and application intervals in storage and shipping.

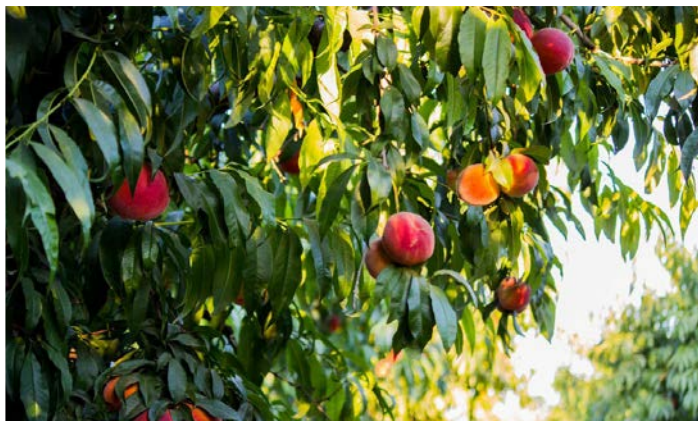
Additionally, the EPA will require label language regarding limits on the concentration of sulfur dioxide released into the atmosphere during aeration (it does not appear on some end-use product labels).

This has resulted in EPA requiring the product registrant to revise their labels. The work plan also questions if potentials exist for either occupational handler or bystander exposures under the human health assessment.

In an effort to provide the registrant with an accurate overview of the current industry needs/practices within the handling of table grapes and postharvest decay control using sulfur dioxide, we circulated a survey to all table grape shipper members to assist us in identifying common application practices under both domestic and quarantine applications. This information will also assist us in responding to worker safety questions as California has applicator requirements under CDPR; Cal/OSHA Permissible Exposure Limits and other areas that we believe the registrant should not be addressing on the behalf of industry.

The California Fresh Fruit Association is currently working with the California Table Grape Commission to review the results and determine what appropriate Product Use Information should be submitted to the registrant under the EPA data call-in that will ensure shippers have available adequate treatment options under new product labels.

The Association will continue working with the registrant and the Commission to keep members updated as to status of the registration review.



### PACKAGING & LABELING SUMMARY

Members frequently contact the Association with questions regarding packaging and labeling requirements, subject to either state or federal regulation. To assist members in complying with state or federal regulations, staff developed and updates a packaging and labeling guide of all relevant requirements for the commodities covered by Association membership.



# FruitPAC

FruitPAC is the Association's Political Action Committee, which generates its support from member participation at three annual events—the Harvest Event in the fall, the Annual Meeting Raffle in the spring, and the positive check-off program, through which members may authorize up to eight percent of their membership assessments and dues to be contributed to support FruitPAC and lobbying expenses. Last year, FruitPAC generated close to \$15,000 from the Harvest Event, \$17,000 from the Annual Meeting Raffle, and more than \$20,000 from the positive check-off program. In total, FruitPAC made just over \$50,000 in overall contributions, split 57% to 43% between Republican and Democrat candidates, respectively. Of the total contributed, 56% were state contributions. All contributions are authorized by FruitPAC's Board of Directors.

## 2015 FEDERAL CONTRIBUTIONS

Total: \$22,100

Republican: 68%

Democrat: 32%

## 2015 STATE CONTRIBUTIONS

Total: \$28,200

Republican: 49%

Democrat: 51%

### CHAIRMAN

John D. Zaninovich, **Merritt Farms**

### VICE CHAIRMAN

Robert Ikemiya, **Ito Packing Company**

### SECRETARY

David Jackson, **Family Tree Farms**

### BOARD MEMBERS

Moe DiBuduo, **DiBuduo Fruit Company**

Herbert Kaprielian, **CRJ Farming Co. LP**

David Marguleas, **Sun World International, LLC**

Louis Pandol, **Pandol Bros., Inc.**

Cliff Sadoian, **Cliff Sadoian & Associates**

## FRUITPAC HARVEST EVENT



102 guests were in attendance at the 36th Annual Harvest Event Reverse Raffle Drawing held at the Vintage Press Restaurant in Visalia on Friday, October 23. Brent Swanson (**Buckman-Mitchell, Inc.**) was the owner of the final ticket pulled, claiming the \$5,000 grand prize. Edwin Camp (**D. M. Camp & Sons**) was the lucky winner of the \$1,000 consolation prize.

