
CONSENT

Bill No: AB 2778
Author: Committee on Agriculture
Amended: 6/22/26 in Senate
Vote: 27

SENATE AGRICULTURE COMMITTEE: 5-0, 6/30/26
AYES: Caballero, Alvarado-Gil, Ashby, McNerney, Padilla

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 66-0, 5/7/26 (Consent) - See last page for vote

SUBJECT: Food and agriculture

SOURCE: Author

DIGEST: This bill (1) extends the licensing and inspection programs under the California Meat and Poultry Supplemental Inspection Act, including the annual licenses renewal fees for custom livestock slaughterhouses and meat processing establishments indefinitely; (2) expands the scope of the Nutrition Incentive Matching Grant Program, which is administered by the Office of Farm to Fork (OFTF) within the California Department of Food and Agriculture (CDFA); finally, (3) extends the California Seed Law (CSL) subvention program until July 1, 2032.

ANALYSIS:

Existing law:

- 1) Establishes the California Meat and Poultry Supplemental Inspection Act and establishes an application fee of \$100.00 for renewal of a license for a livestock meat inspector or a processing inspector.
- 2) Establishes within the California Meat and Poultry Supplemental Inspection Act the application fee for a meat processing establishment or a new, previously

unlicensed custom livestock slaughterhouse is \$500.00 for a license for one year for each establishment the applicant desires to operate (Food and Agricultural Code Section 19010).

- 3) Establishes within the California Meat and Poultry Supplemental Inspection Act the application fee for a custom livestock slaughterhouse is:
 - a) \$500.00 if the plant slaughtered 1,000 or fewer head of livestock during the preceding October through September time period.
 - b) \$750 if the plant slaughtered between 1,000 and 5,000 head of livestock during the preceding October through September time period.
 - c) \$1,200.00 if the plant slaughtered over 5,000 head of livestock during the preceding October through September time period.
 - d) States the annual renewal fee for a meat reprocessing establishment is \$500.00.
 - e) States if the applicant for renewal have not paid the renewal fee by the expiration date of the license shall be assessed a penalty of 10% of the unpaid balance. Failure to pay the renewal fee plus the penalty within 90 days of expiration shall cause a revocation of a license.
 - f) The application fee shall remain in effect only until January 1, 2027 unless a later enacted statute, that is enacted before January 1, 2027, deletes or extends that date (*Food and Agricultural Code Section 18981*).
- 4) Establishes within the California Meat and Poultry Supplemental Inspection Act the application fee for a new, previously unlicensed poultry plant is \$500.00 for a license for one year for each poultry plant the applicant desires to operate (Food and Agricultural Code Section 24744).
- 5) States an application for renewal of a license for a poultry plant is:
 - a) \$500.00 if the plant slaughtered 10,000 or fewer poultry during the preceding October through September time period.
 - b) \$750.00 if the plant slaughtered between 10,000 and 100,000 poultry during the preceding October through September time period.
 - c) \$1,200.00 if the plant slaughtered over 100,000 poultry during the preceding October through September time period.

- d) The application fee shall remain in effect only until January 1, 2027 unless a later enacted statute, that is enacted before January 1, 2027, deletes or extends that date (Food and Agricultural Code Section 18981).
- 6) Establishes the California Seed Law (CSL) which regulates agricultural or vegetable seed, as specified, within the state, as well as the investigation and prosecution, as specified. (*Food and Agricultural Code Sections 52281 – 52289*).
 - a) Provides that the California Department of Food and Agriculture (CDFA), county agricultural commissioners (CAC), and their qualified representatives enforce CSL.
 - b) Establishes a CSL subvention program under which requires CDFA to annually apportion \$120,000, in aggregate, among counties that choose to participate in the subvention program as specified. FAC 52323-4)
 - c) Makes the CSL subvention program inoperative on July 1, 2027, and all provisions relating to the CSL subvention program are repealed on January 1, 2028. (Food and Agricultural Code Section 52325).
- 7) Establishes the Nutrition Incentive Matching Grant Program (NIMG Program) within the Office of Farm to Fork at CDFA for the purpose of encouraging the purchase and consumption of California Fresh Fruits, nuts, and vegetables by nutrition benefit clients, as defined (Food and Agricultural Code Section 49012).
- 8) Creates the NIMG Account in the CDFA Fund to collect matching funds received from a specified federal grant program, if available, and funds from other public and private sources. (Food and Agricultural Code Section 49012).
- 9) Requires the NIMG program to provide grants upon the deposit of sufficient funds, including from a successful application for federal grant funding, if available, into the account. It also provides for the administration of the program and requires, subject to specified federal regulations, CDFA to award funds in the NIMG account to qualified entities, as defined, for consumer incentive programs, among other things. (Food and Agricultural Code Section 49012).

This bill:

- 1) Removes the sunset date of January 1, 2027 for the licensing fee and inspectors' fee and meat processing establishment and poultry processing

establishment provisions under the California Meat and Poultry Supplemental Inspection Act.

- 2) Extends the sunset on the CSL subvention program from July 1, 2027 to July 1, 2032, and repeals the statutory provisions related to the program on January 1, 2036.
- 3) Specifies that a certified mobile farmers' market, as defined, is a qualified entity eligible to be awarded moneys through the NIMG Program.

FISCAL EFFECT: Appropriation: Yes Fiscal Com.: Yes Local: Yes

SUPPORT: (Verified 8/3/26)

Agricultural Institute of Marin
 Alchemist CDC
 California Alliance of Farmers' Markets
 California Food and Farming Network
 Coastside Farmers' Markets
 Ecology Center
 Everyone's Harvest
 Food Access LA
 Foodwise
 Fresh Approach
 Heart of the City Farmers' Market
 Laytonville Certified Farmers' Market
 Nextgen California
 North Coast Growers Association
 Office of Kat Taylor
 Roots of Change
 Santa Cruz Community Farmers' Market
 Ukiah Certified Farmers' Market
 Urban Village Farmers' Market Association

OPPOSITION: (Verified 8/3/26)

None received

ARGUMENTS IN SUPPORT: According to the author: "Each year, various private and public groups discover minor problems with state statutes affecting agriculture and policies under the jurisdiction of the California Department of Agriculture. These minor problems do not warrant separate and costly bills.

According to the Legislative Analyst, the cost of producing a bill in 2001-02 was \$17,890.

Legislators respond by combining several of these minor topics into an annual “omnibus bill.” In 2022, for example, the Assembly Committee on Agriculture (Ag Com) omnibus bill was AB 1959 (Ag Com) which contained noncontroversial statutory changes to three areas of local government law, avoiding approximately \$35,780 in legislative costs.”

ASSEMBLY FLOOR: 66-0, 5/7/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bryan, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Ellis, Fong, Gabriel, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Jackson, Johnson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Patel, Patterson, Pellerin, Quirk-Silva, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Ward, Wilson, Zbur, Rivas

NO VOTE RECORDED: Arambula, Bonta, Chen, Flora, Gallagher, Hart, Hoover, Irwin, Papan, Petrie-Norris, Celeste Rodriguez, Valencia, Wallis, Wicks

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