



LEGISLATIVE INFORMATION

[Home](#) | [Bill Information](#) | [California Law](#) | [Publications](#) | [Other Resources](#) | [My Subscriptions](#) | [My Favorites](#)

AB-2166 California Farm Bill: agricultural technology. (2017-2018)

SHARE THIS:



Date Published: 02/12/2018 09:00 PM

CALIFORNIA LEGISLATURE— 2017-2018 REGULAR SESSION

ASSEMBLY BILL**No. 2166****Introduced by Assembly Member Caballero****February 12, 2018**

An act to add Section 78017.5 to the Education Code, to amend Section 2272 of, to add Sections 25.3, 437, 823, and 825 to, and to add Division 23.5 (commencing with Section 80500) to, the Food and Agricultural Code, to add Sections 17053.89 and 23608.5 to the Revenue and Taxation Code, and to add Section 301.5 to the Unemployment Insurance Code, relating to agriculture, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 2166, as introduced, Caballero. California Farm Bill: agricultural technology.

(1) Existing law establishes the Department of Food and Agriculture and requires it to promote and protect the agricultural industry of the state.

This bill would establish the Growth Council Initiative, with a prescribed membership of specified state agencies and public members, to plan for regulatory alignments that would aid grower compliance, reduce costs to the agriculture industry, and protect the environment and to make recommendations for regulatory alignments to the proper agency or department.

This bill would require the department to create a user-friendly navigational link on its Internet Web site that provides farmers and other members of the agricultural industry comprehensive information about regulatory requirements of, and guidance to, operating and managing a farm.

This bill would require the department to encourage community college districts, California state universities,

the University of California, and state and county fairgrounds to establish and maintain smart farms, as described by the bill, on the respective campuses or fairgrounds to provide regional agricultural businesses the opportunity show up-to-date agricultural technology, as defined by the bill, in real world practice.

(2) Existing law provides for a department of agriculture in each county and for the appointment of a county agricultural commissioner. The commissioner has several duties including making an annual report to the Secretary of Food and Agriculture on the condition of agriculture in his or her county, attending the annual meeting of the California Agricultural Commissioners Association, and consulting with staff members of various federal departments.

This bill would require the commissioner, in completing the annual report, to also conduct a survey of Internet accessibility on farms and in rural communities in his or her county to identify gaps in Internet accessibility on farms that create hurdles to the adoption of agricultural technology. By creating additional duties on local officials, this bill would impose a state-mandated local program.

(3) Existing law establishes the California Community Colleges, under the administration of the Board of Governors of the California Community Colleges, as one of the segments of public postsecondary education in this state. Existing law authorizes the establishment of community college districts under the administration of community college governing boards, and authorizes these districts to provide instruction at community college campuses throughout the state.

This bill would require the Board of Governors to develop a model Agricultural Business and Technology Program or similar program that may be adopted by the community college districts and offered to its students, as specified.

(4) The Personal Income Tax Law and the Corporation Tax Law allow various credits against the taxes imposed by those laws.

This bill would allow a credit against those taxes for each taxable year beginning on or after January 1, 2019, in an amount, not to exceed an unspecified limit, that is otherwise equal to ____% of the amount paid or incurred for agricultural technology deployed for at least 3 consecutive months during the taxable year. The bill would establish the Agriculture Technology Innovation Institute within the Department of Food and Agriculture to, among other things, administer these credits.

(5) Existing law creates the Employment Development Department within the Labor and Workforce Development Agency, which is vested with the duties, purposes, responsibilities, and jurisdiction regarding job creation activities.

This bill would require the Legislature, in the annual Budget Act, to appropriate moneys to the Labor Market Information Division within the Employment Development Department for the purpose of performing agricultural industry statistic analysis and examining the economic impact and employment effect the agricultural industry has on the state.

(6) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(7) This bill would make an unspecified appropriation from the General fund for the purposes of agriculture, to be allocated as provided.