In total, there were a dozen terrific prizes awarded and the Harvest Event was a huge success, largely due to the generosity and participation of the Association members who purchased tickets. The staff at the Vintage Press, under the direction of David and Greg Vartanian, provided great service throughout the reception and dinner.

A special thank you to the Associate members who helped to make this year's event possible through their generous support:

### GOLD SPONSORS

Dow AgroSciences, LLC; Nationwide® Agribusiness Insurance; Pacific Gas & Electric Company; Snowden Enterprises, Inc.; Styrotek, Inc.; Syngenta Crop Protection; and Vintage Nurseries

### SILVER SPONSORS

Alliant Insurance Services, Inc.; Pan American Insurance Agency – An Ascension Company; and C.H. Robinson Worldwide, Inc.





# Year in Review



## FOWLER PACKING TOURS

Throughout the year, the California Fresh Fruit Association hosted members of the Assembly and Senate for agricultural tours at **Fowler Packing Company, Inc.**, as part of the continuing effort to increase awareness of the economic, social and environmental contributions from California's agricultural sector. In addition to the aspects of the tour, the interaction aids in relationship development with elected state representatives. The tour consisted of a walk-through and description of packinghouse operations, the onsite cafeteria where employees may select meals (at no cost) twice a day, and a new onsite health & wellness clinic for employees.

Picture Top Left: Barry Bedwell with Senator Ed Hernandez (D-West Covina) and Dennis Parnagian.

Pictured Top Right: Ken Parnagian and Senator Steve Glazer (D-Walnut Creek).

Pictured Right: Dennis Parnagian and Assemblyman James Gallagher (R-Chico).



Pictured Above: CFFA President Barry Bedwell and State Treasurer John Chiang discuss the State Budget during CFFA's Annual Government Relations Trip.





Pictured Middle Left: CFFA First Bocce Ball Tournament: Mike & Lori Jackson of **Kingsburg Orchards** (front row, from left), Max Soler (**Pickett Solar**) & Christina Arakelian (**Bank of America Merrill Lynch**) were the big winners.

Pictured Top Right: Chairman David Jackson (**Family Tree Farms**) and Jerry DiBudo (**SunValley Farms**).

Pictured Top Left: Barry Bedwell with Walt Tindell of **Calpine Containers, Inc.** who was honored by fellow associate members with the 2016 Supplier of the Year Award.

Bottom Right: Ken Enns receiving the 2016 Mentors' Award.

Bottom Left: Bonnie Fernandez-Fenaroli speaks to Members about CFFA's recent partnership with the Center for Produce Safety.

Pictured Middle Right: Annual Meeting attendees participate in the first CFFA Bocce Ball Tournament.





# Legislative Review

## FEDERAL DROUGHT-RELATED LEGISLATIVE PROPOSALS:

### **H.R. 2898 (R-Valadao), Western Water and American Food Security Act of 2015 (Support)**

H.R. 2898, amongst other changes, would allow the U.S. Bureau of Reclamation, the U.S. Fish and Wildlife Service, and the National Oceanic and Atmospheric Administration to respond to drought conditions in western states by authorizing appropriations for projects to store water and accelerating reviews of permit applications and environmental studies for new water projects.

### **S.1894 (Feinstein, D-California), California Emergency Drought Relief Act (Support)**

The bill, amongst other things, would establish deadlines for the U.S. Bureau of Reclamation to complete feasibility studies to allow CalFed storage projects to compete for Proposition 1 bond funds and authorize \$600 million for CalFed water storage projects, which may include both federal projects (Shasta) and non-federal projects (Sites, Temperance Flat, Los Vaqueros).

