

The Impact of Politics on the Agriculture Industry

Carol Hallett

Member, California State Assembly, twenty-ninth district.

I am delighted to be with you today, being one of the greatest fans of your product; and I frankly don't care what they do (nutritionally). Avocados are so good that, no matter what anyone might say, I think you have one of the most saleable, delicious, delightful products that could be distributed anywhere in the world. If I were given a choice of listing ten different products that I would be left with, and that was "it" for the rest of my life, I'm telling you that I would certainly include avocados in that diet. So, I hope that we can convince more people throughout this country of, not only what a tremendous asset avocado is to any meal, but what it will really do in terms of livening up any function, any party, any meal.

I am not here today to talk about your important product. I am here today to talk about not only the California Legislature, but about some important bills to you; and I hope to be able to cover all that in a somewhat limited period of time. I find, unfortunately, that legislators do not know when to stop talking; so I did bring my very trusty stop watch with me and hope that will do the job.

I have never started any speech without sharing my belief in that old truism that no one's life, liberty, or property are safe when your legislature is in session. There are many reasons for saying that. My good constituents who are here from San Luis Obispo County—actually, Santa Barbara County—this afternoon, the Cavalettos and the Mehlschaus and others, are used to hearing me say that; and the reason I say it is that we introduce so many bills in Sacramento. We introduce, on an average, 7,000 bills in every two-year session. This year, we exceeded that by a record of 350 more than usual. What that means is, at the end of every two-year session, we have approximately 2,000 new laws to govern our lives, laws by which we are all ruled. So, when I make the first statement, the second one that I will share with you makes a little more sense; and that is, much of what we do in Sacramento is indeed *for* you—but the rest is certainly *to* you. I am here to talk a little about that today.

First, I really feel that it is important to talk about a little background, so far as the legislature is concerned—the legislative process. Most certainly, each one of you at some time in your lives has heard the statement, "this is the most important election that you will ever vote in." I am going to make that statement in just a little bit different way, because this year, 1980, *is* positively the most important election of this decade. There is a big difference. You are going to be voting for a president, for a U.S. senator, and for a number of other important people; but the California State Legislature elected this year is going to control this state for the next decade. The reason is, the California Legislature elected this year, in 1980, is responsible for the reapportionment plan; in other words, the re-drawing of every state senate, every state assembly, and yes, every

congressional district in the State of California. It happens once every ten years following the census that is taken before the start of a new decade. What we have facing us this time is even more important because we could have such a phenomenal increase in population in California that the California Legislature is going to be creating, or is actually going to draw, three new congressional districts—two of which will probably be here in southern California. It isn't the congress that draws those new boundary lines, it is the California Legislature; and that particular plan is based on one of two rules by which we are governed in Sacramento. I call it a "numbers game" because there are two numbers in the 80-member assembly by which all of our votes are determined. We call it the "Rule of 41." In other words, it takes 41 votes, or a simple majority, to pass the reapportionment plan, to elect the Speaker of the Assembly, and to pass all simple majority bills. It takes 54 votes, or a two-thirds majority, to pass the budget and all of the money bills.

Well, the reapportionment plan does indeed take only 41 votes. Normally it is a totally partisan vote, decided by whichever party is in power. So, not only are the people vitally important whom you elect to draw that plan, but balance between the two parties is even more critical.

It might sound peculiar for any person of a particular party to make this statement, but I am convinced that balance between the two parties is far more important than the party in power. The reason is, legislators will vote to represent their constituents when they are not controlled by powerful leaders who have a vast difference in balance. And when you eliminate that difference of a great majority and a very small minority, you find legislators who will consistently vote, no matter what their party registration, for the people who elected them — Democrats, Republicans, Libertarians, liberals, conservatives, you name it. They are all going to vote better when we have balance in the legislature. And so in that plan next year, while one party may ultimately make the decision, balance means that those parties will be forced to work together to draw a reapportionment plan that will ultimately mean that we will have balanced districts. That will also be vital to agriculture because, without more people representing or who understand our number one industry, agriculture will continue to be in trouble and have very serious days ahead.

