California Agricultural Commissioners and Sealers Association

Issue Fact Sheet

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California Agricultural Commissioners and Sealers Association (CACASA)

BACKGROUND

CACASA is the official representative body on behalf of the California County Agricultural Commissioners and Sealers of Weights & Measures who are entrusted to promote and protect California's impressive and highly valuable agricultural production and ensure a fair marketplace.

CALIFORNIA FARM FACTS

Based on the CDFA California Agricultural Statistics Review 2021-2022 report, unless otherwise denoted.

- California is ranked # 1 in the U.S. in cash receipts at $51.1 billion.
- California represents 11.8% of total U.S. agricultural cash receipts (USDA-NASS).
- California agricultural exports totaled $22.5 billion in 2021.
- Approximately 69,000 farms and ranches, with 24.2 million acres of farmland in production, were operated in California in 2021.
- Dairy products remained California's leading commodity and accounted for 18.1% of U.S. milk production in 2020; generating $7.6 billion in cash receipts.
- California ranked number one in the U.S. in the production of fluid milk, butter, mozzarella, and Hispanic cheeses.
- California's grape production generated $5.2 billion in cash receipts in 2021.
- California produces about 80% of the global supply of almonds (California Almond Board) and is the only place in the U.S. that grows almonds for commercial purposes.
- 45% of U.S. harvested vegetable acres and two-thirds of U.S. fruits and nuts are grown in California.
- More than 400 commodities are grown in California. Many crops are produced solely (99%) in California (almonds, artichokes, dates, figs, garlic, raisins, kiwifruit, honeydew melons, olives, clingstone peaches, pistachios, sweet rice, ladino clover seed, walnuts).
- California livestock including cattle & calves, dairy products, milk, poultry & eggs, sheep & lambs accounted for $12.8 billion in cash receipts in 2021.

CACASA'S ROLE

Representing all of California's 58 counties, County Agricultural Commissioners and Sealers of Weights and Measures have the roles of promoting and protecting the state's food supply, agricultural trade, the environment, public health and safety, consumer confidence and a fair marketplace in California. Unique to California, County Commissioners and Sealers are appointed by their respective Boards of Supervisors and work cooperatively with California Department of Food and Agriculture and Department of Pesticide Regulation, federal and other state

agencies, and stakeholders to implement regulatory programs at the local level for applicable laws, regulations, and ordinances.

Supporting state and federal efforts, Agricultural Commissioners certify agricultural shipments for export, prevent the introduction, spread and establishment of invasive agricultural pests, and protect human health and the environment from impacts of improper pesticide use. Sealers provide a “level playing field” for businesses and ensure that consumers are protected in the marketplace in the purchase of commodities being weighed, measured, or counted.

Our dedicated members maintain an excellent awareness and understanding of the local conditions, establish effective collaboration with stakeholders, and work to maintain a balance between public good and commerce to protect our abundant food supply, promote a sustainable environment, and ensure a fair and equitable marketplace.

Farm Bill: Plant Protection Act (7 U.S.C. 7721)

ISSUE

The Agricultural Act of 2014 (2014 Farm Bill, P.L.113-79) extends important provisions from the 2008 Food, Conservation and Energy Act (P.L. 110-146) that amends the Plant Protection Act (7 U.S.C. 7721) to continue an ongoing initiative that supports the U.S.' comprehensive network of local, state and federal stakeholders combating pests and diseases that are harmful to the agriculture industry. This program is administered by the U.S. Department of Agriculture's Animal Plant Health Inspection Service (APHIS).

Specifically, the Plant Protection Act mandates the Secretary of Agriculture to enter into cooperative agreements with each state department of agriculture and/or political subdivision of the state to carry out biological early plant pest detection and surveillance activities that prevent the introduction or spread of plant pests harmful to agriculture and the environment.

The Plant Protection Act is clear about the targeted use of authorized funding. The law includes special funding considerations that ensure the Secretary of Agriculture provides sufficient funds to a state department of agriculture in a state the Secretary determines has a high risk of being affected by 1 or more plant pests or diseases. The law requires the Secretary's determination be guided by the following important priorities:

- The number of international ports of entry in the state;
- The volume of international passenger and cargo entry into the state;
- The geographic location of the state and if the location or types of agricultural commodities produced in the state are conducive to agricultural pests and diseases;
- Crop diversity or natural resources (including unique plant species) of the state; and
- Whether the Secretary has determined that an agricultural pest or disease in the state is a federal concern.

Further, the funding may also be used for:

- Threat Identification and Mitigation Programs,
- Specialty Crop Certification and Risk Management Systems, and
- National Clean Plant Network.

Congress authorized a total $750 million in the 10-year budget baseline for these programs. Upon receiving an apportionment each year from the Office of Management and Budget (OMB), USDA is required to make funds available from the Commodity Credit Corporation in the amount of $75 million beginning in FY 2018 and each fiscal year thereafter.

Not less than $5 million of the total funding is provided annually to the National Clean Plant Network. The program organizes clean plant centers throughout the U.S. that focus on diagnostic and pathogen elimination services to produce clean propagative plant materials and maintains blocks of pathogen-tested plant materials.

On average since FY 2014 USDA-APHIS receives over 650 requests for funding of projects developed by universities, states, federal agencies, nongovernmental organizations, nonprofits and Tribal organizations. The projects must address six strategic goal areas including:

- Enhancing plant pest/disease analysis and survey,
- Targeting domestic inspection activities at vulnerable points in the safeguarding continuum,

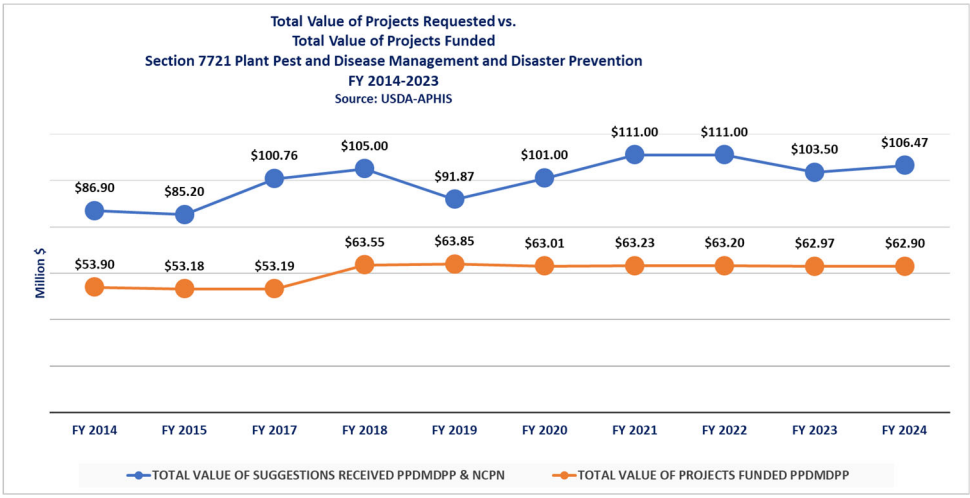
- Enhancing and strengthening pest identification and technology,
- Safeguarding nursery production,
- Conducting targeted outreach and education, and
- Enhancing mitigation and rapid response capabilities.

On average 399 projects receive funding.

Congress recognizes the biological challenges presented to the agriculture industry by pests and the harmful diseases they convey. Accordingly, Congress appropriately addressed the issue with targeted funding toward identified high-risk pest pathways. The statute is clear about funding priorities. The funds are to be used for early plant pest detection and surveillance activities that will likely:

- Prevent the introduction and establishment of plant pests; and
- Provide a comprehensive approach to compliment federal detection efforts.

We expect that Congress will continue to support the continuation of biological programs such as those contained in the Plant Protection Act (7 U.S.C. 7721) that combat pests and diseases. Policies developing programs such as pest and disease management benefit all of agriculture, the environment and security of the public. With consistent mandatory program funding, systems can be enhanced to prevent the initial introduction of invasive species, and when a pest or disease is detected early, respective plant health officials throughout the U.S. can respond rapidly to eradicate the outbreak before it has a chance to become established or spread to other areas. The outcome is significant cost savings, as it avoids the costs of a long-term management program that can include quarantine regulatory programs on effected industries. It also affords U.S. producers a global competitive advantage by facilitating trade and maintaining access to international markets for U.S. plants and plant products.



The lesson states have learned from implementing biological programs created in the Farm Bill to combat pests and diseases is there is great need to use consistent federal funding to support biological efforts not just to discover new pests and diseases that impact agriculture, but to: 1) Mitigate pests offshore and eliminate pathways of introduction; 2) Prepare for the potential introduction of certain pests; and 3) Rapidly and effectively respond to introductions when they occur.

STATUS

Since FY 2014, the total amount of funding requests from PPA Section 7721 has surpassed $100 million in seven fiscal years.

ACTION ITEMS

1. USDA should continue to implement the program in the targeted manner prescribed in the Special Funding Considerations of the statute (7 U.S.C. 7721).
2. We urge Congress to increase program funding from $75 million annually to $100 million annually in the 2024 Farm Bill.

Farm Bill: National Agriculture Detector Dog Team Program

ISSUE

The U.S. Department of Agriculture's Animal Plant Health Inspection Service (APHIS) Plant Protection and Quarantine Program (PPQ) began a program in Los Angeles, California in 1984 that trains specially selected dogs and their human handlers to perform inspections of passenger baggage, cargo and parcels that might contain prohibited agricultural items like fruits, vegetables and meats that could carry foreign plant pests or animal diseases into the U.S. Such foreign plant pests and animal diseases could cause serious harm to U.S. food crops, forests, farms, and the environment.

APHIS-PPQ trains dog teams for the U.S. Customs and Border Protection (CBP) inspections under the Agricultural Quarantine Inspection (AQI) program to conduct international inspections at our nation's points of entry. Section 2509(a) of the Food, Agriculture, Conservation, and Trade (FACT) Act of 1990 authorizes APHIS to set and collect user fees sufficient to cover the cost of providing and administering AQI services at ports of entry in connection with the arrival of commercial vessels, trucks, railcars, and aircraft, and international passengers.

Trained dogs and their handlers also work for State departments of agriculture (California, Florida, Hawaii, North Carolina, & territory of Guam), county agricultural commissioners and foreign agriculture ministries to conduct domestic inspections in warehouses, mail and package facilities to identify plant and agricultural materials inside packages, as well as other pest detection efforts. Funding for these programs is provided through the Plant Protection Act (7 USC 7721) authorized in the 2014 Farm Bill and annual discretionary funding APHIS receives from Congress.

Detector dogs and their human handlers are trained by APHIS at the National Detector Dog Training Center (NDDTC) in Newnan, Georgia. The types of training Detector Dogs undergo include training to detect:

- brown tree snakes to protect Guam and Hawaii,
- nutria in the Chesapeake Bay, Louisiana and California,
- Asian Swine Fever in Puerto Rico,
- Asian Citrus Psyllid in Florida and California,
- Spotted Lantern Fly in Pennsylvania

Domestic agricultural inspections have been carried out in California since the inception of the Agriculture Detector Dog Team Program. In California studies indicate that new potentially damaging invasive species become established approximately every 60 days. UC-Riverside's Center for Invasive Species Research estimates the **economic losses from invasive pests introduced to California are $3 billion per year**. By intercepting invasive pests before they can become established, **dog teams are enhancing our ability to protect California's $51 billion agriculture industry and the environment.**

STATUS

The CBP agriculture canine program maintains 157 teams, providing screening at land border crossings, preclearance locations, air passenger terminals, cruise terminals, cargo warehouses, and mail facilities that process international passengers and commodities. CBP needs to expand the agriculture canine program to 300 agricultural canine teams across the U.S.

Currently California has 13 active dog teams located in 9 counties. The teams work regionally with access to more than 200 facilities in 32 of California's 58 counties The teams are distributed based on potential impacts of pest introduction, density of parcel facilities, and cultural diversity.

From July 1, 2022 to June 30, 2023, California Dog Teams alerted on 53,866 parcels containing agricultural products and intercepted 863 detrimental agricultural pests. Additionally, there has been increase in pest finds in unmarked packages. Dog Teams intercepted 254 unmarked packages at Fed-Ex, 193 at USPS and 47 packages at other parcel facilities containing actionable pests. To demonstrate the significance of a single interception, the introduction of a breeding population of fruit flies will cost California between $1.3 million and $2 million in eradication and quarantine enforcement costs. Over the past 5 years, 29 parcels were found with multiple life stages of harmful fruit flies. If these parcels had made it to destination, it may have resulted in $37.7 million or more in quarantine and eradication costs.

A 2024 study commissioned by CACASA shows the optimum number of detector dog teams that should be operating in the nation's largest agricultural state should be a minimum 21 teams. CACASA supports and is committed to funding additional dog teams.

CBP and state's detector dog team programs are challenged due to attrition, ongoing retirements of dogs and logistics of one Center providing the training for the nation. The Newnan, GA facility should continue as the national HQ, but there needs to be more training facilities closer to the proximity where the dog teams and their handlers will ultimately be deployed.

In the joint explanatory statement accompanying Division A of the Consolidated Appropriations bill for FY 2023 The House and Senate Appropriations Committees directed USDA to submit a report to the Committees within 1 year of enactment regarding the NDDTC's role in protecting the domestic agriculture sector from pests and diseases. The report shall include a description of domestic pest and disease programs that use canine detector teams, coordination between APHIS and U.S. Customs and Border Protection on use of canine teams for agricultural quarantine inspections, and the Center's current capacity level.

ACTION ITEMS

1. Continuous and adequate funding is necessary to keep this biological program functioning at a minimal level of 21 teams. At this level California's Detector Dog Team Program requires a minimum $7.5 million annually in base funding and for certification, training and additional programs.
2. Considering the growing use of canine teams nationally and within territories of the U.S., we urge Congress to authorize a domestic National Agricultural Detector Dog Team Inspection Program in the Farm Bill with sufficient mandatory annual funding focusing on interior U.S. pest pathways.

Farm Bill: Codify State Pesticide Preemption

ISSUE

The Environmental Protection Agency (EPA) is the federal agency responsible for implementing the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). All pesticides distributed or sold in the U.S. must be registered for use by the EPA. Applicants who wish to use pesticides must show, among other things, that a pesticide will not cause unreasonable adverse effects on the environment.

One of the EPA's key responsibilities under FIFRA is to ensure uniformity of pesticide sale and use in each state. Enforcement of pesticide labeling and packaging requirements is one way that the EPA accomplishes this responsibility. The label on federally registered pesticides is federal law and all states are required to follow the label. The EPA has primary authority for labeling and packaging pesticides. However, states retain some regulatory authority for labeling and packaging, so long as the state regulation does not conflict with federal law.

FIFRA codifies state oversight of pesticides at the state level, commonly referred to as "state-level pesticide preemption". Following a 2003 U.S. Supreme Court decision, states are now able to enact labeling and packaging standards that are "equivalent to," or "consistent with," federal standards. States are also permitted, under FIFRA § 136v, to regulate the sale or use of any federally registered pesticide if it is not federally prohibited. If a state would like to apply a federally registered pesticide for a new or additional use, then it may do so through a Special Local Needs Permit.