## ENVIRONMENTAL RESOURCES:

### **A.B. 751 (Cooper): Vertebrate Pest Control Research; Signed (Support)**

Extends sunset on CDFA's vertebrate pest control research program until January 1, 2026.

### **A.B. 935 (Salas): Water Projects; Held (Support)**

Requires the Department of Water Resources, upon appropriation, to spend up to \$75 million on pumping facilities to recapture San Joaquin River water from the Friant-Kern Canal and from the Patterson Irrigation District, via the Delta-Mendota Canal, into San Luis Reservoir, in order to mitigate water losses from the San Joaquin River Restoration.

### **A.B. 1242 (Gray): Water Storage Project Funding; Held (Support)**

Would allocate Cap and Trade funds on an annual basis for water storage projects.

### **A.B. 1243 (Gray): Groundwater Recharge Grants; Held (Support)**

Establishes the Groundwater Recharge Grant Fund to assist local governments and water districts with groundwater recharge infrastructure projects by redirecting ½ of funds recovered for missing groundwater reporting deadlines (under SGMA) or funds recovered in response to violations of any State Water Resources Control Board order respecting groundwater extractions or limits, away from the Board and into a grant program.

## LABOR COMMITTEE:

### **A.B. 20 (Alejo): Undocumented Workers: California Agricultural Act; Held (Support)**

Requires specific state agencies to convene a working group to consult with U.S. Department of Justice and U.S. Department of Homeland Security to determine feasibility of creating an agricultural guest worker program in California.

### **A.B. 67 (Gonzalez): Double Pay on the Holiday Act of 2015; In Senate (Oppose)**

Would require an employer to pay at least 2x regular rate of pay for work on certain holidays.

### **A.B. 465 (Hernandez): Prohibiting Arbitration Agreement Requirement; Vetoed (Oppose)**

Would prohibit employers from requiring employees from waiving legal rights through use of arbitration agreements as a mandatory condition of employment. Beginning Jan 1, 2016 it would render unenforceable any arbitration agreements required as a condition of employment if entered into on or after that date.

### **A.B. 561 (Campos): Agricultural Labor Relations; Vetoed (Oppose)**

Would require the ALRB to process to final all decisions concerning make-whole awards, backpay, and other monetary awards within one year or any board order finding liability for an award against the employer. It would require an employer, who appeals any order of the Board under the Act involving make-whole, back pay, or other monetary awards to employees to post a bond in the amount of the entire economic value of the order.

### **A.B. 622 (Hernandez): Employment: E-Verify: Unlawful Business Practices; Signed (Support)**

Would expand the definition of unlawful employment practice to prohibit an employer from using E-Verify, if not required by federal law or authorized by a federal agency to check employment authorization status.

### **A.B. 1506 (Hernandez): Private Attorney Generals Act; Signed (Support)**

Would provide employers with a limited opportunity to cure technical violations in an itemized wage statement before being subject to costly litigation by allowing an employer 33 days to cure any alleged violation.

### **S.B. 406 (Jackson): Employment: Leave; Vetoed (Oppose)**

Would expand unpaid family and medical leave under the California Family Rights Act incorporating additional qualifying familial relationships for which an employee may take unpaid leave (12 weeks).

*\*This is only a partial list of bills supported and opposed during 2015. For a full list, please contact the Association office.*



# CFFA Partnerships

The Association employs a collaborative approach to maximize its effectiveness by working together with other agricultural organizations and associations on issues that affect our members. Below are the group efforts in which the Association participated this year.

## AGRICULTURAL PRESIDENTS' COUNCIL

Description: To coordinate public policy issues among California agricultural associations and commissions.

2015 Contribution: Included in the Association's regular government relations expenses

## AGRICULTURAL COALITION FOR IMMIGRATION REFORM

Description: To serve as a leading advocate, seeking legislative reform addressing the short and long-term labor needs of the nation's agricultural interests.