We've had some very serious days behind us, too. I know that one of the battles that took place in Sacramento this year had a direct impact on the reapportionment plan. Many of you heard about the battle for the Speaker of the Assembly between Leo McCarthy, the current speaker, and Howard Herman, the challenger. That battle was not resolved. There was certainly a tremendous amount of effort and interest placed on the battle, particularly as we went into the primary election this year. \$3.3 million were spent between the McCarthy and Herman forces, each one working to elect nominees in the June primary who, if elected in November, would vote for one of those two individuals as speaker next year.

One of the reasons for that money being spent in that tremendous effort to be speaker is because of the power in the position. The speaker is many times more powerful than the Governor of the State of California. And so, no matter whether the speaker is a Democrat or a Republican, the power allows that individual to create committees, to appoint members to committees, to assign the chairmen to the committees, and then to

take those 7,000 or so bills and assign all those bills to the committee of the speaker's choice. The speaker also has great power over reapportionment. And so, it is a very powerful position that many people are eager and very, very apt to work very hard to attain.

I can't tell you what will happen next year. There will be a major battle. I predict that neither Howard Berman nor Leo McCarthy will be Speaker of the Assembly; and I don't think that's half bad, because their votes are identical and philosophically they are identical. I would predict that the Speaker of the Assembly will be a Democrat next year. I think that there will continue to be a Democratic majority, but I think with balance you will see agriculture and business benefit greatly in the State of California.

Now, I mentioned this "Rule of 41." We found that the "Rule of 41" applied directly to a bill this year that can have a direct impact on your lives and your livelihood, not only in this decade, but for many years to come. I think we have all become accustomed to and dependent upon the initiative process in the State of California. And I have always believed that the initiative was a backup, the only backup that the people have available to them when the legislature refuses to do its job. We did refuse to do our job over the issue of property taxes. When the legislature did nothing, the people went out and qualified Proposition 13 for the ballot, and it passed.

There have been many instances like that, and one of the legislators in Sacramento has always been opposed to the initiative process. So this year, he made several different efforts to either abolish or make the initiative process more difficult. The first one was simply to increase the filing fee for anyone trying to circulate an initiative from \$100 to \$1,000. The second effort was a little bit more complicated. It would have required anyone who was qualifying an initiative for the ballot to first bring it before the California Legislature and have the legislature approve or disapprove whether or not it would go on the ballot. What good is it to have an initiative process if you have to go through that step? Fortunately, those two bills were killed.

The final effort took place on the last day of the legislative session this year, Sunday, August thirty-first. It did pass. It passed with 43 votes in favor and 32 votes opposed. And the frightening part of that bill, which is Assembly Bill 3197, is the provision that, if on a petition of 25 signatures one was illegal or incorrect, the entire petition would be rejected. Let me give you an example. Let's say that you live in Santa Barbara County, but you go to San Luis Obispo County for the day, and you have that initiative petition with you; and you ask a friend in San Luis Obispo County to sign that petition. That is incorrect, and is termed a "fatal defect" which prohibits the clerk of the county in which that petition was initially circulated from accepting that petition.

In other words, you might have 24 valid signatures on the initiative petition, but with only one invalid signature, which could include someone trying to sabotage your effort by simply writing "John Doe the 20th," the clerk would have to throw the petition out. Unfortunately, that bill passed. We now have until Tuesday night at midnight to take one final action. That is to encourage the Governor of the State of California to veto the bill, which I feel is essential if we are going to protect the right of the people to tell the legislature what to do when the legislature does not do its job. It is very difficult to qualify an initiative for the ballot, but I think we should have that one possible tool — I call it the

"two-by-four" — left for the people. I certainly hope that the bill will be vetoed by the governor.