Vote: 2/3 Appropriation: yes Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. This bill shall be known, and may be cited, as the California Farm Bill.

SEC. 2. Section 78017.5 is added to the Education Code, to read:

78017.5. (a) The Board of Governors of the California Community Colleges shall develop a model Agriculture Business and Technology Program or similar program that may be adopted by community college districts and offered to its students.

(b) The model program shall encourage entry, and provide career pathways, into the agricultural technology industry and shall be based upon already existing programs such as the Agriculture Business Technology Program at Hartnell College, located in the City of Salinas, or the Agriculture Science Technology Program at West Hills College Coalinga, located in the City of Coalinga.

(c) For purposes of this section, "agricultural technology" has the same meaning as in Section 25.3 of the Food and Agricultural Code.

SEC. 3. Section 25.3 is added to the Food and Agricultural Code, to read:

25.3. "Agricultural technology" means technology that reduces water use, energy use, greenhouse gases, or soil amendment or that automates a part of the farming process to make farm workers more efficient.

SEC. 4. Section 437 is added to the Food and Agricultural Code, to read:

437. The department shall create a user-friendly navigational link on its Internet Web site that provides farmers and other members of the agricultural industry comprehensive information about regulatory requirements of, and guidance to, operating and managing a farm.

SEC. 5. Section 823 is added to the Food and Agricultural Code, to read:

823. (a) The Agriculture Technology Innovation Institute is hereby established within the department to serve as a clearinghouse for vetting, commercializing, and driving the adoption of agriculture technologies that qualify for a credit under Sections 17053.89 and 23608.5 of the Revenue and Taxation Code and that assist the agriculture industry increase yields, improve operating margins, and meet regulatory standards.

(b) The institute shall do all of the following:

(1) Promote the use of agricultural technology by educating farmers about available agricultural technologies and its advantages.

(2) Encourage the adoption of agricultural activities that qualify for a credit under Section 17053.89 or 23608.5 of the Revenue and Taxation Code.

(3) Administer the credit described in Sections 17053.89 and 23608.5 of the Revenue and Taxation Code.

SEC. 6. Section 825 is added to the Food and Agricultural Code, to read:

825. (a) The department shall encourage community college districts, California state universities, University of California, and state and county fairgrounds to establish and maintain smart farms on their campuses or fairgrounds that provide regional agriculture businesses the opportunity to show up-to-date agricultural technology in real world practice.

(b) A smart farm shall be funded by its operator.

(c) The Legislature finds that a smart farm serves the dual purpose of enabling adoption of up-to-date agricultural technology and creating a career pathway for jobs in the agriculture sector with a focus on technology. A smart farm would also provide the agricultural industry with the opportunity to experience

applied agriculture technology research firsthand.

SEC. 7. Section 2272 of the Food and Agricultural Code is amended to read:

2272. (a) The commissioner shall make an annual report to the ~~director~~ *secretary* on the condition of agriculture in his or her county and on what is being done to eradicate, control, or manage pests, and actions relating to the exclusion of pests or quarantine against pests. The commissioner may include in the annual report information relating to organic farming methods, biotechnology, integrated pest management, and biological control activities in the county. The commissioner shall also furnish from time to time to the ~~director~~ *secretary* any other information the ~~director~~ *secretary* may require.

~~(b) This section shall become operative July 1, 1999.~~

(b) In completing the annual report described in subdivision (a), the commissioner shall also conduct a survey of Internet accessibility on farms and in rural communities in his or her county. The purpose of this survey shall be to identify gaps in Internet accessibility on farms, creating a hurdle to the adoption of agricultural technology.

