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# Farmers triage crops for the drought, as state leaders fear the dry years ahead

Fresno County Farmer Joe Del Bosque has been seeing "a silent spring" in his fields, with more than 25% of his land now fallowed due to deepening drought conditions.

"There's no water, there's no crops, there's no people," said the CEO of Del Bosque Farms during a special drought hearing at the Legislature last week.

With <u>state and federal water projects slashing deliveries</u> to many irrigation districts, farmers and ranchers across the state are taking emergency measures to prepare for a long, dry year ahead. Lawmakers are asking why more money was not invested in water infrastructure following the last drought, while local water managers look for more immediate actions to reduce further impacts if the drought continues into 2022.

Del Bosque pointed out that about 500,000 acres of farmland were fallowed at the peak of the 2012–2017 drought, with 10% of San Joaquin Valley farmland falling out of production. The total economic loss to agriculture in 2015 alone was \$2.7 billion, with

21,000 jobs lost, about 5% of agricultural employment statewide.

The drought hit farmworkers and economically disadvantaged communities hardest, said Del Bosque. Cases of valley fever increased by nearly 70%, while West Nile detections hit an all-time high.

"Suicide rates increased dramatically, as did social crimes like domestic abuse and theft," he said. "Three San Joaquin Valley counties—Kern, Madera, Kings—reported that 12.5% of the surveyed populations had serious psychological illnesses."



Newsom at Lake Mendocino

Those counties had the fewest practicing physicians, making them the least prepared for these impacts, he explained.

As California enters a second dry year, the conditions are already similar to the third year of the last drought.

In an event last week for the Public Policy Institute of California (PPIC), Josué Medellín-Azuara, an associate professor at the University of California, Merced, described the conditions along the southeast San Joaquin River as "a little bit better" than along the Sacramento River in Northern California, which provides essential flows into the Sacramento-San Joaquin Delta and water exports to the valley, the Central Coast and to cities in the Bay Area and Southern California.

"The situation of the reservoirs is quite worrisome also in the San Joaquin Valley, but not as bad as it was in 2014," said Medellín-Azuara.

He said voluntary agreements for Delta flows would put the state in a better position for next year should the drought continue. With local agencies beginning to implement plans for the Sustainable Groundwater Management Act, Medellín-Azuara said the current conditions present a great opportunity to revisit drought provisions in those plans. He urged farmers, however, to be cautious with deficit irrigation in orchards, since those practices have been shown to heavily penalize yields in later years.



Joe Del Bosque, CEO of Del Bosque Farms

Laurel Firestone, a member of the State Water Resources Control Board, expected small and rural communities, particularly in low-income areas, to be hit hardest this year, along with already vulnerable aquatic ecosystems.

"We're already seeing earlier and more widespread harmful algal blooms and water temperature and salinity levels that are exceeding the levels required to protect certain species and maintain a freshwater balance in the Delta," explained Firestone.

Grant Davis, the general manager of Sonoma Water, manages a portion of the watershed that falls within Gov. Gavin Newsom's initial <u>drought emergency declaration</u>. Davis said Lake Mendocino is at 40% of capacity, leaving just 36,000 acre-feet of water for the entire season. He said the district would not feel comfortable

letting the lake go below 20,000 acre-feet, which would be the lowest level ever in the reservoir.

"A 20% reduction [in allocations] is going to be a very difficult challenge for us, and we're going to do it," said Davis. "But that means we have to get cooperation from the entire region, all of our contractors."

The region has a vibrant dairy community with stock ponds that are often used to fight nearby wildfires. Davis said he hopes to map out those ponds and maintain sufficient water levels in them to use for fire protection later this year.

"Linking water and fire is a recipe for resilience that we need to explore further," he said.

David Rabbitt, who serves on the Sonoma Water board of directors and is a county supervisor, explained at the legislative hearing that water hauling programs are already underway for ranches with ponds that have run dry. Low moisture in the soil has contributed to the loss.

"The moisture content on May 1 was about what it should be on August 1," said Rabbitt. "Ranchers have been facing tough decisions. They've been culling their herds, they've been selling their herds, transferring their herds, trying to find alternate sources of water."

He noted a significant decrease in the availability of reclaimed water. Sonoma, Marin and Napa counties have been partnering on a larger watershed approach to recycled water, which helps vineyard managers with frost protection on the grapevines and ranchers with irrigating pasture.

"[Farmers] really have their nose to the grindstone and understand what it takes to survive," said Rabbitt, adding: "We need immediate drought relief funding to support agriculture in this county."

He said this could include support for projects to jumpstart groundwater recharge, installing liners for stock ponds and reservoirs and adding wind machines to combat frost and soil moisture probes to manage irrigation needs.

"There's a short-term immediate need to keep the businesses up and going through the summer months," he said. "Then there's longer-term investments that need to be made to really provide the resiliency needed to survive."

Frustrated Republican lawmakers pointed to surface water storage as one option for long-term needs that has been underappreciated by state leaders.

"We've been in a drought off and on for the last 20 years," said Assemblymember Thurston Smith of Apple Valley. "Why have we not used our resources for water storage?"

Smith said the Sites Reservoir Project in Northern California has been discussed as an option for over 50 years but is yet to be constructed.



Laurel Firestone, State Water Board

Asm. Megan Dahle of Lassen County asked what lawmakers could do now to free up water bond money from Proposition 1. Voters passed the measure in 2014, but the funds are not likely to be fully allocated until 2030.

Jeanine Jones, the interstate resources manager for the Department of Water Resources, responded that it's not just an issue of state funding.

"In the case of <u>Temperance Flat</u>, the local sponsors were unable to find additional funding sources," said Jones. "The state investment was only intended to be for a share of the project."

Rachel Ehlers, the principal fiscal and policy analyst for the nonpartisan Legislative Analyst's Office, recognized the potential for the American Rescue Plan to fund water infrastructure improvements. Ehlers said this would free up the state from future costs to the

general fund, which is driven by tax revenue, and allow bond money to go to state-specific needs.