Ensuring that pesticides are properly regulated is imperative to protecting human health, safety, and the environment. States, including California Department of Pesticide Regulation (DPR) and the U.S. Environmental Protection Agency (EPA) maintain cooperative agreements to uniformly administer FIFRA laws and support the development of scientifically based pesticide labels. Localities simply do not have the resources — such as teams of scientific experts — that are available and best suited to oversee the sale, use, application, and distribution of pesticides. Moreover, patchworks of local pesticide laws would be difficult-to-impossible for regulators to enforce and ensure compliance.

The 32nd consecutive release of the 2022 U.S. Department of Agriculture's (USDA) Agricultural Marketing Service (AMS) annual Pesticide Data Report showcases the ongoing, nationwide success of states pesticide regulatory programs. The report found 99 percent of samples tested across the U.S. had pesticide residues under maximum limits established by EPA. Thus, states with pesticide preemption are implementing successful, uniform regulations and enforcement activities for proper pesticide use — something Congress should codify.

STATUS

Currently 43 U.S. states, including California through the county agriculture commissioners and sealers offices, employ state-level oversight of the sale and use of pesticides. The State Lead Agency regulating pesticides in California is the Department of Pesticide Regulations (DPR). DPR and their teams of scientists work effectively as coregulators with the U.S. Environmental Protection Agency (EPA) to implement FIFRA. In 2023 county agriculture commissioners, with a total 499 inspectors throughout California, carried out a total of 29,355 inspections. No other state in the U.S. comes near to matching this level of inspections.

ACTION ITEM

We urge Congress to codify state level pesticide preemption in the new Farm Bill.

California Agricultural Commissioners and Sealers Association

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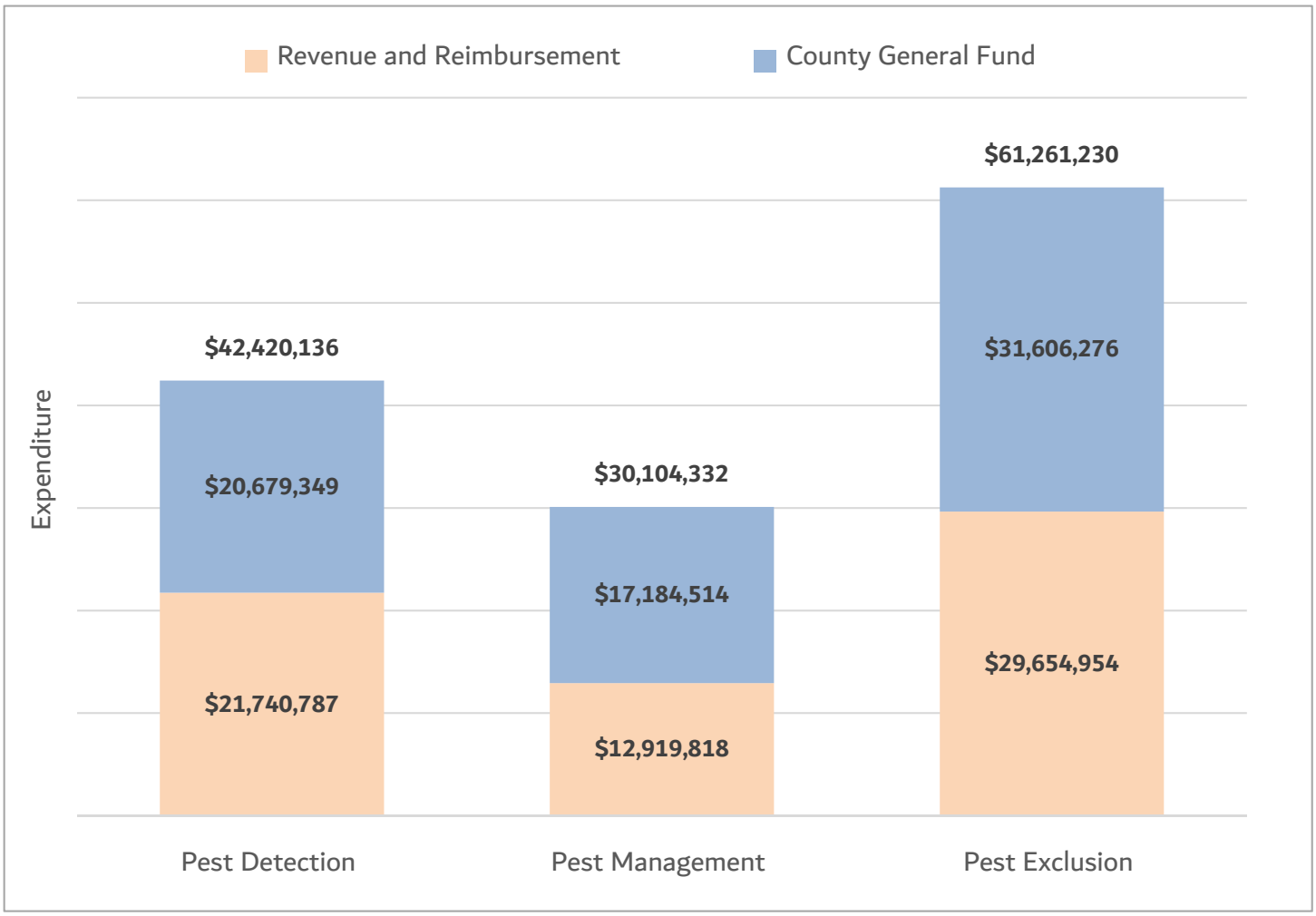
California County Contributions to Pest and Disease Programs

Approximately $134,000,000 was expended by California counties implementing comprehensive programs for pest detection, pest management and pest exclusion in FY 2022-23. County general funds accounted for over 50% of the funding, an amount over $69,000,000. Revenues and reimbursements include funding from State and Federal contracts and charges for services to local industry.

FY 2022-2023 Pest Management Program Funding

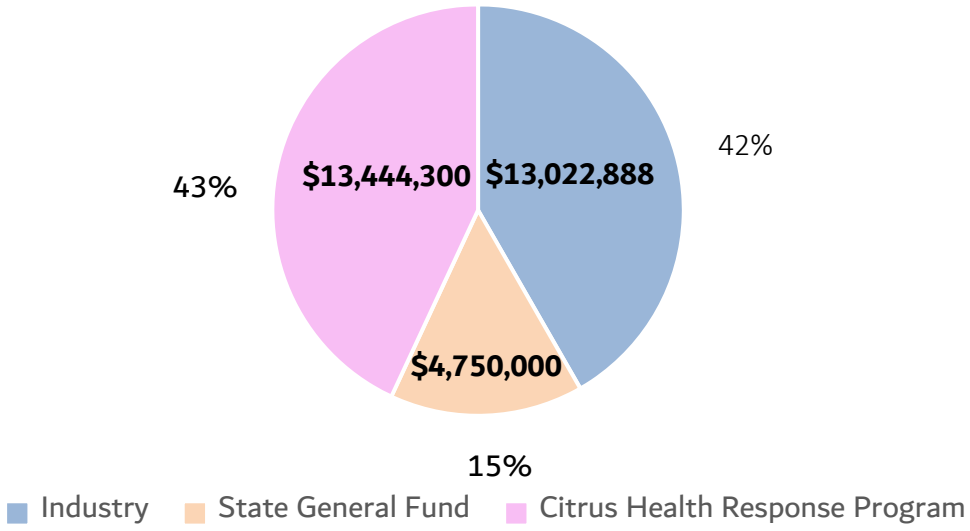


Partnering For Success

ASIAN CITRUS PSYLLID (ACP)

The Asian Citrus Psyllid is a vector for the bacterium associated with the fatal citrus disease Huanglongbing (HLB). In 2022/2023, the citrus industry assessed itself $13,022,888 at a rate of $0.07 per 40-pound standard field box. This assessment is in addition to costs to the industry for meeting terms of compliance agreements. For citrus packed on or after October 1, 2023, the assessment rate increased to $0.09 per carton.

FY 2022-2023 Funding Sources for Asian Citrus Psyllid



PIERCE'S DISEASE CONTROL PROGRAM

The Glassy-winged Sharpshooter (GWSS) is a vector for the bacterium *Xylella fastidiosa* that causes plant diseases including Pierce's disease (PD). Over the past 22 years the wine grape industry has assessed themselves over $82,000,000 for research and control of PD. In FY 2022-23, total PD/GWSS Board Winegrape Assessment revenue was $4,556,775.

California Agricultural Commissioners and Sealers Association

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California County Contributions to Pesticide Use Enforcement Program

The California Food and Agricultural Code charges the Director of the Department of Pesticide Regulation (DPR) and County Agricultural Commissioners with joint responsibility to regulate all pesticide use in California. The mission of this comprehensive program is to govern a whole systems approach to pesticide use, thus protecting workers, the public, and the environment while defending the public from harmful and destructive pests. By ensuring agricultural producers safely and effectively protect their crops, farmers and ranchers are able to provide sustainable food to families across California and beyond. Although authority over pesticide use enforcement lies with the Director, DPR has traditionally provided an oversight and guidance role, while the statewide, county agricultural commissioner system has implemented local, on-the-ground licensed inspector/biologists to administer pesticide use enforcement programs in each county. This collaborative partnership has worked well for the past 32 years of DPR's existence, past 142 years of agricultural (horticultural) commissioners' existence, and 102 years since the passage of California's Economic Poison Act of 1921.

HIGHLIGHTS

Today, with the help of county agricultural commissioners, California's pesticide use enforcement program is the most active, comprehensive, and state-of-the-art system in the United States, if not the entire world. Several highlights of the county agricultural commissioners' role in management and enforcement work include:

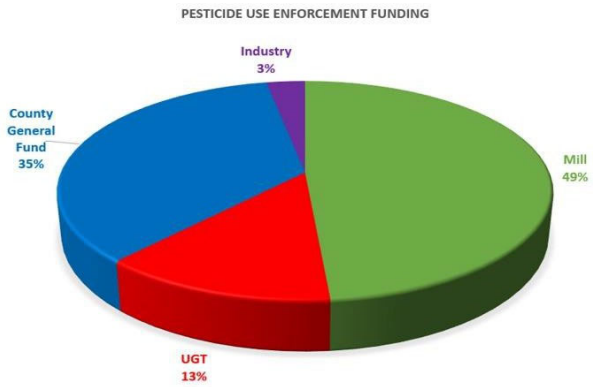
- Proposed pesticide use: All commercial structural and agricultural pesticide use requires an application, review, and mitigation considerations before being allowed to proceed to permit issuance. This includes, but is not limited to, licensed inspector/biologist staff reviewing potential CEQA-equivalent environmental impacts, human impacts, and locally specific concerns.
- Proposed application to apply: After pesticide permit issuance, and above and beyond federal regulations, the California Restricted Materials program identifies and regulates pesticide uses posing significant potential to affect human health, safety, or the environment. This program requires a minimum 24-hour notice of intent prior to application, handler training and/or certification, as well as customizable material and site- specific use conditions to mitigate specific local hazards. These measures help ensure compliance via proactive, pre-application site inspections and unannounced pesticide use monitoring inspections.
- 100% pesticide use reporting: California is the only state in the Nation with regulations requiring all commercial pesticide use be reported monthly to a respective county agricultural commissioner. This includes applications of all pesticides used for structural, landscape, right-of-way, and agricultural pest control.

  Application oversite: Approximately 493* licensed inspector/biologists reflect a strong, statewide presence in the field and conducting enforcement inspections for pre-application site conditions, pesticide applications, worker safety, employee training, and recordkeeping; all the while, prioritizing possible pesticide issues by investigating pesticide related complaints and responding to pesticide related injury and illness notifications. As a direct result, licensed county staff perform 31,524* field enforcement inspections per year on average.

- Innovative pollinator protection mapping and registration: Facilitated by county staff, the BeeWhere Program connects beekeepers and pesticide applicators to integrate best practices by tracking and safeguarding hive locations across California.
- Enhancing safety at schools: An online notification system allows California's agricultural producers the ability to provide annual notification to 18,300A public K-12 schools, 10,500B licensed daycare facilities, and alerts county agricultural commissioners of any proposed pesticide use within a quarter mile of these schools and facilities while in session

FUNDING*

On average, $67,797,000 is expended annually by the county agricultural commissioner system to implement a comprehensive pesticide use enforcement program. County general funds account for over $23,836,000, or 48%, of funding. Revenues and reimbursements include funding from the State's pesticide mill assessment and unclaimed gasoline tax.



BY THE NUMBERS

Primarily field based and built on a foundation of regular, unannounced enforcement inspections, on average between 2019-2022, the county agricultural commissioner system's pesticide use enforcement program encompassed:

- 55 County Agricultural Commissioners appointed to oversee California's 58 counties.
- 110 Deputy and Assistant Agricultural Commissioners supervising and managing outreach and enforcement.
- 493 licensed Inspector/Biologists enforcing regulations statewide through permitting, Notice of Intent review and mitigation, outreach, and field inspections.
- 100 administrative office staff supporting pesticide use enforcement program activities.
- 25,198 agricultural Restricted Materials Permits issued and 1,298 non-agricultural Restricted Materials Permits issued.
- 12,714 Operator Identification Numbers (non-restricted permits) issued.
- 31,524 inspections completed, comprised of:
    - 9,400 Pre-Application Site Inspections
    - 950 Fieldworker Safety Inspections
    - 7,859 Pesticide Use Monitoring Inspections
    - 8,582 Structural Inspections
    - 2,495 Pest Control Records Inspections
    - 1,955 Pest Control Operators/Pest Control Business Headquarters Inspections
- 98.57% statewide compliance rate for all inspection types.
- 2.0 million bee colonies registered**, and 30,538 bee checks** completed to protect pollinators.

Further strengthening open communication and collaboration within the pesticide use enforcement program, CACASA and DPR signed a Memorandum of Understanding with the U.S. Environmental Protection Agency, Region IX, to encourage and promote unified and coordinated pesticide episode reporting, investigation, and enforcement action in the State of California. This agreement synchronizes federal, state, and local activities related to the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA).

*Funding and enforcement statistics are the average of calendar year 2019-2022 numbers
**Calendar year 2022 totals A: www.cde.ca.gov/ B: rrnetwork.org/research/child-care-data-tool#!0

Cooperative State Partnership in California Using Technological Efficiencies to Issue Pesticide Permits, Report Pesticide Use, Track Enforcement Activities, Notify Schools about Pesticide Use and Register Beehive Locations

BACKGROUND

In 1990, California became the first state to require full reporting of agricultural pesticide use in response to demands for more realistic and comprehensive pesticide use data. Under the program, all agricultural pesticide use (date of application, type and quantity of product used, location of application, commodity treated and the property operator) must be reported monthly to County Agricultural Commissioners, who, in turn, report the data to the California Department of Pesticide Regulation (CDPR).

CDPR and counties worked together to develop and maintain databases for product labels and pesticide use reporting, programming, training, hardware and software support, coding and data entry tasks, reporting and publishing, and special database queries. Over time, even though standards were developed to ensure uniformity of data format, data management was challenging because counties used several unique and custom methods to issue permits and compile and manage the data.

STATUS

Through continuing cooperative efforts, the California Agricultural Commissioners and Sealers Association (CACASA) and CDPR sponsored CalAgPermits, a statewide permitting and pesticide use reporting information management system. The web-based system was deployed in all California counties in 2011.