SEC. 8. Division 23.5 (commencing with Section 80500) is added to the Food and Agricultural Code, to read:

DIVISION 23.5. Growth Council Initiative

80500. The Growth Council Initiative is hereby established in the state government and it shall consist of the Secretary of Food and Agriculture, the Secretary of the Natural Resources Agency, the Secretary of Environmental Protection, the Director of Water Resources, the Director of the State Water Resources Control Board, the Chair of the Air Resources Board, one member of the public appointed by the Speaker of the Assembly, one member of the public appointed by the Senate Committee on Rules, and one member of the public appointed by the Governor. The public members shall have a background in agriculture. The purpose of the council shall be to plan for regulatory alignments that aid grower compliance, reduce costs to the agriculture industry, and protect the environment and to make recommendations for regulatory alignments to the proper agency or department.

80501. The members of the council shall elect a chair of the council every two years.

80502. A meeting of the council shall be subject to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code), except that, for purposes of this section, "meeting" shall not include a meeting at which:

(a) Council members are meeting as members of the Governor's cabinet.

(b) Council staff and member agency staff are meeting to discuss, but not take final action on, any of the following:

(1) State agency coordination to improve regulatory compliance efficiency.

(2) Preliminary policy recommendations and investment strategies to the Governor, the Legislature, and appropriate state agencies to encourage the streamlining of agricultural industry regulation compliance.

SEC. 9. Section 17053.89 is added to the Revenue and Taxation Code, to read:

17053.89. (a) For each taxable year beginning on or after January 1, 2019, there shall be allowed as a credit against the "net tax," as defined in Section 17039, an amount equal to ____ percent of the amount of qualified expenses, but not to exceed ____ dollars (\$____), paid or incurred by the taxpayer for agricultural technology deployed during the taxable year for at least three consecutive months.

(b) For purposes of this section:

- (1) "Agricultural technology" has the same meaning as in Section 25.3 of the Food and Agricultural Code.
 - (2) "Institute" means the Agriculture Technology Innovation Institute within the Department of Food and Agriculture, created pursuant to Section 823 of the Food and Agricultural Code.
 - (3) "Qualified expenses" means the amount certified by the institute as having been expended or incurred by the taxpayer for the deployed agricultural technology in the 12 months immediately preceding the taxpayer's application for certification.
- (c) The institute shall provide a certificate to a taxpayer who confirms all of the following:
- (1) The deployment of agricultural technology for at least three consecutive months.
 - (2) Paying or incurring expenses, during the 12 months immediately preceding the taxpayer's application for certification, for the agricultural technology described in paragraph (1).
 - (3) One or both of the following:
 - (A) A reduction in water use, energy use, greenhouse gases, or soil amendment within the business operations of the taxpayer, resulting from the deployment of the agricultural technology described in paragraph (1), demonstrated through metering, bill statements, or business logs or records.
 - (B) An increase in farm worker efficiency demonstrated by subtracting the quotient of the crop yield divided by hours of work performed before the agricultural technology described in paragraph (1) was deployed from the quotient of the crop yield divided by hours of work performed after that agricultural technology was deployed.
- (d) In the case where the credit allowed by this section exceeds the "net tax," the excess may be carried over to reduce the "net tax" in the following taxable year, and succeeding four years if necessary, until the credit is exhausted.
- (e) It is the intent of the Legislature to comply with Section 41.

SEC. 10. Section 23608.5 is added to the Revenue and Taxation Code, to read:

23608.5. (a) For each taxable year beginning on or after January 1, 2019, there shall be allowed as a credit against the "tax," as defined in Section 23036, an amount equal to ____ percent of the amount of qualified expenses, but not to exceed ____ dollars (\$____), paid or incurred by the taxpayer for agricultural technology deployed during the taxable year for at least three consecutive months.

