#### SENATE COMMITTEE ON AGRICULTURE Senator Melissa Hurtado, Chair 2025 - 2026 Regular

Bill No: Author:	AB 482 Solache	Hearing Date:	7/1/25
Version:	5/13/25		
Urgency: Consultant:	No Reichel Everhart	Fiscal:	Yes

Subject: California Table Grape Commission

### **SUMMARY**:

This bill would revise the provisions of the California Table Grape Commission (CTGC) to, among other things, change the membership of the CTGC to consist of 3 producers from each of the 7 districts and one public member appointed by the secretary of the California Department of Food and Agriculture (CDFA). The bill would require the CTGC to compile and maintain a list of eligible producers who are qualified to vote in an election, and certify the list to the secretary at least 30 days before the date set for any meeting to nominate commissioners to office. The bill would allow the CTGC to accept and match outside contributions. The bill would expand the cap on the marketing assessment not to exceed \$0.02 per pound. The bill would clarify how a person could file a grievance with the CTGC and states the CTGC shall initiate action within 2 years of discovery on any grievance filed with the Commission. Finally, the bill makes technical, non-substantive changes.

## **BACKGROUND AND EXISTING LAW:**

- 1) Establishes the CTGC in 1967 to promote and expand markets for fresh California table grapes. CTGC is funded by growers through a grower referendum, which is reaffirmed every five years. CTGC was also established to help create new and larger intrastate, interstate, and foreign markets.<sup>1</sup>
  - a. The CTGC is comprised of 21 grape producers and 1 public member<sup>2</sup> appointed by the secretary of CDFA.
- 2) Levies an annual assessment on all fresh grapes during each marketing assessment, not to exceed \$0.006522 per pound.<sup>3</sup>

<sup>&</sup>lt;sup>1</sup> https://www.grapesfromcalifornia.com/about-us/

<sup>&</sup>lt;sup>2</sup> Food and Agricultural Code Section 65550

<sup>&</sup>lt;sup>3</sup> Food and Agricultural Code section 65600

- 3) Establishes an appeals process to filing a grievance by which a person may appeal to the director who reviews the findings of the commission and either affirms or reverses the action taken by the Commission.<sup>4</sup>
- 4) States the members of the commission shall be natural persons, each of whom shall be a citizen and resident of this state over the age of 25 years, and each of whom, as an individual, partner or employee of a producer or producers, is and has been actively engaged in growing fresh grapes within this state for a period of at least five years and is producing grapes subject to the provisions of this chapter at the time of the election.<sup>5</sup>
- 5) States the no more than two members shall be persons employed by, or connected in a proprietary capacity with, the same corporation, firm, partnership, association or business organization; provided further, that not more than one member in any one district shall be so employed or connected.<sup>6</sup>

# **PROPOSED LAW:**

This bill:

- 1) Specifies the CTGC is comprised of three producers from each district appointed by the secretary plus one public member appointed by the secretary from nominees recommended by the CTGC, pursuant to section 65575.1 of the Food and Agricultural Code.
- 2) Requires the CTGC to annually compile and maintain a list of eligible producers and certify the list to the secretary at least 30 days before the date set for a meeting to nominate commissioners to office.
  - a. The list shall constitute a list of producers qualified to vote in the election of the commissioners.
- 3) Allows the CTGC to accept and match contributions of private, local, state, or federal funds and make contributions of commission funds to other persons or local, state, or federal agencies for purposes of promoting, enhancing, and maintaining the California fresh grape industry.
- 4) Increases the cap on the assessment not to exceed 0.02 per pound.
- 5) Allows a person aggrieved by an action of the commission to file a grievance with the commission or a duly authorized committee of the commission designated for that purpose.
  - a. Allow an appeal from a decision of the commission to be made to the secretary of CDFA.

<sup>&</sup>lt;sup>4</sup> Food and Agricultural Code section 65650.5

<sup>&</sup>lt;sup>5</sup> Food and Agricultural Code section 65553

<sup>&</sup>lt;sup>6</sup> Food and Agricultural Code section 65553

- b. Require the commission to act on a grievance within two years from the date of the act of which the person complains.
- 6) States a commissioner shall be an individual producer, or a partner or employee of a producer, who is actively engaged in growing fresh grapes within this state for a period of at least five years and is producing grapes subject to this chapter at the time of the election.
- 7) Makes technical, non-substantive changes.