"We're still waiting for additional guidance from the federal government around specifically what types of projects, including water projects, that funds can be used for," cautioned Ehlers. "There is certainly overlap when it comes to water infrastructure and capital projects."

Del Bosque, who served on the California Water Commission under Gov. Arnold Schwarzenegger, said some of the projects the commission approved for Prop. 1 were still underfunded, either from a lack of matching private dollars or because the water bond money fell short of what was needed.

"Projects like Temperance Flat got a very pitiful amount," he said. "They got like \$177 million, and the project costs like \$2 billion."

He urged lawmakers to capitalize on the potential federal investment by combining it with a portion of the state's budget surplus as well as unspent bond money and <u>climate bond proposals</u> currently being considered in the Legislature, and then directing that to expansions of the San Luis and Los Vaqueros reservoirs while increasing groundwater storage and <u>restoring</u> conveyance capacity at critical canals.

## "The solutions are there—they've been studied for years," he said. "We simply need to have the political will to follow through."

In the short-term, the state could invest "the maximum amount of funding possible" into shovel-ready projects that can improve water supply within the next 18 months for the farms, communities and ecosystems most impacted. Del Bosque added that the state could streamline the water transfer permits to more quickly move water from sellers to buyers, which the State Water Board has already been prioritizing. This would include "cutting the green tape" by exempting environmental quality reviews.

"It doesn't help me to purchase water from partners if I am only able to receive that water when my plants have already died," said Del Bosque. "We're planting crops and we only have enough water to get to July. The rest of the water that we need is hung up in a transfer."

# Port congestion may be accelerated by urban-rural divide, ZEV mandates and AB 5 uncertainty

Congestion at shipping ports in the West has put a spotlight on existing regulatory hurdles that farmers and other exporters have faced for years. Markets have responded to higher regulatory costs by focusing on the most profitable exports—favoring urban exporters for their proximity to ports or even returning with empty containers.

Potential long-term solutions, such as the construction of inland ports, require significant government investment. According to industry, port operators and truckers are already struggling under the cost of new zero-emission equipment to meet the state's climate mandates, as well as the fallout from ongoing battles over the state's independent contractor law.

The nation imports far more than it exports, which accelerated during the pandemic, creating fierce competition for shipping containers and space on cargo ships.

"Our vessel productivity...is up 50% year-on-year," explained Gene Seroka, president of the California Association of Port Authorities, at a meeting last week of the State Board of Food and Agriculture. "But we still can't handle all of this cargo coming in."



Shipping containers aboard a ship

The import surge has led to ports operating in excess of 100% capacity, when marine terminals traditionally function at 80%. Seroka said retail purchases doubled in just 11 months, leading to retailers ordering "a tremendous amount of goods" and to more than 2 billion square feet of warehouses throughout the state overflowing with imported goods. Containers sit at the terminal waiting for warehouse space, and ships take more than twice as long to unload and reload.

Mike Jacob, vice president and

general counsel at the Pacific Merchant Shipping Association, which represents ocean carriers and marine terminal operators, said the surge has led to shipping volume that is 120% more than a year earlier. He described it as a tsunami.

"You have a quick withdrawal from the shore and then it's followed by a wave crashing upon you that we weren't prepared for," said Jacob, adding that he was very aware of the frustration directed at the level of service from the shipping companies in his association.

Peter Friedmann, the executive director of the <u>Agriculture Transportation Coalition</u>, said the congestion has led to an increase in detention demurrage, the charge ocean carriers levy when an importer does not pick up a container on time. The Federal Maritime Commission (FMC) is investigating the issue, since carriers have allegedly levied the fees even as the ship is delayed due to congestion. Friedmann said the fees have effectively doubled ocean freight rates and put a number of small importers out of business. The coalition is proposing legislation to "put some teeth" into the FMC enforcement, which has gained the support of 140 Congressmembers.

Rayne Thompson, the vice president of government relations at Sunkist Growers, said additional fees are added for keeping cargo refrigerated at port.

John Larrea, who directs government affairs at the California League of Food Producers, said some of his members have had up to 90% of their export bookings declined, which adds about six more weeks for each rebooking.

Board member Andrew Thulin, the dean of Cal Poly's College of Agriculture, Food and Environmental Sciences, said some researchers at his campus have reported that it has not been worth the demurrage time of the carriers to have containers sent to the Central Valley to fill up with agricultural products and then be shipped back.

"We've been an import-dominated market for the better part of five decades now," said Seroka, explaining the longstanding imbalance.

While imports go to major metropolitan areas, where many Americans live and shop, exports tend to come from rural parts of the country.

"We've got to find a value proposition for the California exporter," he said. "We have to show that value to the asset provider, the transportation company, the shipping company."

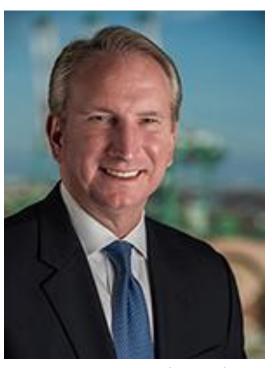
Friedmann noted that the cost of a container for exporting agricultural products may be as little as \$700, while importers are desperate to pay as much as \$15,000 for a container.

"We strand such high volumes of cargo that we're probably leaving about 30% of our exports here in the U.S.," he said. "We cannot export it, can't ship it."

The issue is further exacerbated by local land use policies. Weston LaBar, CEO of the Harbor Trucking Association, noted how industrial property that could be used for processing containers is being converted for more profitable operations, such as cannabis cultivation.

Seroka said this type of pressure means ports are unlikely to expand on their existing property and must instead become more efficient in moving cargo with the space they already have.

Along with space for cargo, truck parking is another issue. Eric Fredericks, who heads the sustainable freight branch of the California Department of Transportation, said throughout the state more than 400,000 trucks per day are parking in unauthorized areas. The ports of Los Angeles and Long Beach have no public truck parking facilities within 60 miles. This presents further issues as the state transitions to battery electric technology in trucks.