There are other very important issues. I don't think there is a tax in California that is more unjust than the California inheritance tax. That tax is truly called the "death tax" in this state. This year, the legislature passed a bill that takes effect on the first of January that takes a partial step in the right direction. It will eliminate, effective the first of January, the inheritance tax on the surviving spouse. Now, I don't say this facetiously, but don't anyone plan to die before the first of January, because until then the old law stands — and isn't that a pity! If someone were to pass away on the thirty-first of December, the surviving spouse would be required, under the old law, to pay the full inheritance tax. Effective the first of January, 1981, the inheritance tax on the surviving spouse, only, is eliminated. The total revenue today to California from inheritance tax is two percent of our annual income to the state. Cutting that inheritance tax out on the spouse cuts that revenue to one percent. Ladies and gentlemen, we don't need *any* inheritance tax in this state. One initiative has qualified already (the Miller initiative), and another may qualify, to appear *on* the June 1981 ballot to eliminate completely the inheritance and gift tax in this state. I think that is imperative. We should all work together to make sure that this tax that is so grueling and so unfair on almost every level is eliminated in the state of California. We can do it, and we should.

I want to talk about one other tax issue before I move on to the key agricultural bills because it does relate to agriculture. Many of you have unsecured property — from boats to airplanes to agricultural equipment to business equipment,. After Proposition 13 passed, the state board of equalization ruled (and many assessors followed through with a ruling) that a higher percentage would be collected on unsecured property. Twenty-two counties collected 440 million dollars as a result of that increase suggested by the board of equalization. The remaining 36 counties

did not collect that money. The issue went to the court, and on the fourteenth of August, this year, the California Supreme Court ruled that that higher rate could be charged and the money did not have to be returned to the people from whom it had been collected. There was only one alternative left, and that was for the California Legislature to pass a new law stating that that higher rate for personal property on unsecured rolls could not be charged, and that that money for 1978-79 tax rolls would have to be returned to the people from whom it was collected. We were unable to pass that bill. It was because of the fight to keep that money for, not just local government programs, but for the state of California to spend on new programs that the bill to refer and require the money to be returned did not pass.

A second alternative which is a step in the right direction did pass. It simply froze the money collected and prohibited the counties that have not collected the money yet from doing anything on that issue until January. That means that the legislature in January will be asked once again to deal with the issue of (a) do we return the money to the people, or (b) do we spend it for new programs?

I am most hopeful that we will be able to prevail and see that the money not be spent for new programs, because I can guarantee you that one of the problems we have right now is just simply taking more and more money excluded from Proposition 4 — the

Gann spending limit — and finding ways to spend it.

I guess I could spend more time talking about agriculture than any other issue, because it means so much to me. My father was an alfalfa farmer in northern California, so I have a great love and a direct interest in what happens in our Number One industry. And I think that, in the decade of the '80's, energy and water and government regulations will be three of the main crises that agriculture will be faced with.

Most certainly, this year we were faced with a number of very important bills; some fortunately were defeated, and some others unfortunately were defeated. The first one I would like to mention deals with an issue that is going to be with us for a long time, and that is the Agricultural Labor Relations Act. This year, in this two-year session, we had two bills dealing with the act. Both of them were identical, both of them passed out of the legislature with Republicans and Democrats voting together to make sure that they passed, and both of them were vetoed by the governor. They are called the "good standing" bills. We were trying to amend California's Agricultural Labor Relations Act with respect to "good standing," so that the good standing rule under our California act would be identical to the good standing rule of the National Labor Relations Act. Under the NLRA, a union can only demand that an employer fire an employee for two reasons: lack of payment of dues and lack of payment of initiation fees. I think that is legitimate. Under California's act, there are 33 different reasons that the union can demand that an employer fire an employee. Included among those 33 are lack of respect for the union, whatever that might be; refusing to follow orders of the union; and I could go on and on. I think it was legitimate that we make that one change in the law. We were unsuccessful because of the governor's veto. Without balance in the legislature, we do not have 54 votes to override the governor's veto in the state assembly. I think we will make progress on this issue between now and November, and certainly November in two years. In the meantime, that is one issue that agriculture — farmers, farm workers, and everyone — would benefit from in the change in that law. I can't tell you how exciting it was to see farmers and members in good standing of the UFW lobbying together to try to get that legislation passed this year. It was remarkable and unusual, and I think it showed that there is a great concern about making some legitimate changes in the Agricultural Labor Relations Act.