CalAgPermits is used by officials in all offices of County Agricultural Commissioners to create and modify permits and operator identifications, maintain licensed pest control business contact information, and perform data analysis and queries on permit and pesticide use data. The system includes features for businesses and individuals who apply pesticides in California to complete and submit required Pesticide Use Reports, including Notices of Intent to apply restricted materials. Notices of Intent and Pesticide Use Reports can be submitted using online forms or can be transmitted electronically using a variety of commercial software products which have been interfaced with CalAgPermits.

In January 2015, CACASA and CDPR launched development of the California Pesticide Enforcement Activities Tracking System (CalPEATS) Program and began deployment in 2016. Because of the various incompatible systems utilized by the counties and CDPR to track enforcement activities, a single system was needed to track pesticide inspections, incidents, violations and any resulting enforcement response. CalPEATS is a standardized, modern, and coordinated information technology platform that integrates all county and CDPR pesticide enforcement records and activities throughout California and makes them readily available for assessment. Providing CDPR and county staff access to the same system will increase productivity, enhance the speed and accuracy of communications, and eliminate significant volumes of redundant data entry.

Effective January 1, 2018, CDPR adopted new regulations to further protect children from pesticide exposure by regulating the use of agricultural pesticides near schools and licensed day-care facilities. The regulation is designed to encourage greater communication between growers and these entities. Building upon recent successful

programs, CDPR and CACASA are continuing effective collaboration utilizing CalAgPermits as a foundation for CalSchoolNotify.org. This new system effectively allows for regulatory compliance using modern technology.

Beginning in the spring of 2019, the GIS technology platform within CalAgPermits was expanded to create BeeWhere, an online platform for beekeepers to register and track their beehive locations electronically. This new program allows pesticide applicators access to information on beehive locations allowing for safer applications of pesticides near bees. The BeeWhere project has been a collaborative effort between industry, CDPR, and CACASA.

USDA Animal Plant Health Inspection Service (APHIS) Specialty Crops Pest Annual Appropriation

ISSUE

The global COVID pandemic produced a greater understanding and appreciation for the resilience, stability and security of our food supply. There are only a handful of federal government agencies with responsibilities to protect the public, property and industries from the harmful effects of biological pests and diseases. The U.S. Department of Agriculture's Animal Plant Health Inspection Service (APHIS) is one of those critical agencies administering programs and working with a network of local and state stakeholders that deliver a public benefit of ensuring an abundant, affordable and safe food and fiber supply for the U.S. and the world. Moreover, APHIS facilitates U.S. agricultural trade by assessing plant and animal health risks and working to eliminate trade barriers by ensuring trade decisions involving biological pests are made based on science.

APHIS' annual budget is heavily reliant on discretionary appropriations determined by Congress each year. For FY 2023, Congress appropriated a total $1.16 billion to APHIS. About 63% of the total APHIS budget is from annual discretionary appropriations. The remaining 37% is mandatory spending for farm bill pest and disease management programs and Agricultural Quarantine Inspection (AQI) Fees.

In a typical year APHIS would collect a total $845 million in AQI user fees. Of this total APHIS would transfer $582 million to Custom and Border Protection (CBP) to conduct agricultural inspections at national points of entry into the U.S. The public health & security mission of APHIS warrants that their budget contains both mandatory and discretionary accounts, providing continuity for maintenance & operations and flexibility during pest & disease outbreaks.

For FY 2024, the total APHIS budget for plant health is $408 million, $9 million over FY 2023. 54.4% of the plant health budget, $222 million is specifically targeted to Specialty Crop Pests. According to USDA Economic Research Service in 2021 U.S. cash receipts for vegetables, melons, fruits, nuts and other crops was $85.8 billion. California produces over one-third of the U.S.' vegetables and three-quarters of the country's fruits and nuts with combined cash receipts of $35.6 billion, or 41.4% of the total cash receipts of U.S specialty crops.

STATUS

Below are the total levels of fiscal year appropriations by Congress to Specialty Crop Pest programs:

Fiscal Year	Enacted Level $ (000)
2014	$151,500
2015	$156,000
2016	$158,000
2017	$172,000
2018	$178,200
2019	$186,013
2020	$192,013
2021	$196,553
2022	$209,553

2023	$216,117
2024	$216,117
2025 Pres Budget	$218,927

The biological programs administered by APHIS using these annual appropriated funds for Specialty Crop Pests include but are not limited to:

- Fruit Fly Exclusion and Detection,
- Citrus Health,
- Glassy-winged Sharpshooter – the vector of Pierce's disease in grapevines,
- Phytophthora ramorum (Sudden Oak Death),
- Pale cyst nematode,
- Critical Invasive Pest Response,
- Plum pox virus,
- Golden nematode,
- European grapevine moth,
- Spotted Lantern Fly,
- Navel Orangeworm,
- Wood pests and
- Huanglongbing Multi Agency Coordination.

Adequate and consistent program funding for federal biological programs is vital. Systems can be enhanced to prevent the initial introduction of invasive species, and when a pest or disease is detected early, respective plant health officials throughout the U.S. can respond rapidly to eradicate the outbreak before it has a chance to become established or spread to other areas. The outcome is significant cost savings, as it avoids the high costs of a long-term management program and helps maintain access to international markets for U.S. plants and plant products and reduces the costs of quarantine regulatory programs on affected industries.

ACTION ITEMS

1. The extraordinary summer 2023 outbreak of multiple species of fruit flies showcases why the U.S. should continue adequate funding of biological programs to protect U.S. agriculture. We urge Congress to continue to support adequate & consistent annual funding for APHIS biological pest & disease management programs such as those that support the U.S specialty crop industry. Drastic cuts to biological programs increase the proliferation of pests that are vectors of plant diseases that increase risks of crop losses.
2. We urge Congress to support adequate funding for biological infrastructure such as laboratories and Sterile Insect Release Facilities that provide much needed scientific support to the U.S. specialty crop industry.
3. Regarding specific programs of concern,
    - CACASA urges continuation of post-eradication surveys for European Grapevine Moth.
    - The Spotted Lanternfly has not been found in California. But, during inspections dead SLF have been intercepted in airplanes from the eastern U.S. at the following airports: Ontario, Fresno, Sacramento, Santa Ana. Long Beach and Stockton.
    - Stagnant funding since FY 2010 for the Glassy-winged sharpshooter (GWSS) program only allows for some treatments in 4 areawide counties (Kern, Tulare, Fresno, Madera), but those treatments must be prioritized because there isn't enough funding to cover all of the trap detections. The program priorities include:
        - treating citrus (to reduce the incidence of introducing Pierce's disease to grapes),
        - GWSS trap finds near grapes,
        - GWSS trap finds outside of current infested area boundaries,
        - overall GWSS trap finds by large numbers.

      The GWWS program avoids treating organic citrus because the treatment is not highly effective and very expensive.

Agricultural Quarantine Inspection (AQI) User Fees

ISSUE

Section 2509(a) of the Food, Agriculture, Conservation, and Trade (FACT) Act of 1990 authorizes Animal Plant Health Inspection Service (APHIS) to set and collect user fees sufficient to cover the cost of providing and administering Agricultural Quarantine Inspection (AQI) services at ports of entry in connection with the arrival of commercial vessels, trucks, railcars, and aircraft, and international passengers. In addition to receiving adjusted fees and mandatory pest & disease management funds, APHIS receives annual discretionary funding from Congress.

With their portion of retained funding, APHIS supports international trade by assessing the plant and animal health risks associated with such trade. APHIS also develops regulations to protect agricultural health, inspects and quarantines imported plant propagative materials, trains agricultural inspectors and detector dog teams, and provides the scientific support necessary to carry out these activities and those carried out by Custom and Border Protection (CBP).

In March 2013, the General Accountability Office (GAO) released a report analyzing Agricultural Quarantine Inspection (AQI) user fee and cost data. GAO's analysis revealed a gap of more than $325 million (38%) between AQI user fee revenues and total program costs.

APHIS issued a proposed rule in April 2014 (Docket No. APHIS–2013–0021) to amend user fee regulations, adding new fee categories, removing other fee categories, and adjusting fees for certain agricultural quarantine and inspection services. CACASA submitted comments in June 2014. In those comments CACASA highlighted that the Proposed Rule and Section 2509(a) of the Food, Agriculture, Conservation, and Trade (FACT) Act of 1990 (21 U.S.C. 136a) only address how adjusted user fees provided one stakeholder, the federal government, full cost recovery. CACASA commented, "actual and projected increases in the cost of doing business" have occurred dramatically not only for APHIS and CBP, but for each stakeholder in administering important biological programs to control invasive species.

On October 29, 2015, APHIS issued a final rule in the Federal Register to revise the AQI user fees (80 FR 66748–66779). Under the 2015 final rule, four of the user fees (for commercial trucks and truck transponders, international air passengers, and international cruise ship passengers) included a 3.5 percent reserve surcharge above unit cost as part of the fee structure. All other fees set in the 2015 final rule were set at, or slightly below unit cost and APHIS did not include a reserve surcharge. On May 13, 2016, the Air Transport Association of America and the International Air Transport Association filed suit against APHIS, claiming the final rule updating the fees for its AQI program violated the FACT Act and the Administrative Procedure Act.

On June 21, 2022, the United States Court of Appeals for the District of Columbia Circuit issued an opinion that rejected the bulk of the challenges to APHIS's fee-setting (Air Transport Assn of Am. v. United States Dept of Agric., 37 F.4th 667 (D.C. Cir. 2022)). However, the Court held that APHIS' authority to set and collect fees at a level to fund a reserve expired in 2002. The Court remanded this issue to the United States District Court for the District of Columbia for proceedings consistent with the appellate court's opinion.

On September 15, 2022, the District Court issued a final judgment vacating the final rule only insofar as it authorizes collecting fees to maintain a reserve account. Consistent with this September 15, 2022, final judgment, on November 1, 2022, APHIS issued a Stakeholder Registry announcing the removal of the 3.5 percent reserve surcharge from each fee class to which it had been applied and, effective December 1, 2022, no longer collecting the reserve component

for AQI user fees. APHIS determined user fee amounts that would recover costs associated with current activity levels and better aligned fees with costs.

STATUS

AQI User Fees have not increased since 2015. In August 2023 APHIS proposed a rule to amend regulations governing its AQI program user fees. The 2015 fee structure was based on FY 2010 through FY 2012 cost data, which puts them more than a decade behind today's circumstances. The outdated fee structure, combined with recent changes in international travel and shipping, mean that current fees do not generate enough revenue to cover the costs of the AQI services provided. During FY 2017-2019 the AQI program ran an average annual deficit of over $166 million.

Below are the new AQI User Fees proposed by APHIS:

Service Fee Activity	Current fee	Proposed fees				
	FY2015	2024	2025	2026	2027	2028
Air Passenger	$ 3.83	$ 4.29	$ 4.44	$ 4.60	$ 4.76	$ 4.93
Commercial Aircraft	$ 225.00	$ 288.41	$ 309.00	$ 330.07	$ 351.64	$ 373.68
Commercial Cargo Vessel	$ 825.00	$ 3,219.29	$ 3,302.23	$ 3,386.20	$ 3,471.18	$ 3,557.18
Commercial Truck	$ 7.29	$ 11.40	$ 12.40	$ 13.45	$ 14.50	$ 15.55
Commercial Cargo Railroad Car	$ 2.00	$ 5.81	$ 6.51	$ 7.23	$ 7.97	$ 8.72
Cruise Vessel Passenger	$ 1.68	$ 1.20	$ 1.25	$ 1.29	$ 1.34	$ 1.39
Treatments (Per hour)	$ 237.00 per treatmt	$ 232.97	$ 253.19	$ 273.90	$ 295.12	$ 316.83

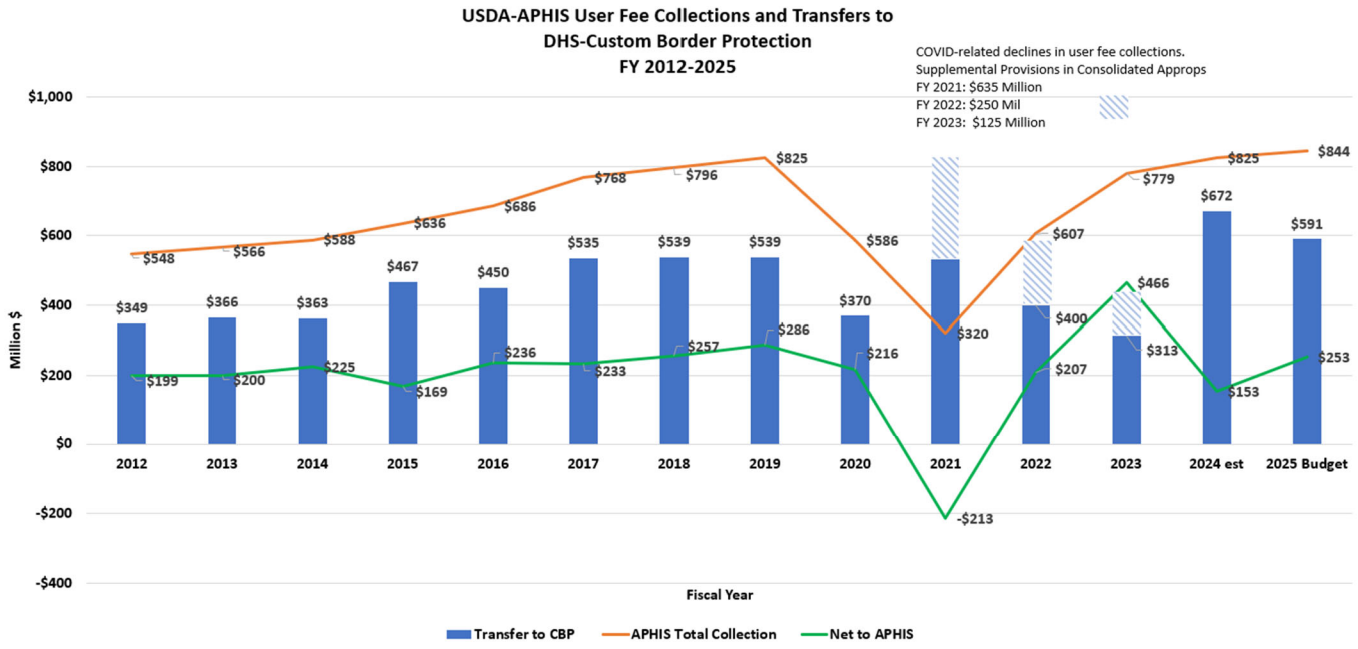
During the COVID-19 pandemic global tourism and shipments of goods declined to historic lows. So too did APHIS User Fee collections. CACASA, along with hundreds of other trade groups and associations in the agricultural industry urged Congress to address the financial shortfalls that would threaten U.S. agriculture if imported agricultural goods shipped into the U.S. were not inspected. Congress responded by providing $635 million in the Consolidated Appropriations Act for FY 2021 (PL 116-260), $250 million in the Consolidated Appropriations Act for FY 2022 (PL 117-103) and $125 million in the Consolidated Appropriations Act for FY 2023 (PL 117-328).