Gene Seroka, executive director of the Port of Los Angeles

CDFA Secretary Karen Ross called for creating a coalition to further drill down on solutions. She brought up the idea of capitalizing on the federal infrastructure package by developing an inland port in Merced County that could focus on transferring the loads, easing pressure on ports in the Bay Area.

"This is really vital to the long-term viability and potential of jobs in different places for historically underserved communities," said Ross.

Seroka pointed out that President Joe Biden's American Jobs Plan sets aside \$621 billion for transportation, with \$17 billion for ports specifically. Another \$175 billion would be for electric vehicles.

"Even a small carve out for those Class A heavy duty trucks and the necessary infrastructure would be very intriguing to us," he said, adding that the \$100 billion for digital infrastructure could help to propel an advanced logistics system for inland ports, and another \$50 billion offers hope for grid resiliency.

According to Jacob, the inland ports idea has been circulating for about 20 years in California, but the shipping rates, based on supply and demand, would not reflect the overhead cost of the system.

"We can't change those things," he said. "We would love to have more assets, more focus on trade and more people prepared to do shipping abroad."

LaBar said it would take major investment from the state, since short-haul rail companies need at least 850 miles for such an inland port to make financial sense—meaning even Reno, Nevada, would not be far enough away. He also worried that such projects would be bogged down by an environmental review process that has been known to stretch out 17 years or more.

His association members, meanwhile, are investing any profits into near-zero and zero-emission trucks to meet new <u>state mandates aimed at cleaning up the abysmal air quality</u> in vulnerable communities along the South Coast. He argued that focusing just on zero-emission vehicles, which is yet to be commercially available for trucks, would stall growth at the ports and limit capacity.



Mike Jacob, vice president and general counsel at the Pacific Merchant Shipping Association

"All of our policies should be geared towards making our ports the most competitive, because they are the cleanest ports in the world," said LaBar. "It's not a climate change policy to have freight moved through other gateways."

Seroka said this adds pressure to the electrical grid as well.

"We had to unplug our ships last summertime due to the unfortunate wildfires, which really took away a lot of power generation at our ports and created more emissions," he said. "We need that base infrastructure."

Board member Donald Bransford asked officials from the Newsom administration if the deadlines for those ZEV goals could be extended due to the lag in technology.

"Money doesn't solve the problem if you don't have a regulatory framework that can produce results in a shorter timeframe than we have now," said Bransford.

Frank Ramirez, who oversees goods movement and sustainable freight in the governor's Office of Business and Economic Development, referred to a sustainable production plan the office has been developing in partnership with a professor at the University of Southern California. It will look at how state actions impact the economic competitiveness of the freight industry and is just a couple months away from producing the first results. He recognized that this sort of economic modeling could be applied to agricultural regulations as well.

Labor strife has led to inefficiencies at ports as well and a 20% decline in market share over the past 20 years, said Seroka.

Friedmann explained that U.S. ports do not operate around the clock like ports elsewhere in the world, instead employing workers about nine hours a day for four days a week—an issue his coalition has been working on across the aisle.

"It's a little entertaining to get to work with [the International Longshore and Warehouse Union], who are very strong with the Democratic delegations on the West Coast," said Friedmann. "And with you as agriculture exporters, who are also very tight with Republican delegations along the West Coast."

He claimed ocean carriers have not been bothered by cargo backing up due to the labor costs.

"It's crazy the hundreds of thousands of dollars they have to pay while their ship is just sitting offshore," he said, "as opposed to paying for the longshore labor to work at night."

California ports are also behind in automation, according to Friedmann. Asia and Europe, on the other hand, have fully automated ports, which lowers labor costs as well.

AB 5, the independent contractor law signed by Gov. Gavin Newsom in 2019, has added further confusion around labor laws. The California Trucking Association (CTA) sued and won an injunction for owner-operators. That decision was recently overturned and LaBar expects CTA to file for an appeal. But if the decision is confirmed by the U.S. Supreme Court and the law does apply to truckers, "there could be irreparable harm to the supply chain and the way that goods move," he said, arguing it would force drivers to be employees.

"Many of these drivers have expressed interest in going to Houston or going to other ports that have cheaper cost of living and don't have the same environmental and labor regulations," said LaBar.

Larrea said the cost of low emission trucks is contributing to <u>a driver shortage for the harvest this year</u>.

"It's just too expensive for them," he said. "We're not going to see the same amount of subhaulers here."

Port regions in Georgia, South Carolina, Texas and Virginia are not having these conversations on labor and environmental issues, said Friedmann, who has found that leaders in those states are instead asking what they can do to expand port capacity.

For the immediate challenges, the import surge has declined somewhat since March, but will likely continue through at least the end of summer and possibly longer, according to Steve McCarthy, who leads regulatory affairs at the California Retailers Association.

## Biden tax plan threatens farmers' use of like-kind exchanges

One of President Joe Biden's tax proposals to address economic inequality while raising new revenue for domestic spending priorities would make it harder for farmers to use like-kind exchanges to defer taxes when they sell land to acquire other acreage.

Under Biden's proposal, future Section 1031 exchanges could be used to defer taxes on gains of no more than \$500,000, a cap that would fall particularly hard on states such as California, Illinois and Iowa that have relatively high farmland values.

"For a farmer who is trying to improve their business, take in a new family member as a business partner, or a farmer who needs to buy and sell land, it's a huge deal," said Patricia Wolff, senior director of congressional relations for the American Farm Bureau Federation.

The land value in California in 2020 was \$10,000 an acre, according to USDA, so it would only take 50 acres to reach Biden's proposed limit for Section 1031. Values vary widely elsewhere, from \$2,170 in Texas to \$5,900 in Florida, \$7,400 in Illinois and \$13,600 in New Jersey.



President Joe Biden

Like-kind exchanges typically work like this: A farmer who sells a piece of property and then buys a second piece of property doesn't have to pay capital gains on the first tract until the second one is sold, and the farmer won't owe any taxes if he or she dies without selling the second tract.