Well, we went from the issue of labor to one dealing with water. Most certainly, the comment that Carolyn (Leavens) made today about Senate Bill 200 — the peripheral canal bill — is so true. That is such a divided issue! It is a north/south issue, but really the people in agriculture from northern California were not nearly as concerned about water moving from north to south, I believe, as they were over the issue of the quality in the San Joaquín delta. We do know, of course, that there is an initiative being circulated that would prohibit the construction of the peripheral canal. And I have just read that the people who have been sold on that issue are now becoming much more undecided as to what way that particular issue should go. I can't tell you what would happen. I can tell you that there are a number of problems if California does not provide the necessary water for southern California. I wouldn't want to offend anyone with the following statement, but frankly I think it is the responsibility of the legislature to find a way to provide the water for southern California. Because if they don't, when southern California loses the allocation from the Colorado River, all those people are going to

move to northern California — and we don't want that, either. So we do have a problem on our hands.

But that problem, ladies and gentlemen, isn't nearly as serious as the trailer bill that was carried alongside Senate Bill 200. It passed out of the assembly and fortunately was killed in the state senate. It was Senate Bill 1361, and the reason I mention a bill that was defeated is that it will be back next year; and in the meantime, Governor Brown signed an executive order to implement parts of that bill when it did not pass through the legislative system. It is a bill that would give control over water in California and control over water rights to the California Water Resources Agency. Specifically, it would force everyone from business to agriculture using water in this state to justify to the agency the economic need for that water. In fact, it was so specific in one of the amendments that, if the agency deemed the water should go for something they thought was economically more important than irrigating your crops, they could act accordingly, and you would have absolutely no comeback.

A second part of that bill provided for total control to be established within that agency over water storage facilities and recommendations for whether or not any new ones should be built. It would have given control over the wild rivers in California to that agency. It would have given complete control to that agency to establish a water conservation program in California, to write the proposal; but then, without any legislative approval, it would have allowed the agency to carry out the total provisions of the conservation program that they prepared. And it said specifically that they would be allowed to require the placement of meters on all wells in California, to require notices of extraction to be filed with that agency by every well owner in this state every six months, and then to be required to (1) pay a tax on the water to the agency and (2) be told how much water they could take from their well. And I could go on and on. The bill passed out of the state assembly, was killed in the senate, and the governor immediately implemented parts of it through his executive order. I think we have a serious problem in our future with respect to water.

I think Proposition 8 on the November ballot is indeed going to be controversial; but it is one that you must study very carefully because two provisions of Proposition 8, which I will simply mention, are (1) it raises to the level of constitutional protection any decisions made by the Water Resources Board of the State of California, and (2) it provides that — let's take as an example: if we were to go into another drought period and the state or the Department of Fish and Game were to deem that water for the fisheries was more important than water for crops, they could cut your water off and you would have no recourse because Proposition 8 would all but prohibit you from taking court action. I hope that you will study clearly Proposition 8, because I think it has a very important impact on our future.

Well, there are so many other bills that I would like to talk about, but I think we are at a point right now where the entire issue and the entire views of "agricultural cannibalism" in this state is a major, major issue. I would like to make a statement that I fully believe in, and that is that there is absolutely nothing that supports the idea that we must live in a zero-risk society. There is no such thing! If we are going to grow crops for this state and this nation and this world, we must have all the tools, used carefully and judiciously, from water to land to agricultural chemicals. Our population is growing at such a

phenomenal rate in this world, and so many people forget what has happened over the last ten million years, alone. In the first ten million years to the period 1830, the population in the world grew to one billion. In the next 100 years, from 1830 to 1930, it grew by another billion to two billion. From 1930 to 1960 — another 30 years — it grew by another billion to three billion. Now, from 1960 to 1975 — fifteen short years — the world population grew by yet one more billion to four billion people. Now we are being told, conservatively, that between 1975 and the year 2000, the population of the world, including California and the United States, will grow by another three billion, to seven billion people on the face of the earth. Well, it means, among other things, that we have to provide for those people. The world population growth rate is approximately 2.2% per year. In the United States and California, it is 1.2%. So we do have problems to face, and we are going to have to face them head on.

