Agriculture

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Agriculture; pest control—inspection

Food and Agriculture Code §§ 5341.5 (new).
AB 594 (Jones); 1987 Stat. Ch. 64

Existing law authorizes the Director of Food and Agriculture to maintain plant quarantine inspection stations and to inspect all conveyances by motor vehicles that might contain plants or other things which may be infected or infested with any pest.¹ Under Chapter 64, the operator of a motor vehicle entering the state with a shipment of any agricultural commodity must have the vehicle and shipment inspected, and must obtain a certificate of inspection at a plant quarantine inspection station.² Inspection, however, is not required if the operator would have to travel fifteen miles from the normal route to obtain the required inspection and certification, or if the weather or road closures prevent travel to the nearest inspection station.³

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1. CAL. FOOD & AGRIC. CODE § 5341. See id. § 5344 (failure to stop for or to willfully avoid inspection is a misdemeanor and grounds for the vehicle to be stopped for inspection).
2. Id. § 5341.5(a). Civil penalties of not more than $1000 for each offense may be imposed against the operator and owner of the vehicle for failure to obtain the required certificate of inspection. Id. § 5341.5(b). In determining the severity of the penalty, the court must consider: (1) Any prior violations of the same nature within the preceding 24 months; (2) the commodity being transported; and (3) any evidence including deviation from normal routes, indicating the operator intentionally avoided inspection. Id. Violation of Chapter 64 is a separate criminal offense from violations of existing provisions of this code, and proceedings under this section do not prevent separate proceedings for any other offense. Id. § 5341.5(d).
3. Id. § 5341.5(c) The holder of a valid permit to transport cattle is exempt. Id. § 5341.5(g). The Director of Food and Agriculture may designate exceptions by executive order or, in consideration of the purposes of this division, patterns of local traffic and availability of inspection stations. Id. § 5341.5(f).
Agriculture; Farm Products Trust Fund

Food and Agricultural Code §§ 56702.5, 56704.5 (new); §§ 56411, 56704, 56705, 56706 (amended).
AB 675 (N. Waters); 1987 STAT. Ch. 109

Existing law provides for the payment of farm products\(^1\) by the Farm Products Trust Fund\(^2\) (Trust Fund) if a licensed farm products processor\(^3\) or farm products dealer\(^4\) fails to pay for the products after receipt of the products.\(^5\) Chapter 109 clarifies existing law by providing that claims may only be made by a farm products creditor.\(^6\) Chapter 109 also provides that produce dealers or licensees may file complaints against any licensed processor, or person attempting to act as a licensee, for violating the provisions of the Trust Fund.\(^7\)

\(^{1}\) CAL. FOOD & AGRIC. CODE § 55403 (definition of farm product).
\(^{2}\) See generally id. §§ 56701-56716. The Farm Products Trust Fund (Trust Fund) is applicable only to farm products grown or produced in California. Id. § 56704.
\(^{3}\) See id. § 55407 (definition of licensed farm products processor).
\(^{4}\) See id. § 56107 (definition of farm products dealer).
\(^{5}\) Id. §§ 56701-56716.
\(^{6}\) Id. § 56704.5. Chapter 109 defines a farm products creditor as (1) a person who produces and sells farm products to processors or dealers, or (2) a licensed produce dealer or broker who sells or handles farm products sold to a processor or dealer. Id. § 56702.5.
\(^{7}\) Id. § 56411. Upon receipt of any verified complaint the Director of the Trust Fund may make any and all necessary investigations relative to the complaint. Id. The Director must commence to investigate any verified complaint alleging that a licensee may be insolvent. Id.

Agriculture; non-profit cooperative associations—proprietary interests

Food and Agricultural Code § 54041 (new); §§ 822, 58577 (amended).
AB 1309 (N. Waters); 1987 STAT. Ch. 152
(Effective July 10, 1987)

Under existing law, the Unclaimed Property Act (Act),\(^1\) any tan-
gible or intangible property held by a non-profit agricultural cooperative association will escheat to the state if the owner has apparently abandoned the property for seven years or more after the property became payable or distributable. With the enactment of Chapter 152, the Act does not apply to any proprietary interest in a non-profit agricultural cooperative association. The proprietary interest that would have escheated to the state must now become the property of the association if notice of the transfer is mailed to the affected member’s last address appearing on the association’s records, and if notice is published in a general circulation newspaper in the county where the member was last known to reside.