Total Annual AQI User Fee Collections & Transfers to CBP (in Million $)			
	COVID Pandemic Supplemental	Collections by USDA-APHIS	Transfer to CBP
FY 2015		$636	$467
FY 2016		$686	$450
FY 2017		$768	$535
FY 2018		$796	$539
FY 2019		$826	$539
FY 2020		$845	$582
FY 2021	$635	$234	$533
FY 2022	$250	$596	$400
FY 2023	$125	$779	$313
FY 2024 est		$825	$672
FY 2025 Budget		$844	$591

Without question, APHIS and CBP are global leaders in a national integrated pest prevention network and implement programs such as phytosanitary management and export certification that provide U.S. producers a competitive advantage in global markets. State and local governments also assist by establishing domestic quarantines, conducting inspections for pests of federal, state and local concern and issuing phytosanitary certificates for agricultural shipments destined for both domestic and foreign markets. Such comprehensive biological pest and disease management regulatory systems facilitate movement of agricultural products from production to ultimate domestic and foreign destinations.

ACTION ITEMS

We appreciate Congress' understanding of the importance of AQI inspections as proactive measures to prevent infestations of pests and diseases harmful to the agriculture industry and responding to the financial shortfalls of the AQI User Fee collections during the global pandemic.



California Exotic Pest Detection Program

BACKGROUND

Pest Detection is the critical second line of defense after Pest Exclusion in a biological systems program to prevent the permanent establishment of exotic and invasive insect pests and plant diseases. While a multi-layered network of federal and domestic regulations and inspections of potentially infested plant material exists in California to exclude most pest threats, inevitably some slip through. When this happens, the vital component that prevents these pests from successful colonization in an area is a robust pest detection network.

The California Department of Food and Agriculture (CDFA) is tasked with the early detection and prompt eradication of serious agricultural pests in California. This is accomplished through the operation of a statewide detection trapping program, special detection activities, and the maintenance of emergency response teams. CDFA administers a statewide detection trapping program with the assistance of county departments of agriculture. This program is based on an annual statewide trapping network utilizing over 192,000 insect traps targeting many federal-actionable pests, including exotic Fruit Flies, Spotted Lantern Fly, Asian Citrus Psyllid, Japanese Beetle and Gypsy Moth. These pests can significantly damage up to 400 host plants important to the agriculture industry and impact U.S. trade. If given the chance to colonize, eradication and control efforts could take several years and hundreds of million dollars.

Below is a summary of the costs invoiced by counties under contract for the biological trapping program during California fiscal year (FY) 2021/2022 (July 1, 2021, to June 30, 2022), targeting exotic Fruit Flies, Japanese Beetle, Gypsy Moth, European Grapevine Moth, Asian Citrus Psyllid and other pests. The federal funding listed below was used primarily in rural and suburban areas and to expand trapping in under-trapped urban areas of the State.

- State and Federal funding for county programs $21.5 million
- Local County general fund (Estimated) $21.4 million
- Total for California county detection trapping $42.9 million

STATUS

In Federal FY 2024, the United States Department of Agriculture (USDA) made available to CDFA 5 million for California Exotic Fruit Fly detection programs to support California's high-risk pest detection program through the Plant Protection Act 7721 program. These funds are combined with other federal, state, and industry stakeholder resources to fund the pest detection program. County Agricultural Commissioners access these funds to implement the programs via contracts with CDFA.

Pest detections via trapping efforts result in multiple emergency projects in California each year. These responses are conducted using a combination of emergency state and federal funds, as well as some county and industry support. CACASA members are invaluable cooperators during these projects in their respective counties. In FY 2024, USDA made available to CDFA $2 million for Emergency Health Response Teams through Pest Prevention Act 7721.

ACTION ITEM

The Pest Detection Program in California is a model program that showcases how federal dollars from the Farm Bill are combined with state and local government and industry stakeholder funding to secure and maintain biological system programs and technology that continuously protect the agricultural industry and the environment and benefit every citizen of the nation by protecting against the establishment and spread of significant and costly invasive species. Ongoing and adequate funding of these pest detection activities is critical to help to effectively target our efforts and resources to efficiently combat insect pests and plant diseases for the protection of California and the nation.

California Fruit Fly Detections – 2023 – 2024 (to date) & Impacts

ISSUE

Over the past 14 months, California Department of Food and Agriculture (CDFA) and the County Agricultural Commissioner's offices have detected 900+ adult fruit flies of varying species. Historically, "only" an average 75 adult exotic fruit flies are detected in California in an entire year. All of these are internal fruit feeders with hundreds of known host plant species, many of which are commercially grown in California, potentially threatening U.S. food supplies.

IMPACTS

The flies detected in these 14 months have resulted in seven quarantine projects in Los Angeles, Sacramento, Santa Clara, San Bernardino, Riverside, Contra Costa, and Ventura counties. One of the Los Angeles quarantines stands as the first-ever quarantine project for the Tau fruit fly species in the Western Hemisphere. In total, we have now detected 132 adult Tau flies in the quarantine area around Stephenson Ranch and Santa Clarita. Other quarantine projects pertain to Oriental Fruit Fly, Queensland fruit fly, and Mediterranean Fruit Fly.

2021 gross production value of host commercial commodities potentially affected by fruit flies	
Mediterranean fruit fly	$17.94 billion
Oriental fruit fly	$12.46 billion
Peach fruit fly	$10.82 billion
Tau fly	$10.09 billion
Melon fly	$4.22 billion
Mexican fruit fly	$2.92 billion
Sapote fruit fly	$2.20 billion
Total CA commodity value targeted by one or more fruit flies	$24.27 billion

ACTIONS TAKEN

Tau fruit fly and Queensland fruit fly respond to cue lure, differing from our more commonly occurring fruit flies like Oriental Fruit Fly and Mediterranean Fruit Fly, making these quarantine/eradication projects much more labor intensive, as eradication involves mass-trapping at 1,000 traps per square mile in a 9 square mile area around each find site. Approximately 15,000 traps are currently deployed in the Tau fruit fly and Queensland fruit fly quarantine areas, on top of the >100,000 traps that are deployed as part of our routine statewide pest detection system. The goal of this mass-trapping is to remove male flies from the population, intended to greatly reduce reproduction in the infested area. CDFA staff also conduct foliar treatments with Spinosad, an organically-derived pesticide, on properties within 200 meters around each find site.

In addition to the quarantine projects, CDFA is engaged in 11 additional eradication projects in efforts to

eliminate infestations before quarantines are triggered. These eradication projects are in the counties of Contra Costa, Kern, Los Angeles, Orange, Riverside, Sacramento, San Bernardino, and Santa Clara. Staff have also placed enhanced trapping around 37 other fruit fly find sites to determine the extent and boundaries of fly infestations in those areas. Currently, CDFA is engaged in fruit fly activities in 15 different counties across the state, double that of any typical year. This strongly suggests that pathways different from those used in prior years are enabling introductions.

The number, diversity, and array of geographical locations of CDFA response efforts for these fruit fly projects have severely stressed the statewide pest prevention system and these conditions are jeopardizing California's status as an exotic fruit fly free area. Any change in that status would result in significant interstate and international trade restrictions for a majority of California's fresh fruits and vegetables. CDFA continues to mobilize staff from multiple different divisions to aid in providing direct and indirect assistance for trapping, survey, and regulatory responses. Additionally, USDA continues to commit to deployment of trapping specialists from other states to help with these specific quarantine projects. We have also enlisted personnel from the California Conservation Corps to assist with some response components. In addition, County Agricultural Commissioners are providing significant support for these efforts within their respective counties. Alterations in trap servicing cycles, larval survey, and treatment efforts have been necessary to ensure all projects receive appropriate levels of initial and follow-up response. CDFA remains steadfast in its approach to eradicate these fruit fly infestations to ensure California agriculture and the environment are safeguarded against the impacts of invasive species.

CACASA appreciates the U.S. Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) providing $103.5 million in December 2023 to address known outbreaks of fruit flies in California and increase preventive activities in other susceptible areas in the U.S. APHIS will also use the funding to address the increasing numbers of fruit fly incursions in areas of Guatemala and Mexico, where APHIS and cooperators maintain a buffer against northward spread of the Mediterranean fruit fly.

ACTION ITEM

CACASA supports a strong and proactive local, State and federal pest prevention system and urges continued and increased funding of system components to address this crisis. Such a cooperative system includes continuing and enhanced Custom and Border Protection agricultural inspections at our nation's borders and international airports. It also includes domestic inspections carried out by State departments of agriculture and County agricultural commissioners. Pest prevention activities include surveying, data collection and analysis, identifying pest pathways, agricultural canine inspections, and other activities that prevent the introduction or establishment of exotic pests. It is the U.S.' best approach to prevent, control, and eradicate invasive species.

Asian Citrus Psyllid (ACP)

ISSUE

The ACP is an invasive species of grave concern, as it vectors the disease HLB, also known as citrus greening. All citrus varieties and closely related species are susceptible hosts for both the insect and the disease. The ACP is a small, plant-feeding insect about the size of a grain of rice that feeds by piercing the new plant growth into the vascular system. There is no known cure once a tree becomes infected; the diseased tree will decline in health, producing bitter and misshapen fruit until the tree ultimately dies. While not affecting human health, this disease can be catastrophic to commercial and residential citrus.

ACP was originally detected in California in 2008. Over the past decade, populations of psyllids have rapidly spread, causing multiple county quarantines. The quarantine regulations restrict the movement of host nursery stock and bulk citrus fruit, unless under a Quarantine Permit and signed Compliance Agreement.

HLB was first detected in California in March 2012, in Los Angeles County. In September 2023, HLB was detected for the first time in Ventura County on a residential property in Santa Paula. Approximately 8,600 acres of commercial citrus were included in the quarantine area, more than four times the combined commercial citrus acreage in the other HLB quarantine areas. As of January 2024, 7,262 HLB-infected citrus trees have been detected in the suburbs of Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura Counties, which are treated and removed. The HLB quarantine covers 2,232 square miles in these southern counties.

There are 267,000 (USDA) citrus bearing acres in California representing 45% of the total U.S. citrus acreage. In the 2022-23 season, California citrus production was valued at $2.2 billion and accounted for 85% of the total U.S. citrus production value and nearly 90% of total fresh production. The total economic impact of the industry on California's economy in 2020- 21 was $7.6 billion. In 2020-21, the estimated full time equivalent jobs in the California citrus industry totaled 24,247, with estimated wages totaling $759 million. To demonstrate the potential impact of HLB in California's citrus industry, it is estimated that a 20% reduction in California citrus acreage would cause a loss of 8,213 jobs, $214 million in employee income, and $569 million in state GDP.

STATUS

To improve its strategies for fighting the progression of HLB in California the Citrus Pest and Disease Prevention Committee (CPDPC) recently developed a strategic plan with five key priorities to achieve CPDPC's goals of keeping HLB out of commercial groves and limiting ACP movement. Those priorities include:

1. Quickly detect and eradicate diseased trees. Improve the urban survey and sampling processes, continue quick, mandatory tree removal of infected trees, and collaborate with the scientific community on early detection efforts.
2. Enforce regulations to control movement of psyllids with emphasis in HLB quarantine areas.
3. Suppress psyllid populations by promoting grower participation in area-wide treatment programs, remove uncared for host plants, and continuing to use biocontrol.
4. Improve data technology, analysis and sharing.
5. Use outreach and collaboration to encourage homeowner and industry participation in program

efforts and foster local governments' support for program activities. County Agricultural Commissioners, USDA, and CDFA have coordinated their efforts to mitigate the spread of ACP through quarantine enforcement and spot treatment of infestations. Other proactive measures include trapping high-risk locations, surveying for HLB, and improving diagnostic tools. Recently trained canines have been successfully used to detect the ACP.

Research projects, development of biological control organisms, and disease resistant varieties of citrus are ongoing. California citrus producers have contributed a total of over $200 million in assessments to fund activities targeted to slow the spread of ACP and diagnose HLB. On average, the citrus industry assessed themselves $15.5 million annually since 2010. All funds are used to support urban treatments, commercial grove surveys, public education efforts, and testing of plant material. Biological control agents continue to be released in Southern California and other areas of the state where ACP has been detected in urban areas.

Preventing the spread and destruction caused by ACP and HLB continues to be one of USDA/APHIS's top goals. Below is a chart containing federal-enacted levels of funding for the Citrus Health Response Program (CHRP) activities:

	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Citrus Health	$44,330	$48,830	$48,830	$53,830	$57,000	$58,000	$58,000	$58,316	$58,868	$59,844
HLB/MAC b/			$2,000	$2,000	$3,000	$3,000	$3,000	$3,000	$3,008	$3,022
HLB/MAC c/			$5,500	$5,500	$7,500	$8,500	$8,500	$8,500	$8,500	$8,500

- b/ $2 million increase for HLB MAC from the Specialty Crop Pest line item was provided in FYs 2016 & 2017. It increased to $3 million in FYs 2018- 2023.
- c/ The FY 2014 Appropriations Act included $20 million in 2-year funding for the HLB MAC through a general provision. The FY 2016 & 2017 Appropriations Acts each provided $5.5 million for the HLB MAC through a General Provision. The General Provision amount increased to $7.5 million in FY 2018 and $8.5 million each in FY's 2019-2023.

- HLB Multi-Agency Coordination Group (HLB/MAC) funds are used for "shovel ready" tools and for outreach and research needs. Since 2014, Congress has appropriated $103 million in funding to APHIS in support of HLB MAC goals to speed the development of tools to help the citrus industry fight back against HLB in the United States. Projects focus on six critical areas: ACP control, infected tree therapies, technologies to protect new plantings against HLB infection, early detection technologies, management practices to maintain productivity, and HLB-tolerant citrus varieties.
- The 2018 Farm Bill provides $25 million each year for FY 2019-23 for the Emergency Citrus Research & Extension Program that discovers and develops tools for early detection, control, and eradication of diseases and pests that threaten domestic citrus production and processing.
- The 2018 Farm Bill also initiated a pilot program for Whole Farm Revenue Protection insurance policies for Citrus producers that protects against loss of insured revenue due to an unavoidable natural cause.

Additionally, the 2018 Farm Bill authorizes $100 million each year through FY 2023 for the Specialty Crop Research Initiative (SCRI).

ACTION ITEMS

1. Support consistent funding for HLB-MAC and encourage APHIS to implement project ideas suggested by the HLB/MAC Stakeholders for early detection and biocontrol, maintain activities, and respond to ACP or HLB detections in new areas of the state.
2. Continue implementation and authorized funding levels for Emergency Citrus Research & Extension Program and SCRI in the next Farm Bill. Investing in several cutting-edge areas of science will help manage the spread of HLB and find a cure. Further investments in these research efforts will contribute to the U.S. citrus industry and related entities throughout the supply chain.