If the farmer does sell the second tract, the basis for tax purposes will be the value at which the first tract was acquired, said Beth Swanson, a tax consultant with KCoe Isom, an accounting firm that is setting up briefings with lawmakers from farm districts. Farmers commonly use Section 1031 to consolidate parcels and improve the efficiency of their operations, she said.

Progressives say like-kind exchanges are part of a system of capital gains tax provisions that unfairly allow the wealthy to avoid taxes on capital, increasing economic inequality.

In addition to limiting 1031 exchanges, Biden is also proposing to <u>raise the top capital gains tax</u> rate to 39.6% and to tax appreciated gains at death with a provision allowing family farms to defer to the tax on farms as long as they stay in operation.

Chye-Ching Huang, a New York University tax law specialist whom Democrats asked to testify before a House Ways and Means subcommittee on Wednesday, said in a recent series of tweets that capital gains are currently "taxed at a much lower rate than the top rate on income from work — and the rate on capital gains is \*zero percent\* if a person holds onto an asset that's gained in value until their death."

Restricting like-kind exchanges to assets worth less than \$500,000 is a relatively small part of the package of tax increases that Biden proposed to pay for his \$1.8 trillion American Families Plan, which includes expanded funding for child care, education and health care.

In <u>a letter to congressional leaders about Biden's tax proposals</u>, more than 40 farm organizations are urging congressional leaders to preserve existing rules for capital gains treatment, including the stepped-up basis provided on inherited assets.

"With more than 370 million acres expected to change hands in the next two decades, the policies Congress enacts now will determine agricultural producers' ability to secure affordable land to start or expand their operations," the letter says. "Regardless of whether a business has already been passed down through multiple generations or is just starting out, the key to their longevity is a continued ability to transition when a family member or business partner dies."

According to the Tax Foundation, limiting like-kind exchanges would raise \$7.5 billion a year. By comparison, taxing capital gains at death would raise an estimated \$213 billion, and the 39.6% tax rate on capital gains would produce \$116 billion in revenue.

Farmers previously could use like-kind exchanges for livestock and farm equipment until the 2017 Tax Cuts and Jobs Act restricted Section 1031 to real estate in exchange for increased business expensing.

Real estate investors are the biggest users of like-kind exchanges now, although ag tax specialists say that restricting the exchanges now would remove a valuable option for farmers.

"The policy behind the like-kind exchange — which has, in some form, been part of the tax law for more than 100 years — is that owners who exchange property for similar



Kristine Tidgren, Iowa State

**property haven't changed their economic position,"** Kristine Tidgren, director of Iowa State University's Center for Agricultural Law and Taxation, wrote in an analysis of Biden's proposal.

To illustrate the potential impact of the Biden proposal, she gives the example of a western Iowa farmer who has decided to move to the eastern side of the state to be closer to the family. The farmer wants to sell his 500-acre western Iowa farm that has a basis of \$600 an acre and is now worth \$7,500 an acre, and buy an operation of similar value on the other side of the state.

Under current law, the farmer can defer \$690,000 in taxes from the gain on the western Iowa farm by purchasing the eastern Iowa operation. Under the Biden proposal, he could defer taxes on only \$500,000 of his gain. Add in the higher tax rates that Biden wants, and the farmer would owe nearly \$1.1 million in taxes on the sale, Tidgren says.

The American Farm Bureau Federation and National Council of Farmer Cooperatives have been working with other business groups to protect existing rules for 1031 exchanges.

In a March letter to congressional leaders, the groups said farmers, ranchers and forest owners "heavily rely" on the use of like-kind exchanges "to combine acreage, acquire higher-grade land, mitigate environmental impacts, or otherwise improve the quality of their operations.

"They may use like-kind exchanges to reconfigure their businesses so that young or beginning farmers can join the business. Retiring farmers are able to exchange their most valuable asset, their farm or ranch, for other real estate without diminishing the value of their life savings."

A study by the accounting firm EY says like-kind exchange rules facilitate \$4.4 billion in annual business investment. The revenue cost to the government is offset somewhat by a reduction in future depreciation deductions and the taxes paid when replacement assets are sold, the study said.

### China still has a major ASF problem, and it's a threat to the US

China has been reporting some new outbreaks of African swine fever in recent months, but the problem is likely much worse than it appears. That's both an opportunity for U.S. pork producers and a threat to their herds, according to U.S. industry and government officials.

About a month ago, China notified the World Trade Organization that it had discovered six hogs that contracted ASF, a virus deadly to swine but not a human health risk. Three of the hogs were still alive and three had died.

It was the fourth such notification since the end of January and relatively mild, compared to the massive outbreaks of the disease over the past three years, but U.S. government and industry officials fear the situation is grimmer than the Chinese are letting on.

"There is still a very serious outbreak that continues to occur in China," says Dave Pyburn, chief veterinarian for the National Pork Board.

China has been marshalling its forces to restructure its pork sector and clamp down on the virus that resulted in the death of more than half the pigs there, but Pyburn says anecdotal reports from veterinarians working in China suggest the situation hasn't improved as much as the Chinese government is claiming.

Agriculture Secretary Tom Vilsack told the National Association of Farm Broadcasting in March that he is also suspect of Chinese claims that the virus is under control.

"I suspect that what we have is a situation where there are probably some hot spots that are taking place in China," Vilsack said. "They don't have it totally under control, but I don't think it's anywhere near as devastating as it was six or nine months ago."



Ag Secretary Tom Vilsack

But the situation in China is bad enough to seriously delay China's efforts to expand its herd size, according to a report out of Beijing by USDA's Foreign Agricultural Service.

ASF is still spreading and new variants of the virus are a major part of the problem, according to USDA and Pyburn.

"In November and December 2020, China experienced a resurgence of ASF," according to the FAS report. "Chinese veterinary institutes identified new strains of ASF, which due to lower virulence and lethality were able to spread to a larger portion of the herd before being detected."

These new variants are particularly dangerous to breeding sows, causing lameness as well as increasing the mortality rate of piglets.

Quoting Chinese industry sources, FAS says ASF-related deaths of breeding sows — either from the virus itself or culling — range from 20-50% in different regions. It was only about 10 days ago that China issued a ban on transporting live breeding sows and piglets, a delay helped exacerbate the spread of ASF.

