Wilbur Named Chairman of the California Cotton Growers Association

The Board of Directors of the California Cotton Growers Association has elected Steve Wilbur as the new Chairman for the California Cotton Growers Association. Steve is from Tulare County and is a partner of SBS AG and has farmed for over 40 years. He oversees the production and operation of alfalfa, black-eye beans, corn, cotton, pistachios and wheat, as well as a dairy operation. Besides the California Cotton Growers Association, Steve is actively involved in community and agriculture service including the Mid-Valley Cotton Growers, Inc., Board President; International Agri-Center, Board President; California Cotton Alliance, Board Member; Cotton Incorporated, Alternate Board Member; and the Tulare First Baptist Church, Past Board Member. He is a life-long resident of Tulare, California and a graduate of the College of the Sequoias, Visalia, California. Steve Wilbur succeeds outgoing Chairman Cannon Michael. In addition to Wilbur being elected Chairman, the following officers were also elected:

1st Vice Chairman – Phil Hansen, Kings County
2nd Vice Chairman – Bryan Bone, Kern County
Secretary/Treasurer – Gary Martin, Fresno County

CA Cotton Growers Association Annual Meeting 2014: Highlights!

The 24th Annual meeting for the California Cotton Growers Association held at Harris Ranch on March 13th, 2014 was one for the record books! The Growers Association estimated over 170 people in attendance and filled the room from end to end. The high turnout was in large part due to the perfectly timed cast of guest speakers as a myriad of recent California water woes in the news have brought several California water agencies into the spotlight. The cast of speakers on water quality and water quantity included Felicia Marcus, Chair, State Water Resources Control Board; Gary Bardini, Deputy Director, Department of Water Re-
Exemption Classification Refresher
A recurring theme in wage and hour lawsuits filed this year is misclassification of employees as exempt and the resulting failure to properly pay overtime. Employers may be relieved from the payment of overtime premium—if an employee falls under an exemption. However, the requirements to meet the test of an exemption are very technical and employers should be cautious when classifying employees as exempt. Generally exemptions require a two-step analysis. California law requires that exempt employees be primarily engaged (more than 51% of the time) in duties that meet the test of the applicable exemption and earn a salary that is no less than twice the state minimum wage.

Salary Test:
In order to meet the salary basis test for exempt status, an employee must earn a monthly salary equivalent to no less than two (2) times the state minimum wage for full-time employment (defined as 40 hours per week). At the present minimum wage of $8.00 per hour, this works out to a monthly salary minimum of $2775. ($16.00 per hour times 40 hours per week, times 52 weeks per year, divided by 12 months per year = $2773.33.) Key to this element of the exemption standard is that the required salary may not be prorated for work less than full time. The reason is that exempt employees are paid based on the general value of the services performed, rather than the amount of time spent performing the work. With limited exceptions, employees who perform any work during the week should be paid their contract salary.

The Duties Test:
California law requires that an employee must be primarily engaged in the duties that meet the test of the exemption. This means that the employee is engaged in exempt duties at least 51% or more of the time he or she works. What counts as exempt duties depends on an individual exemption. For example, some exemptions require that an employee exercise discretion and independent judgment in performance of his duties such as personnel management rather than performance of duties that are more routine, ordinary and menial such as filing of documents. Another challenge occurs when an employee performs exempt and nonexempt duties at the same time. For example, a restaurant manager may wipe a table while supervising an employee. In this case it is the nonexempt duty that counts because the occasional performance of nonexempt duties which are not directly or closely related to exempt duties by an exempt employee will not be calculated as a part of the employee’s exempt duties. The only exception to this general rule is when an otherwise exempt employee has to fill in for a nonexempt employee due to an unforeseen emergency. Therefore, if a manager at a restaurant fills in as a waiter because the floor is short-staffed, the nonexempt work performed by the manager cannot be counted as exempt work to meet the primarily engaged (51% or more) test. The burden to establish that an employee is truly exempt is placed on the employer. Therefore, employers should carefully classify workers as exempt or nonexempt by using state guidelines and to refrain from using lofty titles or creative job descriptions to limit or avoid overtime pay obligations.

Counsel to Management:
Improper classification of employees is one of the most common and costliest mistakes made by employers. For help with classification of exempt or nonexempt employees, please contact The Saqui Law Group.

