

Assembly Bill No. 1401

Passed the Assembly September 10, 2009

Chief Clerk of the Assembly

Passed the Senate September 9, 2009

Secretary of the Senate

This bill was received by the Governor this _____ day
of _____, 2009, at _____ o'clock ____M.

Private Secretary of the Governor

CHAPTER _____

An act to add Chapter 10.1 (commencing with Section 46100) to Division 17 of the Food and Agricultural Code, relating to organic foods.

LEGISLATIVE COUNSEL'S DIGEST

AB 1401, Ma. Transition to Organics Act.

Existing law prohibits a food from being sold as organic unless it meets certain criteria, and accurate and specific records are kept detailing its production, handling, and sale.

This bill would enact the California Transition to Organics Act of 2009. The bill would establish the Transition to Organics Fund in the State Treasury, which would consist of moneys from federal, industry, and citizen sources. The bill would limit the expenditure of moneys from the fund to providing financial assistance to persons who transition their uncertified farms to certified organic farms and to covering administrative and operational expenses incurred in administering the act, as specified. The fund would be administered by the Secretary of Food and Agriculture, as provided, and the secretary would be authorized to adopt regulations to carry out the provisions of the act. The bill would also authorize the secretary to levy a civil penalty, as provided, upon a person who renders or furnishes false information to the secretary under the act.

The people of the State of California do enact as follows:

SECTION 1. Chapter 10.1 (commencing with Section 46100) is added to Division 17 of the Food and Agricultural Code, to read:

CHAPTER 10.1. TRANSITION TO ORGANICS ACT

46100. This chapter shall be known and may be cited as the "California Transition to Organics Act of 2009."

46101. This act shall be interpreted in conjunction with the National Organic Program (7 U.S.C. Sec. 6501 et seq.), the California Organic Products Act of 2003 (Chapter 10 (commencing

with Section 46000) of this code, and Article 7 (commencing with Section 110810) of Chapter 5 of Part 5 of Division 104 of the Health and Safety Code), and the regulations adopted pursuant to the National Organic Program and the California Organic Products Act of 2003.

46102. For purposes of this chapter, the following definitions apply:

(a) “Act” means this chapter.

(b) “Uncertified farm” means any farm, or portion of a farm, that is not a certified organic farm, and has submitted a pesticide use report for that farm pursuant to Section 12979, prior to January 1, 2010.

(c) “Person” means an individual, group of individuals, corporation, association, organization, cooperative, or other entity.

46103. The Transition to Organics Fund is hereby created in the State Treasury. Transfers to the Transition to Organics Fund shall be deposited in the State Treasury, or in a state depository bank approved by the Treasurer. These funds shall be available upon appropriation by the Legislature.

46104. The Transition to Organics Fund shall consist of moneys deposited into the fund from federal, industry, and citizen sources. No moneys from the General Fund shall be deposited into the Transition to Organics Fund.

46105. The Transition to Organics Fund shall be administered by the secretary. The secretary may adopt regulations as needed to carry out the provisions of this act.

46106. Expenditure of funds by the secretary pursuant to this act shall be limited to the following:

(a) Providing financial assistance to persons who are transitioning their farms from uncertified farms to certified organic farms pursuant to the following procedure:

(1) Upon obtaining organic certification on or after January 1, 2010, to sell organically produced products, for the first year of the organic certification, a person transitioning an uncertified farm to a certified organic farm may apply for and receive a reimbursement of 25 percent of the costs associated with obtaining organic certification for that farm, including inspection fees, application fees, and annual fees.

(2) The maximum amount of payment made for any farm transitioning from an uncertified farm to a certified organic farm

shall be two hundred fifty dollars (\$250). The maximum total payments made to a person per year shall be one thousand dollars (\$1,000). Reimbursement shall be made on a first-come-first-served basis, and shall be contingent upon sufficient funds being available in the Transition to Organics Fund.

(b) Administrative and operational expenses incurred by the secretary in the administration of this act, provided that sufficient moneys are available to cover these expenses, as determined annually by the Director of Finance.

46107. The secretary may administer the disbursement of moneys from the Transition to Organics Fund in coordination with the procedures associated with the federal Organic Certification Cost-Share program authorized under Section 6523 of Title 7 of the United States Code.

46108. The secretary shall receive and accept on behalf of the Transition to Organics Fund, any contribution of money from any person, or any agency of this state or the United States to the Transition to Organics Fund, and shall deposit those contributions in the Transition to Organics Fund.

46109. Persons seeking moneys from the Transition to Organics Fund shall be solely responsible for the accuracy and truthfulness of the information provided in the application for assistance, including, but not limited to, description of the qualifying property, prior land use, and certification costs. A civil penalty may be levied by the secretary, utilizing the provisions and procedures described in Section 46017, upon a person who renders or furnishes false information to the secretary under this act.

46110. The secretary shall keep records of the contributions to, and disbursements from, the Transition to Organics Fund. These records shall be publicly available upon request. These records shall be made available annually to the California Organic Products Advisory Committee established pursuant to Section 46003.

Approved _____, 2009

Governor