

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: July 2, 2008
POSITION: Neutral
SPONSOR: California Rice Commission

BILL NUMBER: SB 1623
AUTHOR: L. Yee

BILL SUMMARY: Rice Industry

This bill would define the terms "handle" and "process" for purposes of rice production and distribution. It would change the definition of the term "handler" to persons selling or offering rice for sale. The bill would delete fidelity bond requirements for agents designated by the California Rice Commission (Commission) to handle assessments and would instead require these funds to be accounted for in a manner prescribed by the Commission. This bill would repeal and recast the Commission and California Department of Food and Agriculture (CDFA) duties related to investigations and violations. This bill would also allow the CDFA and the Commission to collect reimbursements for enforcement costs associated with this measure.

FISCAL SUMMARY

The CDFA indicates that this bill would have minimal fiscal impact on the department. Any enforcement costs incurred by the CDFA would continue to be reimbursed by either the Commission or the Courts, as required by existing law.

Any local government costs resulting from the mandate in this measure would not be state-reimbursable because the mandate only involves the definition of a crime or the penalty for conviction of a crime.

SUMMARY OF CHANGES

Amendments to this bill since our analysis of the April 22, 2008 version include the following significant amendments which do not change our position:

- Makes various technical, non-substantive, or conforming changes.
Changes the definition of "handler" to mean any person offering for sale or selling rice.
Adds the definition of "process" to mean harvesting, drying, milling, transporting, or storing rice.
Deletes fidelity bond requirements for agents designated by the Commission to handle assessments and would instead require these funds to be accounted for in a manner prescribed by the Commission.
Repeals and recasts the Commission and CDFA duties related to investigations and violations of the California Rice Certification Act (CRCA) of 2000. Adds that all remedies are cumulative and not exclusive of any other remedy.

COMMENTS

The Commission was created in 1998 for the purpose of national and international advertising of the California rice industry, increasing its competitiveness, enhancing its reputation and the industry's commitment to stewardship. Existing law established the CRCA, to help standardize and enforce the purity of California's rice commodity. The CRCA provides definitions, administrative guidelines, duties and powers of the Commission, assessments, certification of rice, and violations and civil penalties with appeals processes.

(Continued)

COMMENTS (continued)

Existing law requires the Commission to reimburse the CDFA for enforcement activities (Food and Ag Code Section 71053).

This bill would repeal and recast the Commission and CDFA duties related to investigations and violations of the CRCA.

Analyst/Principal Date Program Budget Manager Date
(0221) R. Baker Todd Jerue

Department Deputy Director Date

Governor's Office: By: Date: Position Approved
Position Disapproved

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)

AUTHOR

AMENDMENT DATE

BILL NUMBER

L. Yee

July 2, 2008

SB 1623

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2008-2009	FC	2009-2010	FC	2010-2011	
8570/Food & Ag	SO	No		-----	See Fiscal Summary	-----			0001