2015 Contribution: \$10,000

## AIR COALITION TEAM

Description: Agricultural organizations that work together on issues related to air-quality litigation.

2015 Contribution: \$5,000

## MINOR CROP FARMER ALLIANCE

Description: An alliance of agricultural organizations dedicated to addressing pesticide registrations.

2015 Contribution: \$5,000

## CROP PROTECTION COALITION

Description: Coalition of national, regional and local agricultural organizations seeking to obtain critical-use exemptions for methyl bromide, as well as funding for alternative research.

2015 Contribution: \$10,000

## ALLIANCE FOR FOOD & FARMING

Description: Works in the areas of public relations, messaging and outreach related to food safety and pesticide-use related issues.

2015 Contribution: \$10,000

## CULTIVATE CALIFORNIA

Description: A broad alliance with the purpose of educating consumers on agriculture water usage.

2015 Contribution: \$10,000

## OTHER COLLABORATIVE EFFORTS

California Farm Water Coalition; California Foundation for Agriculture in the Classroom; California Women for Agriculture; The Maddy Institute; National Council of Ag Employers; Pacific Legal Foundation; and Specialty Crop Farm Bill Alliance



Top to Bottom: Dennis Parmagian (Fowler Packing Company, Inc.) touring Assemblyman James Gallagher (R-Chico) through the Fowler Packing Health Center. Board Members preparing for CFFA's June Board Meeting. California Senate greeting during CFFA's Annual Government Relations Trip. Winners of the CFFA Annual Golf Tournament, Monte Peckinpah (Valent USA Corporation); Moe DiBuduo (DiBuduo Fruit, Co.); Danielle Hurlbut (Tri-Boro Fruit Co., Inc.); And Bruce Carter (Calpine Containers, Inc.)



# CFFA Past Chairmen

1936/43 A. Setrakian	1957/58 Julio Perelli-Minetti	1971/72 Howard A. Hall	1987/88 Micky George	2001/02 Jim Simonian
1943/45 L. R. Hamilton	1958/59 J. A. DiGiorgio	1972/74 David J. Elliot, Jr.	1988/89 Louis S. Caric	2002/03 Jon P. Zaninovich
1945/46 J. M. Prentice	1959/60 Leonard LeBlanc	1974/75 Allan Corrin	1989/90 Sarkis Sarabian	2003/04 David Elliot III
1946/47 Robert Taylor	1960/61 M. A. Nielson	1975/76 Franklin Debuskey	1990/91 Craig Rasmussen	2004/05 Tony Fazio
1947/48 E. L. Barr, Sr.	1961/62 Franklin Gindick	1976/77 Dean Morrison	1991/92 Doug Hemly	2005/07 Louis Pandol
1948/49 Harold Butcher	1962/63 Edward M. Zeller	1977/78 Milan Caratan	1992/93 Dennis Parnagian	2007/08 Jerry DiBuduo
1949/50 John J. Kovacevich	1963/64 Jack Pandol, Sr.	1978/79 Tony Tranel	1993/94 Kent Stephens	2008/09 John D. Zaninovich
1950/51 David J. Elliot, Sr.	1964/65 Grove E. Dye	1979/80 Lucille Tidwell	1994/95 Wayne Brandt	2009/10 Marko S. Zaninovich
1951/52 William A. Hamilton	1965/66 George Sadoian	1980/81 John Giumarra, Jr.	1995/96 Cliff Sadoian	2010/11 David O. Marguleas
1952/53 William A. Lambert	1966/67 Marion P. Newton	1981/82 James Ruby	1996/97 Steve Biswell	2011/12 Steve Hash
1953/54 Virgil E. Rasmussen	1967/68 Nick Buratovich, Sr.	1982/83 Howard Mason	1997/98 Rick Widhalm	2012/14 Ryan Zaninovich
1954/55 W. C. "Jerry" Day	1968/69 E. L. Barr, Jr.	1983/85 Jack G. Zaninovich	1998/99 Ken Enns	
1955/56 Martin Zaninovich	1969/70 R. K. Sanderson	1985/86 Darrel Fulmer	1999/00 Nicholas Bozick	
1956/57 Alfred Tisch	1970/71 Robert A. Grant	1986/87 Verne Crookshanks	2000/01 Fred Berry	