California Agricultural Commissioners and Sealers Association

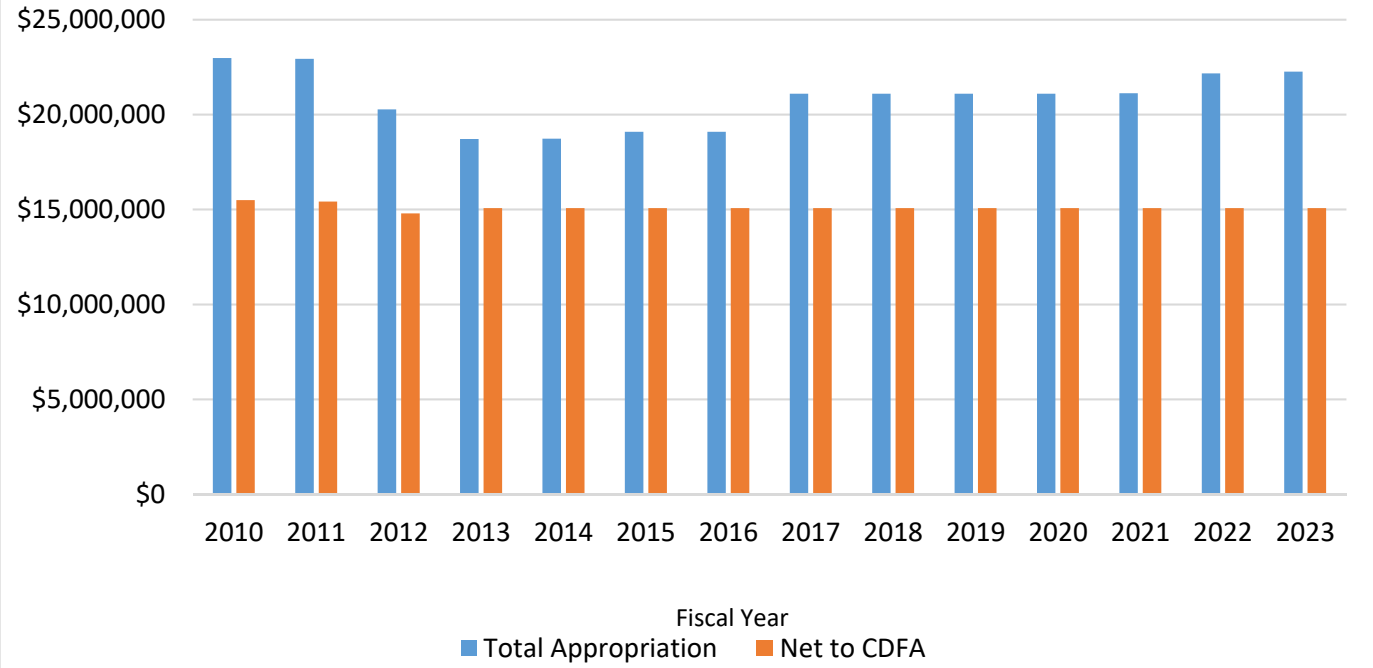
Issue Fact Sheet

Pierce's Disease Control Program

BACKGROUND

The glassy-winged sharpshooter (GWSS) and the bacterial disease it vectors, *Xylella fastidiosa*, or Pierce's disease (PD), threaten the California grape industry and many other commodities. Symptoms of PD include delayed bud break, scorched leaves, and reduced yield, with infection ultimately leading to vine death. USDA's Agricultural Research Service estimates this pest and the disease it vectors costs California's grape industry about $104 million annually. Grape growing contributes to the U.S. economy in diverse ways: job generation, exports, tax revenues, tourism, and some of the world's most outstanding wines, juices, raisins, and table grapes. The multi-year battle against this threat has successfully resulted in controlling the spread of GWSS and PD. Current research efforts are closing in on a cure for PD and have led to the release of several promising new resistant grape cultivars. Only a rigorous federal-state-local containment strategy has kept the devastating impacts from becoming a reality.

Actual Federal Funding Levels for the USDA Pierce's Disease Control Program



The protections provided by the Pierces Disease Control Program (PDCP) allow California's grape industries to remain competitive on the national and world stage. A lack of federal support for the PDCP would require higher uses of pesticides to control GWSS infestations and more money spent on the replacement of diseased stock causing higher prices as compared to imports and protecting investments in industrial infrastructure and our local and state economies based on the grape industry.

STATUS

Program successes include:

- **Protection:** In aggregate, wine grapes and its products contribute about $170.5 billion to the U.S. economy, along with 1.1 million jobs and $21.9 billion in state and federal tax revenues.
- **Regulatory:** Development and implementation of effective protocols mitigating pest risk preventing the shipment of nursery stock and citrus from GWSS-infested areas to non-infested areas has been very effective, but at significant cost to the nursery industry.
- **Detection/Rapid Response:** Statewide monitoring efforts quickly find small satellite infestations of GWSS, improving the chances for containment and eradication. This quick action has prevented GWSS from spreading further and helped achieve the complete eradication of 18 isolated infestations.
- **Area-wide Projects:** Coordinated monitoring and treatment efforts in large, diverse agricultural areas have proven successful at preventing widespread damage by PD/GWSS. These programs are critical for preventing the spread of GWSS naturally and artificially in bulk citrus loads and beyond the existing infestation boundaries in areas with active GWSS populations.
- **Biological Control:** More than 2.82 million tiny parasitic wasps have been reared and released against the GWSS as part of a statewide integrated pest management. Several species have successfully established themselves in California to help mitigate GWSS pest pressure.
- **Research:** Extensive nationwide research has generated sizable amounts of new information, leading us closer to finding sustainable solutions to PD/GWSS. Some research has led to field trials which are currently underway.
- **Coordination:** Productive partnerships among all stakeholders (affected industries and local, state and federal government agencies) have been forged, leading to unified action and sharing of resources and expertise.
- **Leveraged Resources:** The California wine grape industry continues to demonstrate its support for and the importance of the PD/GWSS program by its willingness to fund a portion of the program through the PD/GWSS Board. FY 2001-2023 total assessment revenue including interest totals $86.3 million. These funds fund research and help with GWSS prevention programs. In FY 2023 industry assessments are projected at $4.9 million. From these and carried-over assessment funds, projected expenditures by the PD/GWSS Board in FY 2023-24 total $6.5 million.

ACTION ITEMS

1. GWSS infestations were detected in a residential area of Vacaville, CA, in Solano County in Fall 2021. Solano County borders Napa County to the south. Progress has been made in eradication efforts, but it is likely to take at least two more years to declare this area free from GWSS. We urge Congress to continue to support adequate appropriations to combat the GWSS and PD in California.
2. Program funding has remained unchanged since FY 2010 despite increased program activities and rising costs. The PDCP has recently evaluated the true costs to continue to operate the program at the current level and has determined that for FY 2023/2024 the true cost is $19.5 million. The program has asked for an increase in the federally appropriated amount to cover this. As an example, current funding levels only allows for some treatments in 4 area wide counties (Kern, Tulare, Fresno, Madera), but those treatments must be prioritized because there isn't enough funding to cover all of the trap detections. The program priorities include:

- treating citrus (to reduce the incidence of introducing Pierce's disease to grapes),
- GWSS trapping in grape production areas,
- GWSS trapping outside infested area boundaries,
- Increased trapping in areas where GWSS is present,
- focus on reducing the spread of GWSS in the movement of nursery stock through inspection, treatment, shipment certification, and trapping at shipping and receiving nurseries.

The GWWS program avoids treating organic citrus because the treatment is not highly effective and very expensive.

California Agricultural Commissioners and Sealers Association

Issue Fact Sheet

Fruit Fly Rearing, Emergence & Release Facility (ERF) Joint Forces Training Base Los Alamitos, California

ISSUE

Fruit flies (Tephritidae) are among the most destructive pests of fruits and vegetables worldwide. A highly crucial component to protecting California agriculture from these pests is the Mediterranean Fruit Fly Preventive Release Program (Medfly PRP) and its sterile insect emergence and release facility at Joint Forces Training Base Los Alamitos. (pictured above)

Fruit fly Rearing, Emergence and Release Facilities (ERFs) in the United States, Guatemala and Mexico collectively supply the sterile fruit flies necessary to support prevention, control, and/or eradication programs in targeted areas within each country. The programs' mission is to prevent, through non-pesticidal methods, the establishment and spread of certain species of exotic fruit flies. Exotic fruit flies are a major concern for many countries and trading partners may erect trade restrictions due to occurrence of fruit flies.

The Medfly PRP is a cooperative program of U.S. Department of Agriculture's Animal Plant Health Inspection Service (USDA-APHIS) and the California Department of Food and Agriculture (CDFA). The objective of the Medfly PRP is to prevent establishment of Medfly in California utilizing a scientific process known as sterile insect technique (SIT). SIT is a biologically-based control strategy involving sustained releases of large numbers of sterile males into a target area aiming to reduce the reproductive potential of any wild females that may be present or introduced. Mating between these sterile males and wild female flies result in the production of infertile eggs. This "birth-control" approach can be used to both prevent and eradicate Mediterranean fruit fly (Medfly) and Mexican fruit fly (Mexfly) populations and is one of the most environmentally friendly pest eradication practices.

In addition to the PRP, the Los Alamitos ERF maintains infrastructure that is used as needed to respond to Medfly and Mexfly infestations both within and outside the PRP area. The facility's location on a military airfield provides an ideal secure site with limited public access. Not only is it located near the center of the Los Angeles Basin where PRP releases occur, but releases can be made throughout California using flies produced in Los Alamitos.

It is imperative that the U.S. facilities remain reliable sources of sterile fruit flies capable of meeting both current and future demands. Fruit fly ERFs in the U.S. are located in Sarasota, FL; Edinburg, TX, and Los Alamitos, CA. Construction of a new ERF in Sarasota has been completed and Congress appropriated $47 million through General Provision 743 of the Consolidated Appropriations Act of 2017 for constructing a new ERF in Edinburg.

The ERF at Joint Forces Training Base Los Alamitos, CA operates out of dilapidated trailers, many ranging from 40-50 years old. The facility is in dire need of improvements to structures.

Status: In July 2023, officials from USDA-APHIS, CDFA and Joint Forces Training Base met to begin developing plans for replacing the existing trailers with new, modular trailers that meet Department of Defense specifications (accounting for utilities, etc.). Replacing existing trailers with modular trailers is more logical as the facility is located on leased land. Future site visits are planned to develop the specifications for the new trailers that will ultimately be incorporated into a new agreement between CDFA and Joint Forces Training Base in July of 2024.

ACTION ITEMS

1. We urge USDA-APHIS, local and state cooperators, and the Department of Defense to continue developing a comprehensive plan, considering all options to upgrade and replace the aged collection of trailers at Joint Forces Training Base Los Alamitos, California.
2. We urge Congress to appropriate needed financial resources in the FY 2025 National Defense Authorization Act (NDAA) and/or the Department of Defense annual appropriations bill.

California County Agricultural Commissioners' Role in Agricultural Trade

BACKGROUND

The California County Agricultural Commissioners (CAC's) play a vital role in facilitating trade of agricultural commodities domestically and internationally. With numerous seaports, an international border and three bordering states, California is a gateway to the nation for imports. But California is also a major exporter of agricultural products. CAC's facilitate the movement of agricultural products from production to their ultimate destination, including the certification of products destined for foreign ports.

There are innumerable quarantines (State Interior and Federal Domestic) that require the regulatory attention of CAC's, but their role in ensuring compliance with the import requirements of our international trading partners is also enormously important. Under agreement with U.S. Department of Agriculture (USDA), CAC's are Accredited Certification Officials (ACO) providing local regulatory inspection and certification of products destined for foreign countries.

Unlike any other state in the nation, California CACs serve as the local ACO, representing USDA in the inspection and certification of agricultural commodities destined to foreign ports. Thus, CAC's are actively engaged in Sanitary and Phytosanitary (SPS) measures which are rules and procedures that governments around the world use to ensure that foods and beverages are safe to consume and to protect animals and plants from unwanted pests and diseases. Many SPS measures are fully justified, but some governments cloak discriminatory and protectionist trade measures in the guise of ensuring human, animal, or plant safety.

Fees for phytosanitary services are established by local Boards of Supervisors. Typically, these fees are substantially lower than USDA's and, perhaps more importantly, CAC's often provide more efficient and timely inspections for the agricultural industry. Additionally, CAC inspections are often done at, or near, the point of production, rather than at ports; this can be more effective and less risky for exporters, especially if there is an export complication with the shipment. CAC's are familiar with cropping patterns, pest pressures and other local conditions that assist greatly in the certification and inspection services for the agricultural industry.

U.S. Department of Agriculture's Animal Plant Health Inspection Service (APHIS) utilizes Phytosanitary Certification Inspection Tracking (PCIT) an interactive web-based system that tracks the inspection of agricultural products and certifies compliance with plant health standards of importing countries. This capability provides APHIS better security, reporting functions, and monitoring capabilities for exported commodities. It also provides greater efficiency for ACO's and allows enhanced accuracy, and in-depth analysis capability related to information regarding export certification.

USDA is providing funds & technical expertise to an International Plant Protection Convention (IPPC) project known as ePhyto Hub - a paperless, global, digital exchange for electronic phytosanitary certificates. The IPPC is an international plant health agreement with 183 participating countries, including the U.S. E-Phyto Hub allows each country's computerized trade system to share a common technical vocabulary and a set of established trade rules. Through this seamless connection, countries can exchange fraud-resistant electronic phytosanitary certificates quickly, accurately and at very low cost. E-Phyto Hub will lower costs to exporters and ensure fewer shipments detained at foreign ports of entry. PCIT is now receiving Phytosanitary certificates directly from 71 countries and

sending 87 (an increase of 31 this past year). Other countries are preparing to receive phytos directly from APHIS electronically.

China is currently in the testing phase. The IPPC's focus on a global hub to speed up the adoption of electronic phytos by multiple countries instead of bilaterally is something the CAC's and industry fully support.

STATUS

In 2023, there were 676,749 shipments of agricultural commodities certified under PCIT including the state phytos that PCIT issues. Of the Phytosanitary Certificates written, 612,107 were issued for international trade and 64,642 were state phytos facilitating movement from one state to another. For international movement, USDA issued 153,211; state cooperators around the nation issued 245,273; and 213,623 certificates were issued by CAC's in California. CACs also issued 40,730 of the state phytos issued in PCIT. In other words, California CAC's were responsible for 34.9% of all the phytosanitary certificates issued for international trade. 31 counties continue taking advantage of the fee collection and remittance mechanism within PCIT. In 2023, nearly $13.4 million was collected by USDA and remitted to the CACs further streamlining their workflow and providing better service to industry. PCIT has become an integral tool in California and we would like to thank the PCIT team for their continued support and responsiveness.

In 2021, California agricultural exports totaled $22.5 billion, an increase of 7.0 percent from 2020, and about 12.8% of the nation's total. While not all those commodities require export certification, it is apparent how important California agriculture is to the nation's trade.

Each year, USDA aggressively works to eliminate trade barriers impacting billions of dollars of agricultural products. They are also working to open new markets, secure the release of U.S. shipments detained at foreign ports, and ensure the safe movement of agricultural products in a manner consistent with science and international standards. Overall, a highly dedicated group of USDA Foreign Service officers, animal and plant health experts, and analysts monitor 162 markets around the world, ensuring a level playing field for U.S. businesses and products. Phytosanitary Certificates issued by CACs provide a competitive advantage by facilitating trade of products to these foreign markets.