Under existing law, the Director of General Services, and the Director and Advisory Committee to the Foreign Market Development Export Incentive Program must take necessary precautions to ensure the confidentiality of information submitted by individual marketing organizations. With the enactment of Chapter 152, this

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2. The owner must not have increased or decreased the principal, accepted payment on the principal or income, corresponded in writing concerning the property, or in some other way have indicated an interest in the property during the seven year period. CAL. CIV. PROC. CODE § 1518(a).

3. Id. § 1518. The holder of property to be escheated must make a report to the State Controller. Id. § 1530. After filing all the required reports, the holder must pay or deliver the property to the Controller. Id. § 1532. The Controller must then publish notice of receipt of the property. Id. § 1531. The state must assume custody and responsibility for all escheated property delivered to the Controller. Id. § 1560.

4. Proprietary interest means any membership, membership certificate, membership share, share certificate, or equity or dividend certificate of any class representing a proprietary interest in, and issued by, the association together with all accrued and unpaid earnings, dividends, and patronage distributions. CAL. FOOD & AGRIC. CODE § 54041(d).

5. Id. § 54041(a). An association is a complete legal entity separate and apart from the individual members. California Employment Comm’n v. Butte County Rice Growers Ass’n, 25 Cal. 2d 624, 636, 154 P.2d 892, 898 (1945).

6. CAL. FOOD & AGRIC. CODE § 54041(a), (c)(1). The mailing must be by first-class or certified mail and such notice will constitute actual notice. Id. § 54041(c)(1). An objection to the transfer must not have been received from the member or from the member’s heirs or executor, prior to the transfer of the interest. Id. § 54041(c)(2). Compare id. § 54041 (requirements for proprietary interests to escheat to a non-profit cooperative association) with CAL. CORP. CODE § 12446 (requirements for proprietary interests to escheat to a consumer cooperative corporation). Chapter 152 applies to all proprietary interests which have not been paid or delivered to the Controller by January 1, 1988. CAL. FOOD & AGRIC. CODE § 54041(b).


8. Id. § 58577 (information to be protected includes proposals for project agreements, market development plans, progress reports, documents in support of claims for funding under a project agreement, and other pertinent information).
information becomes exempt from disclosure under the California Public Records Act.9

Agriculture; wildland vegetation management burning

SB 562 (Rogers); 1987 Stat. Ch. 211

Existing law prohibits agricultural burning1 without a valid permit from an agency designated by the State Air Resources Board.2 Existing law further prohibits burning for the improvement of land for wildlife or game habitat without a written statement from the Department of Fish and Game certifying that the burning is desirable and proper for that purpose.3 By broadening the definition of agricultural burning to include open outdoor fires used in wildland vegetation management burning,4 Chapter 211 brings burning for the improvement of wildlife or game habitats under the regulatory structure currently required for agricultural burning.5

1. CAL. HEALTH & SAFETY CODE § 39011 (definition of agricultural burning).
2. See id. § 41852 (necessity of permit). See also id. § 41853 (designation of agencies for issuance of permits). The Air Resources Board may authorize an exemption from the permit requirement for a district, or portion of a district, where agricultural burning does not significantly affect air quality. Id. § 41852.5. See generally CAL. ADMIN. CODE tit. 17, §§ 80100-80330 (1987) (agricultural burning guidelines).
3. CAL. HEALTH & SAFETY CODE § 41861.
4. Wildland vegetation management burning is the planned application of fire to vegetation to achieve specific objectives on selected lands, conducted by a public agency, or through a cooperative agreement or contract involving a public agency, to burn land predominantly covered with chaparral, trees, grass, or standing brush. Id. § 39011. See CAL. ADMIN. CODE tit. 14, § 1561.1 (1981) (definition of chaparral).
5. CAL. HEALTH & SAFETY CODE § 39011.
Agriculture; pest control aircraft—pilot requirements