## ARGUMENTS IN SUPPORT: The author states:

"Since 1967, the California Table Grape Commission has represented the interests of the California Table Grape industry, which today represents more than \$2 billion in economic activity for our State. It is my privilege to work with the Commission to update and modernize its law, in a manner that will allow it to continue its important work well into the future."

The California Table Grape Commission writes as the sponsor of the bill stating the law has only been amended once, in 1982 and needs to be updated to be more consistent with the policies and practices adopted by the legislature since 1982. Additionally, the bill increases the maximum authorized assessment cap, but does not increase the assessment as that will "continue to fall to the grower-elected, Secretary-appointed commissioners." Finally the Commission states that the bill provides an important platform to allow growers to continue their efforts to remain economically viable.

## **ARGUMENTS IN OPPOSITION:**

None received.

# **<u>COMMENTS</u>**:

CTGC was established in 1967. Approved by a grower referendum in 1968, the commission has been affirmed through grower referenda every five years since its inception. The purpose of the commission is to maintain and expand markets for fresh California grapes and to create new and larger intrastate, interstate, and foreign markets.<sup>7</sup> In 2023, the California total grape crop was valued at \$2.3 billion, making table grapes one of the most valued crops in the state and represents 99% of domestically-grown table grapes. In 2024, the CTGC began a

<sup>&</sup>lt;sup>7</sup> https://www.producemarketguide.com/company/400059/california-table-grape-commission

global marketing campaign designed to drive consumer demand in the United States and target markets around the world.<sup>8</sup>

CTGC is primarily funded by assessments collected from table grape producers. The assessments are levied on all fresh grapes shipped and are collected by the shipper. The monies fund various marketing, research, and promotion programs. CTGC has only increased the marketing season assessment one time in 1983 (Chap. 535, Section 1, Statutes of 1983). Currently, the assessment can be no more than \$0.006522 per pound (about 6.5 cents per 100 pounds), computed on net weight when shipped. This bill does not change the current exemption for any shipments of 150 pounds or less from this assessment. The cost to ship has risen since 1983 so the bill is asking for an increase to \$0.02 per pound (about \$2.00 per 100 pounds).

The commission members are chosen through a process involving election by producers and appointment by the secretary of CDFA. Current law states a commissioner shall be an individual producer, or a partner or employee of a producer, who is actively engaged in growing fresh grapes within this state for a period of at least five years and is producing grapes subject to this chapter at the time of the election. Current law states no more than two members shall be persons employed by, or connected in a proprietary capacity with, the same corporation, firm, partnership, association, or business entity, provided that not more than one member in any district shall be so employed or connected. A commissioner shall maintain these qualifications during their term of office in order to remain on the commission.

<u>Commissions under CDFA</u>: The Committee encourages CDFA to look at all commissions' policies and work to ensure that fair and inclusive representation for all producers, irrespective of business size or production volume are represented.

Additionally, the Committee encourages the clarification of key terms in all commission policies—such as 'proprietary capacity,' 'producer,' and 'consultant'— as they apply to the CTGC and similar bodies. Furthermore, the Committee recommends that CDFA implement transparency measures across all commissions' policies. These measures should include, but not be limited to, making the names of commissioners and the entities they represent publicly accessible on commission websites.

The Senate Rules Committee has double referred this bill to the Senate Judiciary Committee as the second committee of referral. Therefore, if this measure is

<sup>&</sup>lt;sup>8</sup> https://theproducenews.com/grapes/california-table-grape-commission-launches-new-global-marketing-campaign

#### AB 482 (Solache)

approved by this committee, the motion should include an action to re-refer the bill to the Senate Committee on Judiciary.

### **PRIOR ACTIONS:**

Assembly Floor:	74 - 1
Assembly Appropriations Committee:	14 - 0
Assembly Agriculture Committee:	7 - 0

### **SUPPORT**:

California Table Grape Commission (Sponsor)

# **OPPOSITION**:

None received

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