(b) For purposes of this section:

- (1) "Agricultural technology" has the same meaning as in Section 25.3 of the Food and Agricultural Code.
 - (2) "Institute" means the Agriculture Technology Innovation Institute within the Department of Food and Agriculture, created pursuant to Section 823 of the Food and Agricultural Code.
 - (3) "Qualified expenses" means the amount certified by the institute as having been expended or incurred by the taxpayer for the deployed agricultural technology in the 12 months immediately preceding the taxpayer's application for certification.
- (c) The institute shall provide a certificate to a taxpayer who confirms all of the following:
- (1) The deployment of agricultural technology for at least three consecutive months.
 - (2) Paying or incurring expenses, during the 12 months immediately preceding the taxpayer's application for certification, for the agricultural technology described in paragraph (1).
 - (3) One or both of the following:
 - (A) A reduction in water use, energy use, greenhouse gases, or soil amendment in the business operations of

the taxpayer, resulting from the deployment of the agricultural technology described in paragraph (1), demonstrated through metering, bill statements, or business logs or records.

(B) An increase in farm worker efficiency demonstrated by subtracting the quotient of the crop yield divided by hours of work performed before the agricultural technology described in paragraph (1) was deployed from the quotient of the crop yield divided by hours of work performed after that agricultural technology was deployed.

(d) In the case where the credit allowed by this section exceeds the "tax," the excess may be carried over to reduce the "tax" in the following taxable year, and succeeding four years if necessary, until the credit is exhausted.

(e) It is the intent of the Legislature to comply with Section 41.

SEC. 11. Section 301.5 is added to the Unemployment Insurance Code, to read:

301.5. The Legislature shall, in the annual Budget Act, appropriate moneys to the Labor Market Information Division within the Employment Development Department for the purpose of performing agricultural industry statistic analysis and examining the economic impact and employment effect the agricultural industry has on the state.

SEC. 12. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

SEC. 13. The amount of _____ dollars (\$_____) is hereby appropriated from the General Fund, to be allocated as follows:

(a) _____ dollars (\$_____) to the Department of Food and Agriculture for purposes of the Buy California Program, as described in Section 58750 of the Food and Agricultural Code, for the purpose of utilizing marketing data of various agricultural sectors to provide agricultural marketing commissions and councils with information and consumer insight of those sectors.

(b) _____ dollars (\$_____) to the Department of Food and Agriculture for purposes of the Statewide Plant Pest Prevention and Management Program.

(c) _____ dollars (\$_____) to the Department of Food and Agriculture for purposes of implementing Section 437 of the Food and Agricultural Code.

(d) _____ dollars (\$_____) to the Department of Food and Agriculture for the purposes of supporting the Growth Council Initiative created pursuant to Section 80500 of the Food and Agricultural Code and its activities.

(e) _____ dollars (\$_____) to the University of California, Division of Agriculture and Natural Resources for applied agriculture research.

(f) (1) One hundred fifty thousand dollars (\$150,000) to Olinga Learning, a nonprofit organization, for purposes of its Wings of Knowledge Initiative and the program's 2019 and 2020 cohort. On or before July 1, 2021, Olinga Learning shall report to the Legislature on the program. The Legislature shall evaluate whether the program is achieving its goals of providing students with an agricultural technology career pathway either directly into the field or into postsecondary education and whether similar programs should be implemented throughout the state.

(2) The Legislature finds and declares all of the following:

(A) For sustainable growth, rural communities need to be able to keep their youth employed at home, or to have those youth return to their communities after attending college.

(B) Rural communities benefit when their youth have adequate jobs after high school that provide living wages

without college degrees.

(C) Rural communities benefit when their youth return home after acquiring advanced educational degrees.

(D) The Wings of Knowledge Initiative, and similarly modeled programs, would provide a public benefit by introducing elementary and secondary public school pupils to career pathways in advanced agricultural technologies and computer sciences.

(E) The Wings of Knowledge Initiative provides pathways for its public school pupils to be prepared to stay in their rural communities by encouraging new types of agricultural careers.

(F) The Wings of Knowledge Initiative provides pathways for students from rural areas who attend a postsecondary educational facility to return to their communities after pursuing postsecondary education in agricultural management and technology.

(G) The allocation made under this subdivision would enable the Legislature to explore developing educational models similar to the Wings of Knowledge Initiative throughout the state, thereby helping the development and sustainability of the state's rural communities and agricultural industry.