This article was prepared by The Saqui Law Group.
**Good News - Final Decision on AB 327 Net-Metering Transition Period**

On March 27, 2014, the California Public Utilities Commission (CPUC) adopted the decision to establish a transition period for existing net energy metering (NEM) customers and those who install a NEM system before the existing NEM tariff expires. The transition period is **20 years from the date of interconnection** of the system. This means that a utility customer can continue to receive **full retail credit** for electricity generated for 20 years from the date of interconnection of its facility, as long as interconnection (defined as receipt of permission to operate (PTO)) occurs prior to the earlier of:
- **July 1, 2017**, or
- the date that Pacific Gas & Electric, Southern California Edison, and San Diego Gas & Electric **reach their NEM program limits** of 5% of each utility’s aggregate customer peak demand.

As of December 31, 2013 PG&E was at 2.04% of capacity, SCE was at 1.54% of capacity as of February 28, 2014, SDG&E was at 1.98% of capacity as of February 28, 2014. In addition:
- The proposed decision clarifies that non-material replacement of system components that increase the production of an existing system by 1 kW or less will not trigger a shift to the new NEM tariff, but any increase in production in excess of 1 kW would (at least for the additional production).
- If an existing system is sold to a new owner during the 20-year transition period, it would remain on the existing NEM tariff (i.e., it would not be shifted to the new tariff).
- PG&E, SCE and SDG&E will be required to post their progress towards reaching the NEM Cap transition trigger level on a monthly basis so that the public will be alerted if it looks like the existing NEM tariff will be ending prior to July 1, 2017.

*This summary was prepared by Beth Olhasso, Ag Energy Consumers Association (AECA).*

**Upcoming - Western Cotton Ginners School**

Registration for the 28th Western Cotton Ginners School is now available. The Ginner School offers three levels of coursework (Level I, Level II, and Level III) on a variety of topics and each level is built off the previous level of instruction. It is recommended that beginning students, even those with great experience, start at Level I. There will be three class locations in 2014. Below is the Western School information and location:

**Western Ginners School**

*May 6 - 8, 2014*
Southwestern Cotton Ginning Research Laboratory
300 E. College St.
Mesilla Park, NM 88047
Contact: Ed Hughes, (575) 526-6381
Sign up Online: tinyurl.com/k4e8m35
Print/Mail Registration Form: tinyurl.com/k3sbwht

**CCGGA provides valuable input for Ginning Research**

The California Cotton Growers and Growers Association has always had a long standing commitment to research both for cotton growers and cotton giners. In March, CCGGA ventured to the USDA ARS Southwest Cotton Ginning Research Laboratory in Mesilla Park, NM to prioritize new areas of research for the gin lab to focus on. The facility is the only remaining Ginning Research Laboratory that can specialize in roller gin research and remains critical to the many roller gins operating in California looking for advancements.
The meeting included discussion regarding the various areas of research interest for the Gin Lab such as: Cotton Production, Harvesting, and Storage; Management, Marketing, and Economics; Material Handling; Air Pollution; Roller Ginning; Saw Ginning; Seed Cotton Conditioning; Fiber Conditioning; and Companion and Specialty Crops. The two day event allowed for various cotton ginning organizations including: CALCOT, Lummus Corp., Texas Cotton Ginters Association, Cotton Inc., National Cotton Ginters Association, Arizona Cotton Ginters Association, New Mexico Cotton Ginters Association, and many others to brainstorm and prioritize the research needs of the ginning industry. From harvest to the mills, many concerned parties shared their experiences and offered up potential new areas of research.

CCGA representatives included Greg Gillard; Current Chairman of California, Cotton Ginters Association, Tom Gaffney; Board of Directors, California Cotton Ginters Association, CCGGA Dir. Of Reg. Affairs Aimee Brooks, and CCGGA President, CEO Roger Isom. The CCGA representatives offered up important areas of research specific for California gins and that included advances in the ginning of sticky cotton, and in decreasing the overall stickiness of the cotton before it is ginned, which received a “high priority.” Also included in research discussions, were ways for the Southwest Cotton Ginning Research Laboratory to diversify their research into different areas including tree nut harvesting, and walnut drying as a means of self-preservation with tightening federal budgets.