USDA projects the total value of U.S. agricultural exports to reach an all-time high of $178.7 billion in FY 2023. This is down $17 billion from the previous year. Shipments of major categories of commodities including grains and feeds, oilseeds and products, and livestock, poultry, and dairy products are primarily driving the increase in value. Understanding the latest challenges with agricultural supply chains and port congestion, the U.S. Custom and Border Protection (CBP) agricultural inspectors and APHIS continue efforts to conduct effective and efficient agricultural inspections at ports of entry, eliminate trade barriers and ensure that trade decisions are based on science. Each year USDA resolves hundreds of trade-related issues involving U.S. agricultural exports. In FY 2022, APHIS successfully secured the release of 261 shipments worth more than $94 million.

USDA recognizes that trade of U.S. agricultural commodities is an important component of our economic stability. As California is the leader in U.S. agriculture, it is clear the role of California CAC's is vital in this effort to support and facilitate trade.

ACTION ITEM

We are encouraged by the potential efficiencies of the new technology ePhyto Hub and urge our partners at USDA and Custom and Border Protection to continue their cooperative work with IPPC on its development.

California Agricultural Commissioners and Sealers Association

Issue Fact Sheet

U.S. Customs and Border Protection Agricultural Inspections

BACKGROUND

California County Agricultural Commissioners (CACs) collectively maintain one of the most comprehensive and integrated pest and disease management systems in the country. In addition to federal and state funds for pest and disease management systems, each year, at the county level alone, CACs are responsible for collectively managing over $67 million (FY 2022-23) in County general funds for agricultural programs and for judiciously managing other County resources in the implementation of these successful programs statewide.

California presents unique external border risks and internal protection needs, due to:

- 141 miles of international border with Mexico to the south;
- 5 ports of entry (POEs) from Mexico, including one of the nation's highest volume POEs;
- 11 seaports, handling over 32% of our nation's trade; and
- Nearly 80% of the nation's trade passing through California to or from other states.

California's Mediterranean climate and wide variety of unique ecological niches offer suitable conditions for invasive pests to become established. Non-native, invasive pests are often extremely damaging to the state's agriculture industry and the environment. This, coupled with a diverse and mobile population, places California atop the list of states at greatest risk and exposure to the establishment of invasive pests and diseases, posing risks not only locally, but to states beyond.

California County Agricultural Commissioners (CACs), in cooperation with the California Department of Food and Agriculture (CDFA), form the nation's second line of defense in detecting invasive pests and diseases. The first line of defense is the U.S. Customs and Border Protection (CBP) and USDA Animal and Plant Health Inspection Service (APHIS) Plant Protection and Quarantine (PPQ). California -- with numerous pathways, including seaports, international airports, land border crossings, the postal service, other parcel delivery services, and nearly 40 million residents, with many millions traveling internationally -- detects a newly introduced pest or disease every 60 days.

In FY 2023, CBP agriculture specialists intercepted 1,191,183 prohibited plant materials, meat, and/or animal byproducts at U.S. ports of entry while interdicting more than 84,269 pests of consequence.

In FY2022, CBP's BioThreat Exclusion Program recorded 399 significant encounters of reported biological material at ports of entry. While there is ample reason to celebrate these achievements, efforts to prevent biological threats from being introduced in the U.S. continue to demand focus.

Nationally, CBP has 157 agriculture canine teams operating on the southern and northern land borders, in airports and seaports, and at international preclearance ports of entry. In FY 2023, CBP agriculture canines generated 223,887

plant and animal quarantine material interceptions, resulting in the imposition of 1,035 penalties.

In FY 2023, CBP deployed just over 2,700 Agriculture Specialists (up from 2600 in FY 2022) at 189 ports of entry. In FY2023, CBP experienced ~4.5% attrition rate and anticipates more than 8% attrition between 2024-2027. With the support and encouragement of CACs, CBP has elevated the importance of this program, helping to attract and retain qualified CBP specialists.

While these achievements are certainly noteworthy, the work to prevent biological threats from being introduced in the U.S. is ongoing and, again, demands continued focus. CBP is continuing to experience staff attrition with estimates of a shortage of nearly 700 inspectors across the country.

In March 2020, Congress acted on this challenge by enacting S. 2107, the Protecting America's Food and Agriculture Act (P.L. 116-122). The Act authorizes the hiring of 240 Agricultural Specialists each year until the workforce shortage is filled. It also authorizes the hiring of 200 Agricultural Technicians each year for administrative and support functions and the training and assignment of 20 new canine inspection teams a year.

ACTION ITEM

CACASA supports efficient & effective CBP inspections as critical to the prevention of pest and disease introduction and spread. CACASA praises and appreciates CBP for its impressive results in detecting and intercepting the wide array of contraband and numerous pests of concern, but also respectfully suggests that the unprecedented volumes of exotic pests detected within the interior of California in 2023 clearly demonstrate the need to enhance CBP's staffing and maximize its pest exclusion activities. CACs have been partnering with CBP in cooperative special operations at ports of entry and enhancing shared communications on pest detections and surveillance to aid in combined efforts to provide effective pest exclusion and prevention services to protect the agricultural production of California and the nation.

Ensure adequate federal funds are allocated annually to CBP to maintain the appropriate staffing levels as authorized in P.L. 116-122.

USDA – California County Cooperative Agreements for Wildlife Services

ISSUE

California's $51 billion-dollar agriculture industry leads the nation in agricultural production and USDA Wildlife Services (WS) works through cooperative agreements with California counties to protect it. Although wildlife is a valuable natural resource, increased urbanization and suburbanization has led to a reduction and fragmentation of wildlife habitat. Simultaneously, some wildlife populations are expanding due to changes in animal protection status, reduced hunting, and the loss of various control mechanisms. As a result, conflicts with wildlife are all too frequent. **California counties have borne most of the increasing financial burden of WS program costs due to limited, or no, federal funding increases over the past 15 years.**

Wildlife can destroy crops, kill livestock, damage property and natural resources, kill threatened and endangered species, and pose a serious risk to public health and safety. WS, a program within the USDA's Animal and Plant Health Inspection Service, provides federal leadership and technical expertise to mitigate or resolve these conflicts. According to the most recent National Agriculture Statistical Service data in 2023, California farmers and ranchers provided husbandry for nearly 5.9 million head of livestock that are subject to predator loss. This includes cattle, calves, sheep, lamb, goat and kid production that totals over $14.67 billion* and is 28.7% of California's total value of agriculture output.

WS is the recognized expert in resolving wildlife public safety incidents in California. Examples of conflicts include coyote attacks on humans and pets in urban settings, attacks on humans and home invasions by bears near Lake Tahoe, and mountain lion attacks on humans and threats near schools. Additionally, uncontrolled beavers burrowing into levees threaten to flood cities and businesses near California rivers and other waterways, while also creating prime mosquito habitat. WS routinely handles serious disease threats, such as the presence of rabies in skunks and gray foxes living in and around urban communities, as well as the emergence of Highly Pathogenic Avian Influenza in both wildlife and commercial poultry operations. WS specialists also respond to and aid ranchers and farmers during and after catastrophic fires that routinely occur in California. In the last several years, WS offered a vital service to victims of the deadliest and most destructive wildfires in California by providing shelter-in-place emergency animal feeding and watering to landowners and ranchers.

WS provides an integrated wildlife damage management program for wildlife mitigation by providing protection to California's flying public, Department of Defense (DOD) airmen and aircraft at 61 airports/flightlines throughout the state, staffing fulltime Biologists/Specialists at 25 commercial and DOD installations. Annually, roughly 180 million passengers fly in and out of California. According to the U.S. Federal Aviation Administration Wildlife Strike Database, for 2023 wildlife strikes reported in the state of California totaled 1,112. The annual cost of wildlife strikes to the civil industry in 2022 was projected to be 67,848 hours of aircraft downtime and $243 million in direct and other monetary losses. The variety of habitats and locations of California's airports makes the California Wildlife Services Airport Program the most diverse in the country.

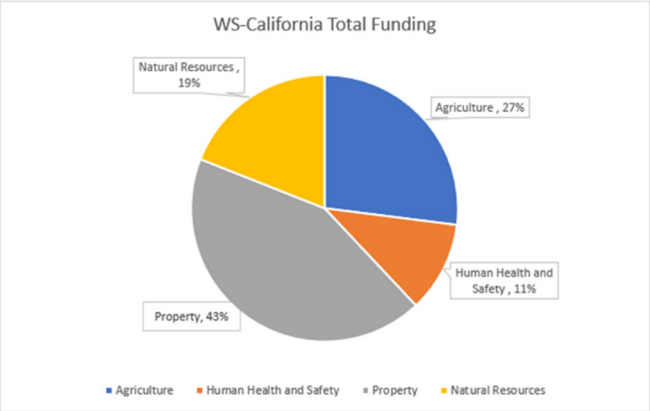
California has 466 federal & state threatened and endangered plant and animal species within its borders. Destruction of habitat, predation, and urbanization are continual threats to these species. During FY 2023, USDA's California Wildlife Services biologists and specialists worked on 26 projects receiving $1.7 million cooperative funds protecting over $1.2 billion of threatened and endangered species resources.

STATUS

Historically in California, program costs were shared between individual counties, California Department of Food and Agriculture (CDFA), and CA-WS. CDFA eliminated funding in 2003 and cooperating counties have incurred most of the

annual cost increases due to inadequate funding from USDA.

California cooperating counties and WS continue to cost-share federal employees to protect agriculture, property, human health & safety, and natural resources. The WS program in California maintains about 150 Cooperative Service Agreements and Inter-Agency Agreements, with private, city, county, state, federal, and DOD cooperators. The total funding for California WS Program in FY 2023 is $9,357,692. From this total the amount proportioned to protecting agriculture is 27%, or $2.6 million.



A federal cost share appropriation to bring the California WS cost share program to adequately protect agriculture at an equitable 50:50 split, including much-needed equipment upgrades, requires an annual federal appropriation base fund increase of up to $2,500,000.

TOTAL CONGRESSIONAL APPROPRIATIONS: USDA-APHIS Wildlife Services

Fiscal Year	Wildlife Damage Management	Wildlife Services Methods Development
2020	$109.7 million	$19 million
2021	$111.7 million	$21 million
2022	$116.3 million	$23 million
2023	$121.9 million	$26 million
2024 est	$122 million	$26 million
2025 Pres Budget	$124 million	$27 million

In the 2018 Farm Bill Congress authorized $75 million in mandatory funding for FYs 2019-2023 for eradication and control of feral swine and to assist with property damage. The funds are equally divided between WS and USDA's Natural Resources Conservation Service (NRCS). USDA ranks California as one of the top four states for feral swine damage, but only $690,000 was allocated to California for eradication and control activities in FY 2023.

Additionally, WS and CDFA are partnering to prepare a joint Environmental Impact Report/Environmental Impact Statement (EIR/EIS) to address legal challenges to CA-WS agreements in California counties. Public scoping meetings were held in 2020 and the draft EIS/EIR was released for public comment in January 2024. CDFA and CA-WS have created a new website, www.californiawdm.org, to provide the public with enhanced access to program information and an ability to participate in the public review process. USDA's addition of a NEPA Coordinator and dedicated staff to assist with environmental compliance issues at the county level has been, and continues to be, a very valuable and appreciated resource in California.

ACTION ITEMS

1. CACASA urges Congress to ensure cost share equity in California county-federal cooperative agreements that protect $51 billion worth of agricultural resources.
2. CACASA urges Congress to direct USDA to allocate WS funding to states proportionate to a state's wildlife damage ranking.
3. CACASA requests that USDA continue to provide leadership and financial resources to ensure a successful completion of the WS EIR/EIS in partnership with the California Department of Food and Agriculture.
4. CACASA urges USDA to issue a Notice that it intends to re-establish the National Wildlife Services Advisory Committee.

* USDA-NASS 2023: California
(livestock species subject to predator loss)

Livestock Inventory (head)	2023
All cattle & calves	5,200,000
Sheep & Lamb	550,000
Meat Goats & Kids	80,000
Milk Goats & Kids	36,000
Total	5,866,000

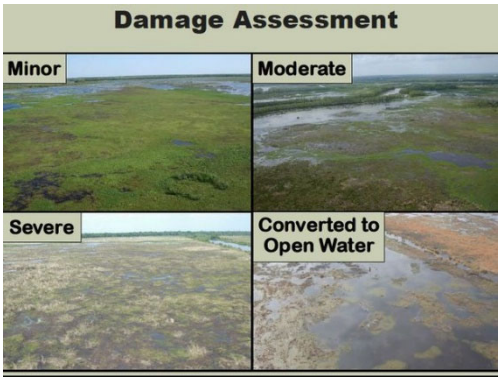
CDFA Agricultural Statistics	Value 2022
Cattle & calves	$ 3,627208,000
Milk & cream	$ 10,397,493,000
Other animal/products	$ 650,299,000
Total	$14,675,000,000
% of State Total ($51.1 bil)	28.7%

Nutria Eradication and Control in California

ISSUE

In March 2017, a female nutria pregnant with seven young was captured in a private wetland southeast of Gustine, Merced County. Nutria (Myocastor coypus) are large, semi-aquatic rodents, which are native to South America and highly invasive in the United States. Nutria are regulated as an A-rated pest by the California Department of Food and Agriculture (CDFA) and as a live restricted animal by the California Department of Fish and Wildlife (CDFW). Following this detection, an Interagency Nutria Response Team was convened and has since removed over 4,057 nutria from the Central Valley.

Nutria in California can result in substantial ecological and economic impacts including loss of wetlands and riparian habitat, soil and bank erosion, levee failures, agricultural losses, degraded wildlife and fish habitats, damaged revegetation sites, and exacerbated spread of invasive plants. The damage caused by nutria to the San Joaquin River Delta levees can have a detrimental statewide effect to both the economy and wildlife. It also threatens crop production in the San Joaquin Delta that amounts to over $1.2 billion per year.



Nutria are capable of rapidly expanding populations, both in size and geographic distribution. Female nutria can reproduce by six months of age and reproduce three litters in 13 months. Within approximately one year of reaching reproductive maturity, one female nutria and her offspring can result in more than 200 nutria, which can disperse as far as 50 miles. Populations in other states (e.g. Oregon, Louisiana, Texas,) have reached numbers into the millions and in some locations persist in the hundreds of thousands; Oregon sees densities up to 56 nutria per acre, while Louisiana harvests 450,000 nutria annually.

If this invasive species is not eradicated in California within a timely manner, controlling nutria expansion will be the only option to tackle this problem. The CDFW estimates that without the ongoing eradication efforts at existing levels, the nutria population could expand and continue to grow exponentially, thereafter.

On October 30, 2020, Congress responded to this threat by enacting bi-partisan legislation, H.R. 3399, the Nutria Eradication and Control Act, as amended (Public Law No. 116-186). The Nutria Eradication and Control Act creates a grant program within the Department of Interior to provide financial assistance to a State, in an amount proportioned to the total impacted area of such State affected by nutria. The grant funding may also be used to restore marshlands, public and private wetlands and agricultural lands damaged by nutria. Total funding authorized for the grant program is $12 million annually for FY 2021-2025.

