SENATE RULES COMMITTEE

Office of Senate Floor Analyses

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THIRD READING

Bill No: AB 1322

Author: Committee on Agriculture

Amended: 8/27/25 in Senate

Vote: 21

SENATE AGRICULTURE COMMITTEE: 5-0, 7/1/25 AYES: Hurtado, Alvarado-Gil, Cortese, McNerney, Padilla

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 71-0, 5/23/25 (Consent) - See last page for vote

SUBJECT: Agricultural commissions and reports

SOURCE: Author

DIGEST: This bill makes various changes to the California Grape Rootstock Improvement Commission (CGRIC), the California Avocado Commission, the California Apple Commission, and the Olive Oil Commission of California (OOCC).

Senate Floor Amendments of 8/18/25 extend the date assessments are payable to the CGRIC from January 10 of each year to January 31 of each year, move the survey collection enforcement date from February 10 to March 15 and the publishing date of the grape crush report from March 10 to April 30 of each year.

Senate Floor Amendments of 8/27/25 clarify that the secretary of the California Department of Food and Agriculture (CDFA) may refuse to issue, renew or may suspend or revoke a license of an applicant that has failed to pay any assessment levied pursuant to this code on nursery stock or products comprising of nursery stock.

ANALYSIS:

Existing law:

- 1) Establishes the CGRIC that funds and supports grape rootstock research for the enhancement of California viticulture and the grape nursery industry. CGRIC acts as an invaluable resource to growers by helping protect the investments made to vineyards. The targeted research funding is critically important to the current and future success of the industry.
- 2) Establishes no one shall engage in the production of, hold for sale, or sell any nursery stock unless they have obtained a license from CDFA.
- 3) Allows the secretary of CDFA to refuse to issue or renew a nursery stock license or suspend or revoke a license of an applicant or licensee if the following has been found:
 - a) They have willfully refused to comply with the laws and regulations relative to nursery stock, or to any pest which might be carried by nursery stock.
 - b) They have been found guilty of fraud or deception in the procurement of the license.
 - c) They have been found guilty of fraud or misrepresentation in the handling or sale of nursery stock.
 - d) They have failed to maintain nursery stock produced or sold in accordance with the standards of cleanliness as prescribed by the secretary.
 - e) They have failed to comply with any lawful order which is issued by the director or commissioner.
- 4) Establishes the California Avocado Commission to be funded by mandatory assessments on all avocados grown in California, which are collected when avocados are sold. The Commission aids in maximizing grower returns by conducting advertising, promotion, and public relations for California avocados and engages in related industry activities that together help create a more profitable market environment.
- 5) Establishes the California Apple Commission to administer the state marketing order program for California apples. This program operates under the California Marketing Act of 1937.

6) Establishes the OOCC to support olive oil farmers with research and through purity and quality standards enforcement for California's olive oil.

This bill:

- 1) Makes changes to the California Grape Rootstock Improvement Commission that:
 - a) Extends the date assessments are payable to the commission from January 10 of each year to January 31 of each year.
 - b) Extends the survey collection enforcement date from February 10 to March 15 of each year.
 - c) Extends the publishing date of the grape crush report from March 10 to April 30 of each year.
 - d) Provides technical amendments to the CGRIC that change "director" to "secretary" in Section 6761 of the Food and Agricultural Code.
- 2) Clarifies the secretary, after an investigation and hearing, may refuse to issue or renew a license, or may suspend or revoke a license of an applicant or licensee to sell or handle nursery stock that has failed to pay any assessment in the Food and Agricultural Code section 6761.
- 3) Makes changes to the California Avocado Commission that:
 - a) Expands specified provisions regarding membership to the commission to alternate members:
 - i) Defines "ex officio members" to mean nonvoting members of the commission.
 - b) Requires the assessment established by the commission to be as a fixed rate or percentage of value rather than solely as a fixed rate.
 - c) Requires any remaining assessment funds to be distributed for the benefit of the avocado industry into any state or federal programs in the event of termination or suspension of the commission.
- 4) Modifies the California Apple Commission to recommend to the secretary quality standards and product labeling standards, and to engage in any other activity, authorized by the California Marketing Act of 1937.

- 5) Makes changes to the Olive Oil Commission of California that:
 - a) Defines "handler" to mean a person who engages, in this state, in the processing or milling of olives into olive oil that the handler has produced, or purchased or acquired from an olive producer, or that toll processes or mills olives on behalf of an olive producer, whether as owner, agent, employee, broker, or otherwise.
 - b) Defines "producer" to mean a person that produces or causes to be produced olives that are processed or toll processed into olive oil in the amount of 5,000 gallons or more during the marketing season and shall, upon request of the commission, provide proof of commodity sale.
 - c) Defines "toll processor" to mean to process or mill olives into olive oil on behalf of a producer.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

SUPPORT: (Verified 8/27/25)

California Apple Commission California Avocados California Grape Rootstock Improvement Commission Olive Oil Commission of California

OPPOSITION: (Verified 8/27/25)

None received

ARGUMENTS IN SUPPORT: According to the author:

"The purpose of marketing programs is to provide agricultural producers and handlers an organizational structure, operating under government sanction, which allows them to solve production and marketing problems collectively that they could not address individually.

"A California agricultural marketing commission is a body, often established by industry producers, that promotes and regulates the marketing of a specific agricultural commodity, such as apples or walnuts. These commissions are typically funded by assessments on producers and can be overseen by California Department of Food and Agriculture (CDFA). Their activities usually include promotion, research, and maintaining quality standards.

"Current marketing programs' activities include commodity promotion, research, and maintenance of quality standards. Commissions provide a structure for solving problems and provide a vehicle for collecting funds to support activities. There are almost 50 commissions in California."

A coalition letter representing the California Grape Rootstock, the Avocado and Apple Commissions, and the Olive Oil Commission of California write in support stating the changes in this bill will allow industry to be more competitive. Specifically, they write:

"Many of the proposed changes in AB 1322 are non-substantive and technical in nature. Other amendments allow industry to be more competitive. For example, the proposed amendment to the Apple Commission would allow adoption of quality standards and product labeling standards by the secretary of the Department of Food and Agriculture (CDFA), if requested by the commission. This authority is presently available to other commissions and in the case of apples, would increase consumer awareness that California apples are grown using the Nation's most rigorous environmental and labor standards. AB 1322 also seeks to amend the Grape Rootstock Commission by allowing the CDFA to expedite actions against those not in compliance with the law."

ARGUMENTS IN OPPOSITION:

None received

ASSEMBLY FLOOR: 71-0, 5/23/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wilson, Zbur, Rivas

NO VOTE RECORDED: Bryan, Chen, Ellis, Nguyen, Sanchez, Schultz, Sharp-Collins, Wicks

Prepared by: Reichel Everhart / AGRI. / (916) 651-1508 8/28/25 16:49:54

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