Food and Agricultural Code §§ 11901, 11910 (amended).
SB 619 (Maddy); 1987 STAT. Ch. 249

Under existing law, a pest control aircraft pilot must possess a valid pest control aircraft pilot’s certificate issued by the Director of Food and Agriculture (Director). Existing law also permits the Director to withhold, revoke, or suspend the certification of a pilot after a hearing is held and the Director determines that the pilot is not qualified to operate a pest control aircraft. With the enactment of Chapter 249, a pest control pilot is also required to possess a valid commercial pilot’s certificate and a current medical certificate issued by the Federal Aviation Administration.

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1. CAL. FOOD & AGRIC. CODE § 11901.
2. Id. § 11910. See also §§ 11903-11905 (qualifications and restrictions for pest control aircraft pilot’s certificate).
3. Id. § 11901 (the Director of Food and Agriculture may withhold, revoke, or suspend a pilot’s pest control certificate if the pilot does not possess a commercial pilot’s medical certificate). See generally Comment, Licensing Pilots of Ultralight Vehicles: Should Those Who Fly the “Light Stuff” Be Required to Have the “Right Stuff”? 15 Pac. L.J. 1013, 1014 (1984) (Federal Aviation Administration has the power and duty to promote flight safety of aircraft, however ultralight operators are not required to have pilot certificates).

Agriculture; animal quarantine—brucellosis

Food and Agricultural Code § 10491 (repealed); §§ 10406.5, 10496 (new); § 10406 (amended).
SB 563 (Rogers); 1987 STAT. Ch. 320 (Effective July 30, 1987)

Existing law provides that owners of animals slaughtered to prevent the spread of bovine brucellosis must be indemnified except in

1. See CAL. FOOD & AGRIC. CODE § 10401 (an animal that tests positive is immediately branded, identified, and slaughtered within 30 days).
2. Id. § 10304 (definition of brucellosis); see also id. § 10303 (definition of bovine animals). See generally 27 Op. Att’y Gen. 384, 385 (1956) (discussing the validity of statutes and regulations with the purpose of eradicating detrimental animal diseases). Brucellosis is an...
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certain circumstances. Under Chapter 320, the Legislature declares that more aggressive measures are necessary to expedite the eradication of brucellosis. Consequently, under Chapter 320, indemnification must not be made to an owner of any bovine animal which has been under an order to hold for more than eighteen consecutive months, or an owner of any officially adult vaccinated bovine animal which has been under an order to hold for more than twenty-two consecutive months. An owner of a herd who is under order to hold, is subject to Chapter 320 eighteen months after the effective date or twenty-two months from the effective date for officially adult vaccinated bovine animals. Furthermore, Chapter 320 establishes an appeal process whereby an owner may appeal for continuation of indemnity payments. In addition, an owner who fails to eradicate brucellosis is responsible for the costs of maintaining required testing schedules after an order to hold is issued.

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infectious disease of cattle, swine, and goats occurring in both sexes. Id. at 386. In cattle, brucellosis is commonly known as “Bang’s Disease,” and causes abortions and other symptoms. Id.

3. CAL. FOOD & AGRIC. CODE § 10406. Indemnified exceptions are for (1) any animal determined to be a reactor; (2) any bovine animal which reacts to a test within 90 days after being brought into a brucellosis control area; (3) any bovine animal brought into a control area in violation of any law or regulation; (4) any reacting bovine animal where the premises has not been cleaned or disinfected; (5) any bovine animal not slaughtered within 30 days after the animal was appraised; (6) any animal which is owned by the United States, the state, or any county or city; (7) any bovine animal which was vaccinated after reaching 12 months of age; and (8) any person who has violated any provision relating to a brucellosis control area or any regulation. Id.; see also id. §§ 10309 (definition of reactor or reacting bovine animal), 10305 (definition of brucellosis control area).


5. CAL. FOOD & AGRIC. CODE § 10406(h), (i). The Legislature has found that the existing program was not completely eradicating the disease thus requiring more aggressive measures. 1987 Cal. Stat. ch. 320, § 1, at ___. The Legislature intends to hold an owner of an infected herd who does not diligently pursue or cooperate in eradication responsible for paying the full costs for all eradication efforts. Id.