## CFFA STAFF

Barry Bedwell, President  
 Marcy L. Martin, Director, Trade  
 Christopher Valadez, Director, Environmental & Regulatory Affairs  
 Ian LeMay, Director, Member Relations & Communications  
 Sara Fraunheim, Director, Membership Programs & Services  
 Vicky Jones, Bookkeeper  
 Erin Ragnetti, Office Coordinator  
 Allyson Calderon, Administrative Assistant



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*"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."*

- California Fresh Fruit Association Mission Statement



# Committee Service

## ENVIRONMENTAL RESOURCES COMMITTEE

Paul Giboney (Hronis Inc.) Committee Chair; George Nikolich (Gerawan Farming, Inc.) Committee Vice Chair; Jack Brandt (Brandt Farms, Inc.); Brett Britz (Sunwest Fruit Company, Inc.); Dave Bryan (Etchegaray Farms, LLC); Jim Bryan (Jasmine Vineyards, Inc.); Carol Chandler (Chandler Farms, LP); Nasser Dean (Crop Science, a division of Bayer); Moe DiBuduo (DiBuduo Fruit Co.); Nat DiBuduo (Allied Grape Growers); David Fenn (Sun World International, Inc.); Steve Hash (Steve Hash Farms); Virginia Hemly Chhabra (Greene and Hemly, Inc.); Cindy Ibrahim (La Vina Ranch); Dennis Kelly (Syngenta Crop Protection); Richard Machado (Agrian Inc.); Andrew J. Pandol (Pandol Bros., Inc.); Melissa Poole (Wonderful Orchards); Pat Ricchiuti (P-R Farms, Inc.); Andy Zaninovich (Jasmine Vineyards, Inc.); John D. Zaninovich (Merritt Farms); Judy Zaninovich (CCV Table Grape Pest & Disease Control District); Selleck Zaninovich (V.B. Zaninovich & Sons, Inc.).

## INSURANCE & FINANCIAL BENEFITS COMMITTEE

Ken Enns (Ken Enns) Committee Chair; Louis Pandol (Pandol Bros., Inc.) Committee Vice Chair; Ed Bolger (Wells Fargo Insurance Services); Craig Gonzales (Rain and Hail Insurance Service, L.L.C.); Nelda Lewis (Pan American Insurance Agency – an Ascension Company); Marcia Shafer (Shafer Family Farm); Brent Swanson (Buckman-Mitchell, Inc.).

## LABOR COMMITTEE

Ryan Zaninovich (V.B. Zaninovich & Sons, Inc.) Committee Chair; Dan Gallegos (Marko Zaninovich, Inc.) Committee Vice Chair; David Aquino (Giumarra Vineyards Corporation); Ron Barsamian (Barsamian & Moody, Attorneys at Law); Nicholas Bozick (R. Bagdasarian, Inc.); Brett Britz (Sunwest Fruit Company, Inc.); Bill Chandler (Chandler Farms, LP); David Clyde (Grapeman Farms dba Stevco); Joe Garcia (Jaguar Labor Contracting); Bob Greiner (HMC Farms); Kevin Herman (The Specialty Crop Company); Cindy Ibrahim (La Vina Ranch); Nelda Lewis (Pan American Insurance Agency – an Ascension Company); Rick Milton (Rick Milton); Pat Ricchiuti (P-R Farms, Inc.); Cliff Rolland (Abe-El Produce); David Ysusi (DiBuduo & DeFendis Insurance Brokers, LLC); Andy Zaninovich (Jasmine Vineyards, Inc.); John D. Zaninovich (Merritt Farms).

