



# Assemblymember Eduardo Garcia, 56<sup>th</sup> Assembly District

## AB 2106 – Sale of California Produce

February 12<sup>th</sup>, 2018

### BACKGROUND

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Agriculture is a key California industry that employs more than 829,300 farmworkers according to a 2016 UC Davis study with the California Employment Development Department and generated \$47.07 billion in 2015 according to the California Department of Food and Agriculture.

California Agricultural Exports, alone, were 20.69 billion. This is due to California accounting for nearly 60% of the US non-citrus fruit and nut production and provided 56% of the national value.

However, production costs do continue to rise and new challenges continue to face our farms with labor shortages and growing competition.

### ISSUE

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Due to these challenges, a bill by Assemblymember Caballero, AB 822, was passed in 2017 that stated all California state-owned or state-run institutions to purchase agricultural products grown in California when the bid or price of the California-grown agricultural product does not exceed by more than 5% the lowest bid or price for an agricultural product produced outside the state and the quality of the produce is comparable. The 5% preference does not include public universities and colleges, or school districts.

However, due to competition, this 5% may not be enough to significantly increase the connection between our institutions and our farms. We know that by shipping locally our citizens get to enjoy high quality produce grown nearby and our carbon emissions are reduced from the significantly reduced shipping distances.

### BILL SUMMARY

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That is why, AB 2106 will increase the maximum percentage a bid or price of the California-grown product can exceed the lowest bid for an agricultural product produced outside of the state from 5% to 10%. It will also increase this maximum percentage when it comes to agricultural product grown outside the state but are processed or packed in the state when compared to agricultural products packed and processed outside the state. This preference will continue to not include public universities, colleges, or school districts.

### FOR MORE INFORMATION

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