6. CAL. FOOD & AGRIC. CODE § 10406(j).

7. Id. § 10406.5. The owner may appeal to the Director in writing, on a prescribed form. Id. The Director may grant a continuation of indemnity payments upon a determination that the herd owner was in full compliance with the laws and regulations. Id.

8. Id. § 10496.
Agriculture; licensing of produce dealers and processors of farm products

Food and Agricultural Code §§ 5523.1, 5523.2, 5523.3, 5523.4, 5523.5, 5523.6, 5527.6, 56136, 56189.5, 56252.1, 56252.2 (new); §§ 55435.5, 5523, 5527.5, 55862.7, 56133.5, 56189, 56573.5 (amended).

SB 922 (Hart); 1987 STAT. Ch. 662

Existing law prohibits any person from acting as a produce dealer or processor of farm products without a license obtained from the Director of Food and Agriculture. In addition, existing law provides that each application for a processor's license requires the inclusion of specified information. Chapter 662 leaves these requirements unchanged, but grants the Director the authority to deny the application for, or the renewal of, a license when the balance sheet or financial statement submitted by the processor with the application shows the processor to be in an unsound financial condition which impairs the ability to pay farm products creditors. Existing law precludes any licensed processor or produce dealer, who has been judged liable for payment of a claim for farm products and has not made settlement, from being licensed for a period of

1. CAL. FOOD & AGRIC. CODE § 56107 (definition of produce dealer).
2. Id. § 55407 (definition of processor).
3. See id. § 55403 (definition of farm product for processors). See also id. § 56109 (definition of farm product for produce dealers).
4. See id. § 55521 (necessity of license for processors). See also id. § 56181 (necessity of license for produce dealers).
5. Id. § 55523. The required information consists of: (1) The full name of the applicant; (2) the full name of each member of the firm or the names of the officers of the exchange, association, or corporation, if the applicant is a firm, exchange, association, or corporation; (3) the principal business address of the applicant; (4) the name of every person who is authorized to receive and accept service of summons for the applicant; and (5) a balance sheet or statement of financial position covering the preceding year. Id. See also id. § 56183 (requirements for application for produce dealer's license). With the enactment of Chapter 662, the Director of the Department of Food and Agriculture (Director) may require any processor to file a balance sheet or financial statement at any time the Director feels the processor is in an unsound financial condition. Id. § 55523.4.
6. See id. § 55523 (requirements for application for processor's license). See also id. § 5523.1 (requirement that balance sheet or financial statement accompany application).
7. See id. § 55523.2. The Director may, in lieu of denying the license, accept an irrevocable guarantee of the obligations of the processor to all farm product creditors. Id. § 55523.3(a). This guarantee will support an action in court by a farm products creditor against the processor. Id. § 55523.3(b). Chapter 662 enacts identical provisions that apply to produce dealers. See id. § 56252.1 (Director's authority to deny produce dealer's license). See also id. § 56252.2 (Director's authority to accept guarantee in lieu of denying application for produce dealer's license).

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four years from the date of the adjudication. \(^8\) Chapter 662 applies the same requirements to any business requiring a processor’s or produce dealer’s license. \(^9\) Chapter 662 also provides that the Director must require the processor or produce dealer to maintain a surety bond in a form and amount satisfactory to the Director if the Director determines that any processor, produce dealer, or applicant for a processor’s or produce dealer’s license has, within the preceding four years: (1) Engaged in conduct that demonstrates a lack of financial responsibility; \(^10\) (2) failed to assure financial responsibility unless a surety bond is posted; or (3) otherwise committed violations that resulted in a license revocation. \(^11\) Existing law provides that any processor or produce dealer who operates without a license is required to pay the Director double the amount of the license fee due. \(^12\) Under Chapter 662, a processor or produce dealer must also pay double the amount of the license fee due for failure to pay application fees according to a schedule. \(^13\) In addition, Chapter 662 provides that any processor or produce dealer who has operated within the past five years without a license or failed to pay application fees must pay to the Director an amount equal to that portion of the fees not paid. \(^14\) Existing law prohibits persons licensed as processors or produce dealers of farm products from employing any agent \(^15\) who: (1) is, or

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8. See id. § 55527.5 (period of ineligibility for processor with forced collection of claims). See also id. § 56189 (period of ineligibility for produce dealer with forced collection of claims).