## MARKETING & TRADE COMMITTEE

George Nikolich (Gerawan Farming, Inc.) Committee Chair; Justin Bedwell (Bari Produce LLC); Jason Bills (Dayka & Hackett, LLC); Scott Boyajian (Marko Zaninovich, Inc.); Brett Britz (Sunwest Fruit Company, Inc.); Dave Bryan (Etchegaray Farms, LLC); Jim Bryan (Jasmine Vineyards, Inc.); Eric Champion (Maxco Supply Inc.); John Forry (DJ Forry Co., Inc.); Randy Giumarra (Giumarra Vineyards Corporation); David Jackson (Family Tree Farms); Kathleen Nave (California Table Grape Commission); John Rast (Rast Produce Company, Inc.); Michael Reimer (Brandt Farms, Inc.); David Silva (Dayka & Hackett, LLC); Francisco Valenzuela (Sun Fresh International LLC); Jon P. Zaninovich (Jasmine Vineyards, Inc.).

## MEMBERSHIP & COMMUNICATIONS COMMITTEE

Randy Giumarra (Giumarra Vineyards Corporation) Committee Chair; Harold McClarty (HMC Farms) Committee Vice Chair; Justin Bedwell (Bari Produce); David Clyde (Grapeman Farms dba Stevco); Verne Crookshanks (Venida Packing, Inc.); Moe DiBuduo (DiBuduo Fruit Co.); Richard Elliot (David J. Elliot & Son); Ron Frauenheim (Ron Frauenheim Farms); Steve Hash (Steve Hash Farms); Kevin Herman (The Specialty Crop Company); David Jackson (Family Tree Farms); Gabrielle Kirkland (Zenith Insurance Company); David Mann (Sunridge Nurseries Inc.); David Marguleas (Sun World International, LLC); Louis Pandol (Pandol Bros., Inc.); Melissa Poole (Wonderful Orchards); Pat Ricchiuti (P-R Farms, Inc.); Cliff Rolland (Abe-El Produce); Cliff Sadoian (Cliff Sadoian & Associates); Scott Schoenborn (Zenith Agribusiness Solutions); Toni Scully (Scully Packing Co.); Jim Simonian (Simonian Fruit Company); Dean Thonesen (Sunwest Fruit Company, Inc.); John Tos (Tos Farms, Inc.); Stan Tufts (Tufts Ranch LLC); Jon P. Zaninovich (Jasmine Vineyards, Inc.); Marko S. Zaninovich (Marko Zaninovich, Inc.); Ryan Zaninovich (V.B. Zaninovich & Sons, Inc.).

## STANDARDS & PACKAGING COMMITTEE

Louis Pandol (Pandol Bros., Inc.) Committee Chair; Jim Bryan (Jasmine Vineyards, Inc.) Committee Vice Chair; Jason Bills (Dayka & Hackett, LLC); Scott Boyajian (Marko Zaninovich, Inc.); Nicholas Bozick (R. Bagdasarian, Inc.); Jack Brandt (Brandt Farms, Inc.); Dave Bryan (Etchegaray Farms, LLC); David Clyde (Grapeman Farms dba Stevco); Stan Cosart (W.F. Cosart Packing Co.); Jerry DiBuduo (SunValley Farms); John Forry (DJ Forry Co., Inc.); Ron Frauenheim (Ron Frauenheim Farms); Mark Merritt (Legacy Packing & Cold Storage); Kathleen Nave (California Table Grape Commission); George Nikolich (Gerawan Farming, Inc.); David Silva (Dayka & Hackett, LLC); Sam Stewart (IFCO Systems); Walt Tindell (Calpine Containers, Inc.); Galen Van Aalsburg (PPS Packaging Co., Inc.).



Pictured Above: Board Members prep prior to CFFA's November Board Meeting in Monterey, CA.





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