I have always said that *in* the history of mankind, no one ever won a war without a battle. And, ladies and gentlemen, we are fighting a war against inflation, against overregulation — just for beginners. I think we have to fight this war with all of the strength we have, if we are going to be successful; and I think there's a way. A few of you have heard me talk about a battle plan. I think there is a plan that each one of you as individuals — and your association as a group — can implement easily and successfully. CWA (California Women for Agriculture) already has, because it is part of their plan. My battle plan has three parts. The first is *unity*. Unity among yourselves, among your organizations, among agriculture, is absolutely essential if we're going to make the grade. It's essential on the major issues if you are going to have agriculture as our Number One industry by the year, not 2000, but the year 1990.

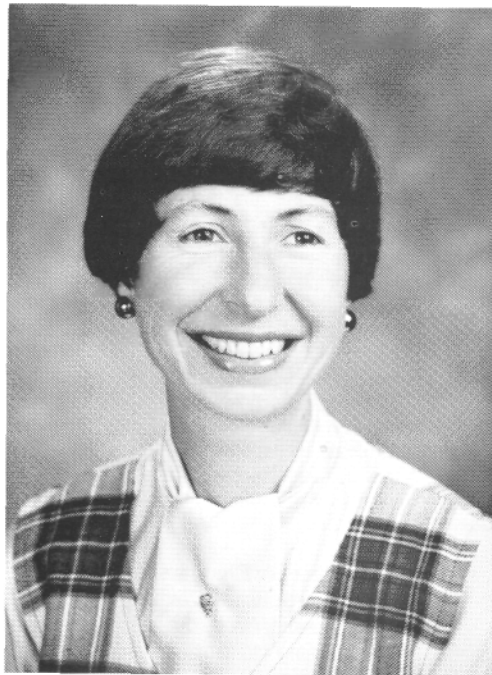
The second part of the plan is *public education*. Public education is what the California Women for Agriculture are doing, and so many other organizations are doing, so successfully. But we need so much more of it! Public education means that when you read those articles in the newspapers that are so outrageously false, written by people who are trying to sell papers and not tell facts, that you go to that source and you tell your side of the story with scientific evidence, with information that has been prepared by people who are scientifically qualified to give a response. You go not only to the newspapers, but you go into the schools, you go to the classrooms, you go to service clubs, and tell your side of the story. Not just the importance of your own industry, but the importance of agriculture.

And the final part of the plan can be exciting. It can be expensive. It can be rewarding. I call it *political action*. Political action means all things to all people. First of all, it means more of you as individuals participating in the political process, running for office yourselves, at every level of government from the school board right on up to the U. S. congress. It means working for and against those initiatives and those legislators in every level of government that you support or oppose. And, finally, it means something that really only cost you the price of a postage stamp. I call it lobbying your legislator, because you can truly be your own best lobbyist; and the reason is that each one of you hi this room is a *voting* lobbyist. In other words, you are the ones who are electing these people.

While there are literally hundreds of well-paid, effective lobbyists hi Sacramento and Washington, D.C., they don't vote but for one or two members of that California

legislature of 120 members. *You* are the voting lobbyists, and you know when you lobby your legislator on, whether it is the inheritance tax or the unsecured property tax or an avocado commission, the fact is that they know that you vote for them; and if you consistently write to them and they consistently vote against you, then you are going to go out and elect someone else. I think the biggest dividend of all is that *One* of communication that has been so effectively carried out by CWA and others, and that now can be so effectively carried out by each one of you.

That, I hope you will consider, is a simple plan: unity, public education, and political action. Those three parts of that plan put together can help us effectively to win the war against inflation, overregulation, and even an anti-agriculture attitude that has prevailed in this state for some time. I think you will agree we have much to gain by participation. We have so much to lose when we don't. When the constitution of the United States was written, the preamble said, "We, the people of the United States..." Our forefathers weren't saying "We, the Republicans" or "We, the Democrats" or "We, the liberals" or "We, the conservatives" or even "We, the editorial writers." They were saying, "We, the people." All of us. As long as we participate, then we know that we are in control. When we don't participate, that's when a few people are going to come in and take over and run this country for us. If you lobby your legislators, if you participate in community activities — in your own society, then we the people will always be assured of having the very greatest nation anywhere in the world.



ASSEMBLYWOMAN CAROL HALLETT
29th District, Republican Floor Leader
California Legislature