9. See id. § 55527.5 (requirements for processors). See also id. § 56189 (requirements for produce dealers).

10. This conduct includes, but is not limited to, delinquent accounts payable and judgments of liability, insolvency, or bankruptcy. See id. § 55527.6(a)(1) (conduct applicable to processors). See also id. § 56189.5(a)(1) (conduct applicable to produce dealers).

11. See id. § 55527.5(a) (bond requirement for processors). See also id. § 56189.5(a) (bond requirement for produce dealers). The bond must not be less than $10,000 or 20% of the annual dollar volume of business based on farm product value returned to the grower, whichever is greater. See id. § 55527.6(b) (amount of bond for processors). See also id. § 56189.5(b) (amount of bond for produce dealers). In addition, the Director may require an increase or authorize a reduction in the amount of the bond based on changes in the nature and volume of business conducted, but in no event may the bond be reduced below $10,000. See id. § 55527.6(c) (change in bond of processors). See also id. § 56189.5(c) (change in bond for produce dealers). Failure to provide an increased bond within a reasonable time is grounds for suspension or revocation of the license. See id. § 55527.6(c) (failure of processors). See also id. § 56189.5(c) (failure of produce dealers).

12. See id. § 55862.7 (penalty for processors). See also id. § 56573.5 (penalty for produce dealers).

13. See id. §§ 55862.7(a) (penalty for processors), 56573.5(a) (penalty for produce dealers). See also id. §§ 55861(b) (application fees for processors), 56571(b) (application fees for produce dealers).

14. See id. § 55862.7(b) (penalty for processors). See also id. § 56573.5(b) (penalty for produce dealers).

15. See id. § 55402 (definition of agent for processors). See also id. § 56102 (definition of agent for produce dealers).
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has been, responsibly connected with any licensed processor or produce dealer whose license has been revoked or is currently suspended; (2) has been found to have committed any flagrant or repeated violation of these provisions; or (3) is legally obligated to pay any claim for farm products. 16 Chapter 662 applies this preclusion not only to agents who were responsibly connected to licensed processors or produce dealers, but also to agents responsibly connected to any business requiring these licenses. 17 Chapter 662 also provides that no person, other than a corporate officer licensed and employed as an agent, may control the business of a licensed processor or produce dealer of farm products. 18

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16. Id. § 55435.5(a)(1)-(3).
17. See id. § 55435.5(a) (preclusion for processors). See also id. § 56133.5(a) (preclusion for produce dealers). The Director, however, may approve the employment of an agent if the hiring processor or produce dealer furnishes and maintains a surety bond in the form and amount satisfactory to the Director, but in no event may the bond be less than $10,000. See id. § 55435.5(b) (bond requirement for processors). See also id. § 56133.5(b) (bond requirement for produce dealers).
18. See id. § 55435.5(c) (control of business of licensed processor). See also id. § 56133.5(c) (control of business of licensed produce dealer). Control includes, but is not limited to, possession, either direct or indirect, of the power to direct, or cause the direction of, management and policy. See id. § 55435.5(c) (definition of control of business of licensed processor). See also id. § 56133.5(c) (definition of control of business of licensed produce dealer).

Agriculture; diary product proceeds

Food and Agricultural Code §§ 57401, 57402, 57403, 57405, 57406, 57407, 57408, 57409, 57410, 57411, 57412, 57413, 57414 (new).
AB 1133 (Johnston); 1987 STAT. Ch. 679

Under existing law, any person who sells or furnishes livestock1 to a meatpacker may have a lien on the livestock and identifiable proceeds.2 With the enactment of Chapter 679, any person who provides feed or materials3 to aid in the raising or maintaining of

1. See CAL. FOOD & AGRIC. CODE § 55701(a) (definition of livestock).
2. Id. § 55702.
3. See id. § 57401(c)(1)-(5) (definition of proceeds).