"Now we're seeing less and less of the first strain of ASF," Pyburn tells *Agri-Pulse*. "Now there are more and more variants."

The proliferation of variant strains of ASF, together with damage still being done by the virus, represents both an opportunity and a threat, says Pyburn. On the one hand, it means Chinese demand for imports remains strong, but it also increases the potential for the virus to make it to the U.S.

The U.S. exported 239,498 metric tons of pork – valued at about \$532 million — to China and Hong Kong in the first quarter of 2021, according to the U.S. Meat Export Federation. That's a 27% drop from the first quarter of last year, but it's still enough to make the country the largest foreign market in the world for U.S. exports.

"For us," Pyburn said about the U.S. pork sector, "what it means is that China is likely to be a buyer of our pork for an extended period of time, but there's also a downside. ... You have the potential for people to come into contact with the virus in China and potentially bring it into this country or other countries."

International travel remains sparse because of the coronavirus, but that's expected to change as the world recovers from the pandemic. That adds a whole new wrinkle for the spread of a different virus — ASF — that is also mutating.

ASF spread quickly to countries like Vietnam and the Philippines and the further it goes, the more threat it poses to the U.S., says Pyburn.

"We could have outbreaks in other countries that haven't had one yet," he stressed. "And then we've got even more people in more places where the virus is moving through pigs and that again increases the risk to us here in the U.S."

While the virus is not known to infect people, people can inadvertently spread it. It's enough of a threat that the USDA is on high alert.



Dave Pyburn, National Pork Board

"Our focus is what we are doing here inside the country to prevent an ASF outbreak," a spokesman for USDA's Animal and Plant Health Inspection Service tells *Agri-Pulse*. "USDA is working closely with other federal and state agencies, the swine industry, and producers to take the necessary actions to protect our nation's pigs and keep this disease out. This group is also actively preparing to respond if ASF were ever detected in the U.S."

The impact of an outbreak on the U.S. pork sector would be dire, and National Pork Producers Council CEO Neil Dierks says he's wary.

"We're watching it closely," he said in a recent interview before stressing that China "has a long way to go" before he'll be convinced the country has the virus in check.

## Biden's Climate Corps could help preserve soil and water, say advocates

Nearly 80 years after President Franklin Roosevelt's Civilian Conservation Corps put millions of young men to work restoring public lands during the Great Depression, President Joe Biden wants to employ the nation's youth in a new CCC that could help private landowners fight climate change and combat soil erosion.

Lawmakers are debating the shape of the new Civilian Climate Corps as committees draft a massive climate and infrastructure bill.

Some conservation and environmental groups say the new CCC should create private landowner partnerships with the Agriculture Department to protect soil, both to reduce greenhouse emissions and protect water quality.

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Biden signed an executive order in January requiring the Interior Department and USDA to collaborate on a strategy to create the Civilian Climate Corps. The goal is to "mobilize the next generation of conservation and resilience"

Then, in April, he included \$10 billion in funding for the CCC as part of his \$2.7 trillion American Jobs Plan. An Interior Department spokesperson told *Agri-Pulse* in an email the department is on track to deliver a report to the National Climate Task Force and looks forward to sharing information with the public in the coming weeks.

workers and maximize the creation of accessible training opportunities and good jobs."

Several lawmakers have introduced bills in the last two months offering ways to structure the CCC.

Sens. Chris Coons, D-Del., and Ben Ray Lujan, D-N.M., along with Reps. Joe Neguse, D-Colo., and Abigail Spanberger, D-Va., introduced a <u>bill</u> in April that aims to increase the number of conservation and restoration projects on public lands while helping disadvantaged communities adapt to climate change, and protect biodiversity and ecological resilience.

Rep. Alexandria Ocasio-Cortez, D- N.Y., and Sen. Ed Markey, D-Mass., introduced a separate <u>bill</u> called the Civilian Climate Corps for Jobs and Justice Act that would put half the projects in to "environmental justice" communities, areas where racial minorities have been affected by pollution. CCC participants would be guaranteed wages of at least \$15 an hour.

<u>In recent comments to USDA on its strategy for "climate-smart" agriculture</u>, the National Association of Conservation Districts said the new CCC should respond to severe soil erosion due to climate change. The original program also focused on erosion during the 1930s "Dust Bowl" in the Southern Plains.

NACD President Michael Crowder said the program could also help diversify the conservation workforce.

"If you have tribal producers or young Black workers that are exposed to the farm environment (and) to the natural environment, it can lead to jobs," he told *Agri-Pulse*.

Even if the time in CCC doesn't lead to a job, the participants will have a better understanding of what farmers and ranchers do and what is needed for the environment, he said.

NACD also suggested the CCC could utilize NACD's <u>Soil Health Champions Network</u>, a program involving approximately 300 producers spread across the country who mentor other producers on a range of soil health practices, including growing cover crops, improving water quality, and flash grazing for livestock.



Michael Crowder, NACD

## "People do what their neighbors do. They are always looking over the fence. They're looking at what's happening over there," Crowder said.

In separate comments to USDA about the CCC concept, the Natural Resources Defense Council said grants should be made available to socially disadvantaged producers and small to mid-sized farms that could be used for CCC projects.

NRDC also suggests expanding private landowner partnerships with USDA.

"Including private land restoration in the Corps' scope would build on the legacy of past public works successes, such as the New Deal Era Shelterbelt Program, and greatly expand the impact of such a program," NRDC said.

Speaking on a National Wildlife Federation call recently, Rep. Neguse said the CCC bills lawmakers have introduced largely complement each other.

Neguse said his bill mostly focuses on the West and Rocky Mountain region. He said that does not mean Biden won't consider other provisions to help urban areas, too.

There are no Republican co-sponsors for his bill yet, but Neguse said he's had promising conversations with several GOP members.

Republicans are highly critical of the amount of spending in Biden's overall infrastructure proposal.

In a USA Today <u>op-ed</u>, Senate Minority Whip John Thune, R-S.D., said there are areas worth looking into when it comes to funding infrastructure priorities.