STATUS

After the introduction of the California Department of Fish and Wildlife's (CDFW) Nutria Eradication Program at the end of 2019, survey efforts were significantly increased & sustained and high numbers of nutria were taken. We are now seeing a decline in the number of sites where nutria are found and the number of nutria found in those sites. Continued multi-agency collaboration will be key as each agency involved brings their respective specialties to achieve a desired

goal; as was the case with the recent successful eradication of nutria in the Chesapeake Bay with USDA and U.S. Fish and Wildlife Services working cooperatively.

In a show of support and understanding of the threats posed by this invasive species, after the discovery of nutria in California, the state of California helped with financial support. The California Department of Food and Agriculture (CDFA) received a two-year state appropriation of $800,000 to conduct a delimitation project, these funds were expended as of June 2020. In May of 2018, CDFW initially received a total of $1.8 million in state and federal grants including: $600,000 from The Wildlife Conservation Board and $1.25 million from the U.S. Fish and Wildlife Service (USFWS) State Wildlife Grant Program to initiate the eradication efforts; these funds were expended by March 2021. In 2019, CDFW received an on-going annual appropriation of $1.62 million from the State General Fund to establish a dedicated eradication program and a grant of $1.1 million from the Sacramento-San Joaquin Delta Conservancy, which was expended in January 2022, to support the growing eradication effort. In June 2020, CDFW received an additional grant of $8.5 million from The Delta Conservancy to expand and continue support of the eradication program; this personnel funding will be exhausted in 2024. In July 2023, CDFW received an additional, short-term appropriation of $2.82 million from the State General Fund that will expire after FY 2025-26. While CDFW will receive an on-going state appropriation of $1.62 million, the funding that currently provides >60% of the annual funding for program operations will expire in June 2026.

CDFW is applying for funding provided by the Nutria Eradication and Control law for at least $2 M per year to continue their efforts to ensure that the required number of "boots on the ground" needed to complete a full survey of the San Joaquin River Basin and Delta. In late May 2023, nutria were detected near southern Grizzly Island in Solano County, with 168 nutria subsequently taken from the broader Suisun Marsh area as of December 31, 2023. It is imperative that additional funding be made available so that CDFW can succeed in their continuing eradication efforts. Additionally, after an eradication program takes place, a follow-up survey will be required which is anticipated to take multiple years to complete.

Additional support like that provided in the Nutria Eradication and Control law (P.L. 116-186) is essential in supporting CDFW and its partner agencies in successfully eradicating nutria and preventing further impacts to the State's agriculture, natural resources and infrastructure.

The joint explanatory statement accompanying Division G, of the FY 2023 Consolidated Appropriations Act provides appropriations for the Department of the Interior. Under the Partners for Fish and Wildlife program, the agreement provides $3,200,000 for nutria eradication project and notes additional funding is provided in the National Wildlife Refuge System. Under Wildlife and Habitat Management, the agreement provides $3,000,000 for nutria eradication.

ACTION ITEMS

CACASA appreciates the bipartisan support and enactment of the Nutria Eradication and Control Act. We urge Congress to appropriate the full, authorized funding level of $12 M in P.L. 116-186 for Fiscal Year 2025. FY 2025 is the last year of authorization of P.L 116-186. CACASA urges Congress to reauthorize the Nutria Eradication and Control Act.

California Agricultural Commissioners and Sealers Association

Issue Fact Sheet

Waters of the United Status

BACKGROUND

In April 2014, the U.S. Environmental Protection Agency (US EPA) and the U.S. Army Corps of Engineers (Corps) published, for public comment, a proposed rule redefining the scope of waters protected under the Clean Water Act (CWA), considering the U.S. Supreme Court cases in U.S. v. Riverside Bayview, Rapanos v. United States, and Solid Waste Agency of Northern Cook County v. U.S. Army Corps of Engineers (SWANCC). This proposal would enhance protection for the nation's public health and aquatic resources and increase CWA program predictability and consistency by increasing clarity as to the scope of ''waters of the United States'' protected under the Act.

CACASA's analysis of the proposed rule resulted in finding twelve issues of concern. CACASA submitted comments in September 2014 focused on four key concerns:

1. "OTHER WATERS" DEFINITION.

The significant change in the definition of "other waters" will lead to broad expansions in the numbers of locations coming under jurisdiction and, likewise, increase the number of new permits needed by agricultural operations to perform many routine farming practices. This will generate added burdens and costs and cause undue overlapping of enforcement upon agriculture. In the context of agricultural pesticide use, pesticides are already regulated by the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). Their use is monitored for adherence to labeling restrictions to protect the environment, NPDES requirements are being addressed nationwide, and discharges to waters of the U.S. are already being regulated and monitored in California by both the State and Regional Water Quality Control Boards.

2. EXPLICITLY DEFINING "TRIBUTARY" FOR THE FIRST TIME.

The very broad definition of "tributary" in the proposed rule will result in a substantial increase in water bodies coming under Federal jurisdiction, as any tributary will be jurisdictional by rule and not require any "significant nexus" or connectivity determination to be established. As noted in the proposed rule, "flow" can be sub-surface. Of critical importance is the fact that the definition of "interstate waters," which remain jurisdictional by rule, contains "tributaries" as a key element of its definition. Agriculture and silviculture operations manage lands near these features in the landscape but would be substantially hindered by imposing the additional permitting process, mitigation development and implementation measures required by CWA provisions.

3. USE OF THE TERM "ALL WATERS…" WHEN DETERMINING "ADJACENT TO" STATUS.

By re-shaping the definition of "adjacent to" to include "all waters" that are adjacent to other jurisdictional waters as being covered by the CWA, the proposed rule dramatically widens the regulation of landscapes and water structures and conveyances nationwide. This definition, paired with the proposed definition of "other waters" (see 1. above), forms a stepping-stone path to get further and further removed from waters that legitimately are of Federal concern, extending jurisdiction to ditches, conveyances, depressions, impoundments, etc. that are distant to waters that carry any Federal significance. The expansive new definition of "tributary" (see 2. above) in the rule is key in connecting, by definition, these land features and expanding jurisdictional authority.

4. CONTRADICTIONS WITHIN THE RULE CONCERNING AGRICULTURAL PRACTICES.

Some sections of the proposed rule appear to contradict other sections. For example, the proposed rule states: Artificial lakes or ponds created by excavating and or diking dry land and used exclusively for purposes such as stock watering, irrigation or rice production are not "waters of the United States." However, the rule also states: Lakes and ponds (either natural or man-made) that contribute flow either directly or indirectly are considered tributaries and are "waters of the United States." Interpreting the two sections would lead to the conclusion that any stock watering pond, irrigation pond or rice growing area that overflows during the rainy season and contributes flow would no longer be exempt.

The 113th Congress enacted H.R. 83, the Consolidated and Further Continuing Appropriations Act, 2015, mandating EPA and the Department of the Army Corp of Engineers to withdraw the interpretive rule on Waters of the U.S. On January 29, 2015, the U.S. Environmental Protection Agency and the U.S. Department of Army signed a memorandum withdrawing the "U.S. Environmental Protection Agency and U.S. Department of the Army Interpretive Rule Regarding the Applicability of Clean Water Act Section 404(f)(1)(A)."

STATUS

- On June 29, 2015, the Obama Administration issued a final rule on Waters of the U.S. to clarify what bodies of water (streams, ponds, wetlands, ditches) will be regulated under the Clean Water Act.
- On August 27, 2015, a federal court in North Dakota ruled in favor of 13 states suing to block implementation of the final WOTUS rule.
- In October 2015, the Sixth Circuit Court of Appeals, in Cincinnati, issued a stay, preventing the Obama administration from enforcing the WOTUS rule nationwide.
- In February 2017, newly elected President Donald Trump signed executive order (EO) 13778, "Restoring the Rule of Law, Federalism, and Economic Growth by Reviewing the 'Waters of the United States' Rule," and directed EPA and USACE to review and potentially rescind the 2015 rule.
- On February 6, 2018, the EPA and USACE published a final rule delaying the applicability date of WOTUS by 2 years until 2020.
- In October 2019 EPA and USACE published the final rule that repealed the 2015 WOTUS rule and restored the 1986 regulatory definition of "Waters of the United States.
- In April 2020 EPA and USACE published the "Navigable Waters Protection Rule: Definition of 'Waters of the United States'," in the Federal Register on April 21 – the rule was effective on June 22, 2020.
- On August 4, 2021, the Biden administration announced that EPA and USACE would begin a two-to-three-year rulemaking process to reconsider the definition of WOTUS.
- On December 7, 2021, EPA and USACE issued a proposed rule to define the scope of waters protected under the Clean Water Act and ensure critical protections for the nation's vital water resources, which support public health, environmental protection, agricultural activity, and economic growth across the United States.
- On August 29, 2023, the U.S. Environmental Protection Agency (EPA) and Department of the Army (the agencies) issued a final rule to amend the final "Revised Definition of 'Waters of the United States'" rule, published in the *Federal Register* on January 18, 2023. This final rule conforms the definition of "waters of the United States" to the U.S. Supreme Court's May 25, 2023, decision in the case of *Sackett v. Environmental Protection Agency*. Parts of the January 2023 Rule are invalid under the Supreme Court's interpretation of the Clean Water Act in the *Sackett* decision. Therefore, the agencies have amended key aspects of the regulatory text to conform it to the Court's decision. The conforming rule, "Revised Definition of 'Waters of the United States'; Conforming," published in the *Federal Register* and became effective on September 8, 2023. Listening sessions are being held for all stakeholder groups and feedback remains ongoing.

ACTION

Congress should continue oversight of the proposed WOTUS rule and work with EPA and the Army Corp of Engineers to make changes to the rule corresponding with congressional intent and authorities under the Clean Water Act.

National Environmental Policy Act

BACKGROUND

The spread of non-native invasive weed species in our national forests has a negative impact on their ecosystems, recreational value, and intensity of wildfires, due to biodiversity alteration and changing fuel load properties. Fire season characteristics are different each season and are driven by seasonal climatic shifts. According to the California Department of Forestry and Fire Protection (CalFire), 2020 was the largest wildfire season in California's modern history; 4,304,379 acres burned resulting in 33 fatalities and 11,116 structures damaged or destroyed. The 2021 wildfire season in California experienced an unusually early start amid an ongoing drought and historically low rainfall and reservoir levels. By July, more than three times as many acres had burned compared to the previous year through that date, exacerbated by drought, extreme heat, and reduced snowpack. In August the state of California was facing unprecedented fire conditions with multiple large fires including the Dixie Fire, McFarland Fire and Caldor Fire. In October, parts of California received its first rain in over 200 days but by that time, another 2.5 million acres and 3,846 structures had burned along with the loss of three lives. 2022 was a slower fire season compared to the recent past, but "slow" in the current climate still meant 362,476 acres, 876 structures, and 9 lives lost to wildfire. The Lahaina wildfires on the Hawaiian island of Maui was the most noted wildfire of 2023. But, in total the 2023 wildfire season was one of the quietest in decades. The National Interagency Fire Center estimated that 54,273 wildfires burned about 2.6 million acres. That's the lowest yearly U.S. acreage burned by wildfire since 1998, Annual acres burned for the US in 2023 is well below the 10-year average at just over 37%, with slightly below average number of fires as well, at 95%.

There are multiple management activities that can and should be utilized to reduce risks associated with reductions in biodiversity and increased wildfire risks. Some of those activities include biological control, treatments such as mechanical thinning and prescribed fires, as well as herbicide treatments. The U.S. Forest Service (USFS) reports that these activities do work and have multiple advantages to the forest system by increasing biodiversity, reducing invasive populations and reducing the severity of wildfires.

Most activities on federal lands require agencies to complete a detailed Environmental Impact Statement (EIS) for any activity that "significantly affects the quality of the human environment." If it is determined the activity does not have a significant impact, a less onerous Environmental Assessment (EA) or Categorical Exclusion (CE) may meet the NEPA requirement. These documents are time-consuming and costly. According to the Regulatory Transparency Project, since 1978 environmental advocates have filed at least 4,000 federal lawsuits alleging violations of NEPA and the White House Council on Environmental Quality (CEQ) regulations. The CEQ report (Dec 2018) found that across all federal agencies, the average (i.e., mean) Environmental Impact Statement (EIS) completion time - from Notice of Intent (NOI) to Record of Decision (ROD) was 4.5 years. It is estimated that costs of an EIS are higher than $2 million, first reported to CEQ in 2003. Time and costs of an EA and CE are significantly less.

In recent years, national forest managers in California have completed some of the NEPA analysis required to employ Integrated Pest Management (IPM) methods for invasive weed control. In fact, in FY 2019 and FY 2018 the USFS has met 100% and 97% of their management goals, respectively. While this is an improvement in the NEPA process, invasive weed species continue to spread on federal lands and onto adjacent lands, requiring adjacent private landowners to manage the problem created on federal lands.

Regulatory and/or legal issues and lack of designated funding are the primary impediments to employing any of the management activities so desperately needed to combat non-native invasive weed species on federal lands. Counties

and private landowners are left with managing these invaders at their expense while the federal lands are acting as a seed bank, continually spreading, and infesting adjacent lands.

STATUS

In March 2018, Congress passed historic legislation that significantly reduces the need to transfer funds from much needed management work to pay firefighting cost. This funding fix was effective in fiscal year 2020 when Congress provided a total $4.3 billion to the USFS for Wildland Fire Management. The budget cap adjustment for wildfire suppression costs for the Forest Service should enable them to become more stable, freeing up funds to help accomplish on the groundwork to increase forest health and resilience, as well as protect lives, communities and resources.

The USFS published final revisions to its NEPA regulations on November 19, 2020. The Agency proposed these revisions to increase efficiency in its environmental analysis while meeting NEPA's requirements and fully honouring its environmental stewardship responsibilities. The USFS final rule:

- Maintains scoping requirements for all USFS required actions, including those that are categorically excluded in documentation in an Environmental Assessment, or Environmental Impact Statement.

- Maintains a Determination of NEPA Adequacy (DNA) allowing USFS to use a previously completed NEPA analysis for a new proposed action that is substantially the same, provided that some elements are maintained. The responsible USFS Official must evaluate:
    - Similarity of Actions,
    - Adequacy of Alternatives,
    - Any new information or circumstances of environmental concerns and
    - Adequacy of impacts analysis.

- Proposed actions must be posted on the Schedule of Proposed Actions (SOPA). A New Decision Document must also be published.

- Maintains Adoption Provisions (available since 1978). During an action being conducted by two federal agencies, one federal agency may adopt the others' NEPA analysis.

For Categorical Exclusions (CE), the USFS final rule creates three categories: 1. Special Uses, 2. Infrastructure and 3. Restoration & Resilience. Under Restoration and Resilience for forest & grassland management activities with a primary purpose of meeting restoration objectives or increasing resilience (36 CFR 220.6(e)(25)) the CE rule:

- Limits projects to up to 2,800 acres (better accounts for effects of outliers in the projects sampled by USFS. Size aligns with the average acres of specific activities in the sampling of EAs.).
- Allows vegetation thinning & commercial timber harvest but must be designed to meet ecological restoration objectives.
- Excludes timber salvage as defined in USFS policy but does not preclude removal of dead and dying trees.
- Limits permanent road construction to 0.5 miles, temporary roads are limited to 2.5 miles. Temporary roads must be decommissioned within 3 years of completion of the project.
- Requires projects be developed or refined through a collaborative process.