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dairy cattle\textsuperscript{4} has a lien on the proceeds\textsuperscript{5} of the milk or milk products produced from the dairy cattle for the reasonable or agreed charges.\textsuperscript{6} Such a lien is assignable or transferable by the holder of the lien with full rights of enforcement.\textsuperscript{7} In addition, the lien claimant may foreclose on the lien only in an action to recover the reasonable or agreed charges for feed and materials delivered.\textsuperscript{8}

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\textsuperscript{4} See id. § 57401(b) (definition of feed or materials).
\textsuperscript{5} See id. § 57401(o)(1)-(5) (definition of proceeds).
\textsuperscript{6} Id. § 57402. Charges include the costs of enforcing the lien. Id. Charges secured by the lien cannot exceed an amount equal to the reasonable or agreed charges for feed or material provided within a 45-day period. Id. A lien created by Chapter 679 is subject to division 9 of the California Commercial Code. Id. § 57407. The lien created by Chapter 679 has the same priority as a security interest perfected by the filing of a financing statement as of the date the notice of claim of lien was filed. Id. § 57406(b). See id. § 57401(e) (definition of reasonable or agreed charges).
\textsuperscript{7} Id. § 57411. A lienholder's statement of assignment or transfer is filed with the Secretary of State in the same manner as a secured party's statement of assignment or transfer. Id. See CAL. COM. CODE § 9406 (manner of filing statement).
\textsuperscript{8} CAL. FOOD & AGRIC. CODE § 57413. The final judgment must be enforced pursuant to Title 9 of the Code of Civil Procedure. Id.

\section*{Agriculture; licensing of agents of pesticide dealers}

Food and Agricultural Code §§ 3000, 11895, 12251, 12252, 12253, 12254, 12255, 12256, 12258, 13000 (new).

SB 366 (Maddy); 1987 STAT. Ch. 791

Existing law requires the licensing of pesticide dealers.\textsuperscript{1} Chapter 791 requires the licensing of any person who acts as a designated agent\textsuperscript{2} of a licensed pesticide dealer.\textsuperscript{3} Further, Chapter 791 establishes a licensing procedure and provides for the refusal, revocation, and suspension of a pesticide dealer designated agent license.\textsuperscript{4} Chapter

\textsuperscript{1} CAL. FOOD & AGRIC. CODE § 12101. Id. § 11407 (definition of pesticide dealer).
\textsuperscript{2} CAL. CIV. CODE § 2295 (agent defined).
\textsuperscript{3} CAL. FOOD & AGRIC. CODE § 12251.
\textsuperscript{4} Id. §§ 12252, 12254, 12257. An applicant for licensing under Chapter 791 must submit the specified application, a $15 fee, and pass an examination. Id. §§ 12252(a), 12253. Licenses may be renewed annually upon application in the prescribed manner and upon payment of a $15 fee. Id. § 12252(c). A license expires on December 31 of the year for which it is issued. Id. § 12252(b). The director may revoke or suspend a pesticide dealer designated agent license for violations after conducting a hearing. Id. § 12257.
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791 makes it unlawful for a licensee to: (1) Fail to notify the Director of Food and Agriculture (director) of a change of address; (2) violate rules or regulations governing pest control operations and pesticide dealers; (3) make false or fraudulent statements or misrepresent or omit material facts in an application; (4) make false or misleading statements in the reporting or recording of pesticide transactions.⁵ Under Chapter 791, an action by the director, the commissioner,⁶ the Attorney General, the district attorney, the city prosecutor, or the city attorney for a pest control violation must be commenced within two years of the occurrence of the violation.⁷ If an investigation is completed and submitted to the director, an action must be commenced within one year of the submission.⁸

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⁵ Id. § 12258. See id. §§ 11791-11792 (violations). See generally id. §§ 11401-12054 (rules governing pest control operations); 12102-12205 (general provisions governing pesticide dealers).
⁶ Id. § 11731 (definition of commissioner).
⁷ Id. § 13000. See also note 5 supra and accompanying text.
⁸ Id. § 13000.

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