But he said that "it's an abuse of the term and, frankly, insulting to the American people's intelligence to describe billions of dollars for a 'Civilian Climate Corps' and for schools to eliminate paper plates as 'infrastructure.'"

FDR's Civilian Conservation Corps was lifesaving for many young men and their families during the Depression. The men earned \$30 a month (worth about \$600 today), and \$25 was sent to their families.

Participants lived in camps where they got hot meals and were lodged in a "military camp fashion," according to the National Park Service.

Joan Sharpe, president of CCC Legacy, a group that promotes awareness of the original CCC program, said she has mixed feelings about the current CCC bills in Congress.

"This is nothing compared to what it was during the Great Depression," she told *Agri-Pulse*. Lawmakers can make "a big political hoorah about poverty and poor and how kids need jobs and all that kind of thing," Sharpe added, but today's poverty does not compare to what was observed during the creation of the original CCC.

In the Great Depression, some men in the CCC were supporting whole families on the \$25 and didn't even own shoes.

"People don't understand that kind of poverty, and it was that kind of poverty that made the difference in the CCC," she said.

### Florida right-to-farm law expands protections from lawsuits

<u>Florida has expanded its right-to-farm law</u> by making it more difficult for residents to sue over the impacts of agricultural operations, adding a slew of conditions designed to discourage lawsuits.

Farming advocates cheered the changes, which they said would protect the state's ag industry from encroaching development. But opponents said it's aimed at protecting the sugar industry from lawsuits.

"As more and more people leave densely populated areas of the country and relocate to rural areas of our state, residential development encroaches on our rural areas," said state senator and bill sponsor Jason Brodeur (R-Sanford), who said the bill was an attempt to "modernize" the law. "Friction between these competing land uses can lead to litigation that threatens the survival of legacy farming communities."



Florida state Rep. Jason Brodeur

"My sons will be able to continue the legacy of our family-owned operation without the threat of costly and detrimental nuisance lawsuits," said Steve Singleton, owner of Singleton and Sons Farm in Hastings.

And state Senate President Wilton Simpson, an egg farmer who shepherded the bill through its final passage, said the bill would protect Florida's agricultural legacy.

Opponents of the bill, however, said it's targeted at preventing legal actions against sugar companies, which are facing a <u>class-action lawsuit in federal court over their practice of pre-harvest burning</u>, which sends smoke into the air for miles around sugar fields from October to at least March.

In particular, they point to the inclusion of provisions preventing anyone farther than a half-mile from a farming operation from filing a lawsuit, and the addition of "particle emissions" to the definition of nuisance.

"Sugar cane, smoke and ash can travel a lot further" than a half-mile, says Patrick Ferguson, who heads up the Sierra Club's Stop the Burn campaign. That portion of the law "goes directly to the issue of sugar burning in Florida and fundamentally closes the courtroom doors to folks who are impacted by this practice and looking to seek legal remedies as a result."

The new law also sets up a tougher standard for plaintiffs to make their nuisance cases, requiring them to prove by "clear and convincing evidence that the claim arises out of conduct that did not comply with state or federal environmental laws, regulations, or best management practices." In addition, in a new twist for right-to-farm laws, it adds "agritourism" to the list of protected farming activities.

Adam Basford, director of state legislative affairs at Florida Farm Bureau Federation, said the current lawsuit provided an impetus for the bill, but the legislation's purpose is to protect all farming operations from lawsuits that could, for example, target pesticide applications.

"We obviously work with the sugar industry a lot," he said. "They're our members, they're our partners, and we actually worked with them to look at this issue. But from our perspective, it was looking at what has happened to them as a precedent and trying to make sure that type of lawsuit doesn't become more prevalent in the state of Florida."

He said he did not believe the addition of the "particle emissions" language was specifically to protect the sugar industry. "I don't believe it was specifically for sugar. It's more general in nature, because particle emissions could be part of a hog operation" or a forestry burn, he said.

Neither U.S. Sugar nor Florida Crystals responded to requests for comment on the bill and the sugar industry's role. In a statement to ProPublica, which reported that lobbyists for the sugar industry had worked on the bill, Florida Crystals said it had worked with "farmers and ranchers across the state to ensure that farms that abide by local, state and federal regulations can continue to fulfill their important mission."

The question of whether the bill would have an impact on the pending lawsuit, filed in the Southern District of Florida, is now front and center. Basford says the bill will not have a retroactive effect.

"There's very clear case law in Florida that unless something is explicitly retroactive in the law, then it's prospective in nature," he said.

But lawyers for the plaintiffs, who did not respond to requests for comment, have told other publications that limits in the law on compensatory and punitive damages could make it difficult for the plaintiffs to obtain compensation.

Local activist Robert Mitchell of Belle Glade, Fla., one of the Everglades communities that has been dealing for decades with what residents call "black snow," said, "This horrible bill pretty much created a stumbling block."

He pointed to the defeat of a proposed amendment that would have explicitly stated the bill would not have retroactive effect as evidence that the lawsuit could be affected.

The law "is definitely meant to directly affect this current lawsuit against Big Sugar," he said, also criticizing its requirement that plaintiffs who lose a nuisance suit would have to pay all costs, fees and expenses to the defendants.

Mitchell also pointed to \$11 million in contributions by the sugar industry to Florida state lawmakers in the 2020 election cycle, as reported by the Miami Herald and Tampa Bay Times.

"It's making our residents sick," says Mitchell, a representative of the Stop the Burn-Go Green campaign and the founder of Muck City Black Lives Matter. "You don't have to be a lawyer or a doctor to understand that consistent smoke is not good for anyone."

The Go Green campaign is urging the sugar industry to employ green harvesting using mechanical methods to prepare for harvest, instead of burning the tops of the plants.