As an example, this CE could be used for reducing overgrown areas around communities to reduce wildfire risks and to improve wildlife habitat through mechanical thinning and prescribed burning.

On October 7, 2021, CEQ proposed Phase I, of a two-Phase rule that would restore its regulations for implementing the procedural provisions of NEPA to regulatory provisions that were in effect for decades before being modified by the Trump administration in 2020. On April 19, 2022 CEQ published a final rule restoring three basic elements of its NEPA regulations. They include:

- Agencies will consider the “direct,” “indirect,” and “cumulative” impacts of a proposed action, including by fully evaluating climate change impacts and assessing the consequences of releasing additional pollution in communities that are already overburdened by polluted air or water.
- Agencies are granted the flexibility to determine the “purpose and need” of a proposed project based on a variety of factors, and to work with project proponents and communities to mitigate or avoid environmental harms by analyzing common sense alternatives.
- Restores agencies abilities to tailor their NEPA procedures, consistent with the CEQ NEPA regulations, to help meet the specific needs of their agencies, the public, and stakeholders.

One important policy that is not changing under the CEQ proposed rule is the time to complete NEPA assessments. CEQ is maintaining the two-year completion deadline for Environmental Impact Statements (EIS) and one-year deadline for completion of Environmental Assessments (EA).

The enacted Fiscal Responsibility Act of 2023 (FRA) (June 2023) included amendments to NEPA that largely codified longstanding principles that EISs should include:

- Discussion of reasonably foreseeable environmental effects of the proposed action,
- Reasonably foreseeable adverse environmental effects that cannot be avoided, and
- Reasonable range of alternatives to the proposed action.

The FRA requires Federal agencies to:

- Ensure the professional integrity of the discussion and analysis in an environmental document;
- Use reliable data and resources when carrying out NEPA; and
- Study, develop, and describe technically and economically feasible alternatives.

Provisions were included in the FRA to help determine the appropriate level of NEPA review. It clarifies that an agency is only required to prepare an environmental document when proposing to take an action that would constitute a final agency action. It also codifies existing regulations and caselaw that an agency is not required to prepare an environmental document when doing so would clearly and fundamentally conflict with the requirements of another law or a proposed action is non-discretionary. Current CEQ regulations and longstanding practices with respect to the use of categorical exclusions (CEs), environmental assessments (EAs), and EISs, are codified in new provisions that expressly permit agencies to adopt CEs from other agencies.

Provisions in the FRA address timely and unified Federal reviews, and codify existing practices, including provisions clarifying lead, joint-lead, and cooperating agency designation. It generally requires development of a single environmental document, directing agencies to develop procedures for project sponsors to prepare EAs and EISs, and prescribing page limits, deadlines, time lengths and circumstances for when agencies can rely on programmatic environmental documents without additional review.

On July 31, 2023, the CEQ published a Notice of Proposed Rulemaking (NPRM) for its second phase of revisions to the 2020 National Environmental Policy Act (NEPA) amendments. Phase 2 changes to the NEPA regulations will implement the Fiscal Responsibility Act's amendments to NEPA, help ensure full and fair public involvement in the environmental review process; meet the nation’s environmental, climate change, and environmental justice challenges; provide regulatory certainty to stakeholders; and promote better decision-making consistent with NEPA’s goals and requirements.

Democrats and Republicans have known for over 25 years that the National Environmental Policy Act (NEPA) needs to be reformed. On the 25th anniversary of the NEPA, Kathleen McGinty, Chair of then-President Clinton's Council on Environmental Quality (CEQ) set out to examine NEPA's effectiveness, and to identify the factors critical to ensuring success in the NEPA process. This culminated in "NEPA: A Study of Its Effectiveness After Twenty-five Years." In this report CEQ found, "Study participants stated that frequently NEPA takes too long and costs too much, agencies make decisions before hearing from the public, documents are too long and technical for many people to use, and training for agency officials at times is inadequate."

ACTION ITEMS

1. Support efforts to fund federal agencies that partner with states and local programs like Weed Management Areas that combat the spread of invasive and non-native species which negatively impact ecosystems and intensity of wildfires due to biodiversity alteration and changing fuel load properties.
2. Support adequate funds for USDA Forest Health Management programs that provide for cooperative activities including California counties that secure and deploy biological control agents for invasive noxious weed control as part of an IPM program.
3. All categorical exclusions should be aggregated to allow federal agencies to glean potential efficiencies from other agency's historically used categorical exclusions.
4. Closely monitor progress of the USFS and management of the budget cap adjustment for wildfire suppression costs and help enable USFS to accomplish on the ground activities that improve forest health and reduce intensity of wildfires.

California Industrial Hemp Program

BACKGROUND

In 2013, California adopted the California Industrial Hemp Farming Act (SB 566). This Act established Division 24 of the Food and Agriculture Code and provided the first definition for industrial hemp. However, SB 566 included a provision that the law would not become operative unless authorized under federal law.

In 2016, California's Adult Use of Marijuana Act (Prop 64) removed the "not operative" provision from state law thereby legalizing industrial hemp in California and enabling the establishment and appointment of an Industrial Hemp Advisory Board. Prop 64 also mandated that industrial hemp growers for commercial purposes and seed breeders shall register with the agricultural commissioner of the county in which they intend to engage in industrial hemp cultivation.

On December 20, 2018, Congress enacted the Agricultural Improvement Act (2018 Farm Bill) establishing historic changes for industrial hemp by removing industrial hemp, defined as the plant Cannabis sativa L, or any part of the plant, including seeds, derivatives, and extracts with a delta-9 THC concentration of not more than 0.3 percent on a dry weight basis from the Federal Controlled Substances Act. Additionally, industrial hemp was now classified as an agricultural commodity and eligible for federal crop insurance and allowed to move freely across state lines. This established a path for states to gain federal compliance for industrial hemp production.

California enacted several new laws and regulations and continues to refine them to ensure California's state regulatory plan for Industrial Hemp production remains in compliance with the 2018 Farm Bill and the USDA Final Rule.

HIGHLIGHTS

California Department of Food and Agriculture (CDFA) submitted their State Plan to USDA on September 17, 2020 and USDA approved it effective January 1, 2022.

AB 45 was passed by the California legislature and signed into law by the Governor on October 2, 2021. The California Department of Public Health (CDPH) has regulatory authority over industrial hemp products outlined in AB 45. Businesses engaged in the manufacturing, packing, or holding of industrial hemp products are now required to register with the California Department of Public Health.

Issues: The growing seasons of 2019, through 2023 has presented many challenges. Unstable federal, state, and local regulations, access to certified genetics, public stakeholder complaints, criminal activity, and lack of viable access to processing, consumables and consumer product markets have created difficulties for growers, breeders, and local law enforcement. Agricultural Commissioners, who have primary local administrative and enforcement authority over the program in California have been challenged by the relative cost associated with

regulating this nascent industry under its current funding mechanisms. Many growers have experienced losses due to poor seed quality and unstable genetics, pests, weather, storage, or exceeding the 0.3% THC tolerance, which results in additional costs associated with destruction. Growers saw a dramatic decrease in price and difficulty finding markets forcing many to store and, in some cases, abandon their crop. This is due primarily to a lack of processing facilities and established commoditization of this market throughout the U.S.

Table 1 below depicts a substantial reduction in the number of registrants, cultivated sites and acreage in California over the past five years.

Table 1: Total Registrants, Cultivation Sites and Acreage by year for Industrial Hemp

Calendar Year	Registrants	Cultivation Sites	Acreage
2019	667	1,471	40,703
2020	525	926	16,900
2021	282	415	6,806
2022	126	231	2,861
2023	79	163	3,588

Data from CDFA Hemp Registration Summary: https://www.cdfa.ca.gov/plant/industrialhemp/

The successful production and marketing of industrial hemp is dependent on specific regulations developed and implemented by various federal agencies including USDA, EPA, FDA, and DOJ. To date, this regulatory development seems largely uncoordinated and siloed within each individual agency.

ACTION ITEM

We urge Congress to focus on developing industrial hemp markets in the west, specifically those that aid in the utilization of food, fiber and seed. Provide federal funding in the development of markets and state programs to support processing infrastructure, local education, outreach, regulation, and enforcement. Currently the state and federal funding mechanisms have forced local county jurisdictions in California to promulgate their own ordinances focused on hemp regulations. This has created a mosaic of inconsistent hemp regulations in California county jurisdictions where cultivators intending to fraudulently grow psychoactive cannabis under the guise of industrial hemp seek out the counties with less developed local enforcement structures to set up business.

We urge federal coordination for regulatory development and implementation among the varying agencies with jurisdiction over industrial hemp. Federal funding and support for this re-emerging commodity and market is essential for the equitable regulation of industrial hemp throughout the U.S., especially relative to the dichotomy of hemp and cannabis regulation within the U.S. Further federal government research should be devoted to the appropriate psychoactive threshold (currently 0.3% combined THC and THCA) for differentiating this crop from psychoactive variants of the species Cannabis Sativa L. as the current threshold is arbitrary at best.

The Status of Cannabis Regulation in California

ISSUE

California law changed in 2015 and 2016 to legalize and regulate medicinal and recreational (adult use) cannabis (marijuana) in California. Since that time, local jurisdictions have struggled with the cultural, legal, financial, and political ramifications of allowing or prohibiting commercial cannabis activities in compliance with California law. The conflict between federal and state law is complicating implementation of state cannabis laws for California's cities and counties.

This conflict means that there is a potential for locally permitted activities to be subject to federal enforcement efforts. Many common regulatory protections such as pesticide registration, banking regulations, regulations under the Food, Drug and Cosmetic (FD&C) Act and various laboratory accreditations, all originating at the federal level, are not available to provide a framework that local government can rely on to guide policy and implementation.

STATUS

Cannabis (marijuana) is categorized as a Schedule 1 Controlled Substance by the Controlled Substances Act (CSA) (21 U.S.C. § 812), rendering it illegal to cultivate or possess under federal law. However, as of June 2023:

- 24 states have fully legalized medical and recreational use.
- 14 states and 4 territories, including the District of Columbia, Guam, Puerto Rico & U.S. Virgin Islands have approved public medical marijuana/cannabis program
- 31 States have decriminalized Cannabis
- 7 states allow use of "low THC, high cannabidiol (CBD)" products for medical reasons in limited situations, and
- 6 states remain fully illegal with respect to cannabis.
  (State status reflects current laws as of June 2023)

The Food and Drug Administration (FDA) is aware that some companies are marketing products containing cannabis and cannabis-derived compounds in ways that violate the FD&C Act and that may put the health and safety of consumers at risk. Throughout 2020 FDA issued warning letters to 22 companies for selling products containing CBD in ways violating the FD&C Act.

California allows the possession of small amounts of cannabis and cannabis concentrates and allows the cultivation of 6 plants for personal use by anyone 21 years or older. California law also established a commercial licensing system that became effective in January of 2018 and allows licensing for cultivation, manufacturing, distribution, transportation, and retail sales of both medical and recreational cannabis.

In California, County Agricultural Commissioners (CAC's) regulate pesticide use and a variety of other industry and

consumer protection related mandates, including the enforcement of laws and regulations related to weights and measures. Commercial and non-commercial devices used for weighing cannabis and cannabis products fall under the local administration responsibilities of CACs. These two disciplines in the CAC system have been impacted by the regulation of cannabis and the cannabis supply chain.

The federal policy related to cannabis regulation has created uncertainty about the regulatory role of the CAC-specific to commercial cannabis cultivation and the use of pesticides.

BACKGROUND

California's pesticide regulatory program is tied to the US Environmental Protection Agency (EPA), where all pesticides are initially evaluated and registered. 40 CFR, Part 180 establishes allowable pesticide residue tolerances for all pesticide active ingredients on a crop-specific basis. Following federal registration, California's Department of Pesticide Regulation conducts state-specific pesticide registration, and California's County Agricultural Commissioners implement the state's comprehensive regulatory program in each of the state's 58 counties (consistent with state and federal law).

Because pesticide regulation originates at US EPA, federal cannabis prohibition means that there has been no opportunity to evaluate pesticides for use on cannabis, no research into safe pesticide residue levels, and no guidance to states on how to advise their newly-legalized cannabis industries regarding the safe use of crop protection materials on cannabis. In addition to a lack of approved crop protection materials for licensed cannabis cultivators, the absence of federal EPA guidance has created a great deal of uncertainty regarding human health and safety impacts from cannabis consumption and pesticide residue levels.

Federal law enforcement against state-licensed cannabis businesses continues to be a concern. Since May 2014, a provision that prohibits the U.S. Department of Justice from spending federal funds to enforce the Controlled Substances Act in States implementing legalized medical marijuana laws has received broad bipartisan support in the U.S. House and Senate. The provision continues to enjoy bipartisan support in Congress and has been repeatedly extended through the federal appropriations process. Congress included the language again in H.R. 2471, Division B, Section 531 of the Omnibus Appropriations Act for FY 2022.

On July 1, 2021, California lawmakers adopted Assembly bill 141, which consolidated the three state cannabis licensing authorities, the Bureau of Cannabis Control (Department of Consumer Affairs), CalCannabis Cultivation Licensing Division (California Department of Food and Agriculture), and the Manufactured Cannabis Safety Branch (California Department of Public Health). This legislation created the Department of Cannabis Control (DCC). The DCC is the California state agency that now licenses and regulates all cannabis businesses and supply chain activities in the state of California.

The implementation of equitable and uniform standards for cannabis and cannabis-containing products is fundamental to protect consumers and ensure they "get what they paid for," to promote fair competition among businesses by leveling the playing field, and to foster confidence in transactions. The National Conference on Weights and Measures (NCWM) is a professional non-profit association of state and local weights and measures officials, federal agencies, manufacturers, retailers, and consumers. The NCWM develops weights and measures standards by consensus that serve as model laws and regulations that states can adopt. On August 2, 2023, NCWM adopted definitions for cannabis and cannabis-containing products for use in the National Institute of Standards and Technology Handbooks 130 Uniform Packaging and Labeling Requirements, and the acceptable method of sale for cannabis and cannabis-containing products. Some Cannabis and Cannabis-containing products are susceptible to environmental conditions and easily lose or gain moisture, consequently impacting the net quantity, the degradation of active cannabinoids, and may create significant consumer price harm. The NCWM continues to develop models and standards that act as a stimulus for commerce. The adoption of the method of sale helped identify and address some areas of concern surrounding the commercialization of Cannabis and cannabis-containing products.

ACTION ITEM

1. It is incumbent upon Congress to review all federal statutes and take needed actions to ensure legal, regulatory and enforcement compliance and continuity exists relating to cannabis. In recognition of the cannabis-legalization action taken in many states and territories, federal regulation must be updated to account for the shift in policy that has taken place throughout the U.S.
2. Until Congress enacts permanent law, continuing language in the Commerce, Justice and Science appropriations bill must continue to prohibit the U.S. Department of Justice from spending federal funds to enforce the Controlled Substances Act in states implementing legalized medical marijuana laws.
3. Congress should support the use and adoption of equitable and uniform standards for cannabis and cannabis-containing products across federal and state jurisdictions adopted by the NCWM that identifies the method of sale and provides definitions of cannabis and cannabis-containing products.