"Where green harvesting has been embraced large-scale, the sugar cane leaves and tops, instead of going up in smoke, are utilized to create additional sources of income or savings for the growers and more sugar-related jobs," Sierra Club says on a website explaining green harvesting. The industry defends its burning practices. "This process is strictly regulated and well-controlled through the Florida Forest Service," U.S. Sugar says on its website. "During harvest season, sugar cane fields are burned in contained, small areas — 40 acres at a time — with fires lasting 15 to 20 minutes on average. We receive permits on a daily basis to ensure that a comprehensive review of weather conditions and surrounding area (or proximity to sensitive areas) has taken place."

Basford says a critical part of the new law is that it prevents lawsuits over practices that conform to existing environmental laws such as the Clean Air Act.

But Sierra Club, Mitchell and the lawsuit filed against the sugar companies say that the state allows continued burning when the smoke is blowing toward poorer communities.

"Remarkably, current regulations promulgated by the State of Florida deny burn permits to defendants if winds are projected to blow smoke and ash plumes toward the more affluent Eastern Palm Beach County and Eastern Martin County communities near the coast," the third amended complaint in the litigation says. "By contrast, burn permits are subject to little scrutiny when the wind blows toward the areas of Western Palm Beach County, Western Martin County, Hendry County, and Glades County."

All states have right-to-farm statutes, but Florida's new law goes further, says Rusty Rumley, senior staff attorney at the National Agricultural Law Center in Arkansas.



Rusty Rumley, National Ag Law

"Typical right to farm statutes provide liability protection for the tort of nuisance, but do not protect against lawsuits brought under other tort claims such as trespass and negligence," Rumley said in an analysis of the law on NALC's website. The new law, however, "not only defines nuisance, but it also provides protection against an array of other tort actions so long as the claims would 'meet the requirements of this definition.' This language represents a substantial change not found in any other current right to farm statute."

"Typically, your traditional right-to-farm statutes provide a defense against nuisance lawsuits, but no other type of lawsuit," he told *Agri-Pulse*. "That's probably the biggest change in the whole statute. I've never seen another state do that yet."

Rumley says other states, including <u>Arizona</u>, <u>Indiana</u>, <u>New Jersey</u> and <u>West Virginia</u>, are all considering changes to their laws.

Whether Florida's new law will provide a template for changes in other states remains to be seen, Rumley says.

"It is really hard to tell," he says. "There was an uptick after the North Carolina cases came through with the large jury verdicts, but amendments to these statutes tend to ebb and flow." (North Carolina juries handed down awards of over \$500 million to neighbors of hog farms in the state in 2018 and 2019, but those awards were reduced to about \$100 million before Smithfield settled the cases for an undisclosed amount.)

It will probably take "a couple years" to gauge the influence of Florida's measure, Rumley said. Basford says he's had some conversations with colleagues in other states but noted that the Florida bill was just signed into law April 29.

"We've had other states that serve as inspiration for us to kind of move forward in getting this thing done," he says. "And we hope that other states do the same thing because it's easy to see that agriculture could be under attack at any moment."

#### Plant-based product makers look to lure US farmers

Companies that make plant-based meat, egg and dairy alternatives have been heavily relying on imported crops for the ingredients they need and hope to convince more U.S. farmers to start growing peas, beans and other commodities.

"In the relatively near future, the plant-based foods market will be a significant opportunity for farmers," said Carl Jorgensen, agriculture consultant with the <u>Plant-Based Foods Association</u>. In the meantime, the volume of crops, excluding soybeans, currently grown in the United States and used in the plant-based foods industry is a minuscule portion of total U.S. crop output.

In 2020, U.S. retail sales of plant-based foods hit \$7 billion, up 27% from 2019, according to PBFA. Retail sales of milk alternative products alone reached \$2.5 billion, a 20.4% increase from 2019, while sales of meat alternatives, at \$1.4 billion, climbed 45.3%. According to the multinational investment firm UBS, global growth of the plant-based meat alternative market is projected to grow to \$85 billion by 2030, up from \$4.6 billion in 2018. UBS also noted that the global plant-based dairy alternative market could reach \$37.5 billion in sales by 2025.

PBFA partnered with researchers at the University of Illinois to determine the number of U.S. acres that would be needed to grow pulses for the U.S. retail meat alternative market. Their research showed that 188 million pounds of pulses requiring an estimated 263,775 acres would have been needed to fill 2020 demand. If pulses used in milk and dairy alternatives sold at retail and demand at foodservice for all protein alternatives were added to that, one could reasonably assume that the cropland needed would swell to more than 1 million acres—still just a fraction of nearly 900 million acres farmed in the United States.

The proteins are mostly being sourced from other countries because it is cheaper to import the processed protein than it is to grow the crops domestically. In some cases, more research is needed to develop seeds that can be grown on U.S. soils or with higher yields.

That can make it challenging for startup companies looking for protein sources other than soybeans, wheat, and brown rice, three of the more established crops in the United States that are extracted for protein used in plant-based alternatives.

Eat Just, based in San Francisco, introduced its first egg alternative product in the Midwest in 2018. Since the firm launched its Just Eggs products nationally in 2019, it has sold the equivalent of 100 million table eggs through 20,000 retail stores and 1,000 food-service outlets throughout the United States, Canada, China, Hong Kong, and Singapore, and soon plans to sell its products in South Korea. This past spring, Eat Just secured \$200 million in a fundraising round led by the sovereign wealth fund of Qatar.

Just Eggs products are made from mung beans, a crop that was grown in the United States and sprouted for the bean sprout market more than a decade ago. Today, however, only a few U.S. farmers in California, Texas, and Oklahoma are growing mung beans due to the high risk of sprouts carrying harmful bacteria. In fact, Jorgensen said, mung beans are "barely on the radar" for companies looking for sources of plant-based protein.

While mung beans are used across the United States, particularly in Asian cuisine, most are imported from Asia. It's not cost-effective now to grow them in the United States, said Udi Lazimy, global plant sourcing director at Eat Just. Worldwide, depending on climate and growing practices, an acre of mung beans can yield one-half to 1.75 metric tons. To make the crop attractive to U.S. growers, the yield would have to be closer to about two metric tons per acre.

"The yield doesn't have to be too much higher than it is now — 2 tons per acre would make a lot more sense. We are going to see what we can do to build a local supply," Lazimy said. "If 75,000 to 100,000 acres were producing mung beans in the United States in the next couple of years, it would be a good starting point."



Udi Lazimy

For that to happen, universities would need to conduct research into ways to increase yields and protein content, and mung beans would need to be included in government programs, including crop insurance.

The North American plant protein market is segmented into several categories: protein beverages, dairy alternatives, meat alternatives and extenders, protein bars, bakery, and other applications. Based on application, some plant proteins are more attractive than others. For example, soy protein, long the industry standard, has been growing much more slowly than other plant proteins as consumer interest in other proteins increases.

"The first generation of plant-based meat alternatives were all soy-based, and the first generation of nondairy milks were also soy-based," Jorgensen said. "Soy has now been eclipsed by almonds and oats."

According to PBFA data, U.S. retail sales of soy-based milk alternatives fell 0.9% in 2000 to \$201 million from 2019, while retail sales of almond-based milks grew 17% to \$1.6 billion, and

sales of oat-based milks surged 219% to \$264 million. Retail sales of coconut, pea, and rice milks grew between 26% and 4%, but each accounted for less than \$150 million in retail sales.

The almonds used in nondairy milks are both grown in the United States and imported from Spain, but due to the large amount of water needed to grow almonds, the plant-based protein has lost some of its luster.

"In a few years, oat milk will move into the number-one position. Oats are a more sustainable crop than almonds," Jorgensen said. "We will see a big opportunity for American farmers to grow oats."

The majority of oats used in plant-based dairy alternatives are imported from Canada and Scandinavia. While many northern U.S. farmers grow oats, they use them mostly for forage or as a cover crop. "As new seed varieties become available, we will see higher test weights in the Midwest, and those oats will be directed to the plant-based market," Jorgensen said.

**Like oats, demand for dried peas, which have primarily been used in plant-based meat alternatives, has also been soaring.** Beyond Meat's principal source of protein, for example, is from yellow peas, but dried peas are also increasingly being incorporated into beverages. Nestlé recently announced the launch of its new yellow pea-based milk alternative Wunda in France, the Netherlands and Portugal. According to the *Financial Times*, Wunda is "a belated play by the world's largest food company for a share of the growing \$17 billion plant-based dairy market."



Carl Jorgensen, PBFA

In 2019, a little more than 1 million acres of yellow peas were grown in the United States, and of that, only an estimated 56,000 acres were used for plant-based protein products sold at retail, Jorgensen said.

At least half of the yellow peas used by the U.S. plant-based foods industry are grown in Montana, North Dakota, Minnesota, and other northern states, but plenty are still imported from Canada. And due to a lack of processing capacity, homegrown dried peas are still being shipped to China for protein extraction. To meet the U.S. demand for pea protein, Ingredion last fall opened a new manufacturing plant in South Sioux City, Neb.

But growing yellow peas is not for everyone. Roric Paulman, who farms 8,000 acres in southwest Nebraska, had yellow peas in his dryland rotation from 2009 through 2018, planting between 60 and 1,000 acres a year. "**We are always** 

looking for rotations that make sense," Paulman said. "But we could not get the yields out of them."

His yields maxed out at about 40 bushels per acre, and for \$7.50 to \$4 per bushel, the crop was bringing in \$300 per acre, while dryland corn was fetching \$500 to \$640, and soybeans earned nearly twice what peas were paying.

Even with irrigation, he said the pea yields capped out at 40 bushels per acre. "It was also difficult in dryland to keep the weeds out," he said.

Other less widely used proteins include wheat gluten and rice. Older, more established brands still use wheat gluten as an ingredient, but it continues to be imported from Australia more cost-effectively than it can be manufactured here.

"It doesn't pay processors to make wheat gluten," Jorgensen said. "For every pound you make, you have four pounds of wheat starch, and there is no secondary market in the United States for wheat starch."

Brown rice protein is found in rice milk, a small subcategory of nondairy milk alternatives, and used as an ingredient in plant-based meats, protein bars, protein powders, and other products. "By volume, brown rice protein is not anything like soy or peas, but it is fairly common because it is very digestible, and consumers like it," Jorgensen said.

Brown rice is grown in Arkansas, California, Florida, Louisiana, Mississippi, Missouri, and Texas, but a lot is also imported for use by the industry.

#### **News Briefs:**

**FDA** announces plans for testing lettuce samples in Salinas Valley. As part of ongoing efforts to ensure the safety of leafy greens, the U.S. Food and Drug Administration will collect and test samples of lettuce grown in California's Salinas Valley from local commercial coolers from May through November 2021. The agency will test the samples for Shiga toxin-producing *Escherichia coli* (STEC), including *E. coli* O157:H7, and *Salmonella* spp. as part of ongoing surveillance efforts following reoccurring outbreaks linked to this region, including most recently in the <u>fall of 2020</u>.

The FDA assignment will direct sampling to be conducted at commercial cooling and cold storage facilities where field heat is removed from harvested lettuce and where product is cold-stored before processing, the agency said in a May 11 release. Sampling may include pre-cooled product (preferred) or post-cooled product. Sample collection at commercial coolers helps the FDA efficiently obtain samples from multiple farms at centralized locations and facilitates prompt traceback and follow-up if contamination is detected.

The agency plans to collect and test a total of approximately 500 post-harvest samples of iceberg, leaf and romaine lettuce. Each sample will consist of 10 subsamples, each made up of one head of lettuce or in the case of romaine lettuce, loose leaves or one package of hearts. FDA laboratories will conduct all testing.

The agency said FDA investigators will preannounce their visits to firms per the Agency's COVID-19 safety practices. They will be outfitted with personal protective equipment (PPE) and will carry out their work while adhering to local, state and applicable CDC guidance.

The agency said their testing plans add to actions already underway including implementation of the recently updated <u>Leafy Greens Action Plan</u> and a <u>multi-year longitudinal study</u> to assess the environmental factors impacting the presence of foodborne pathogens in the region.

Non-ag pesticide makers are tired of paying for ag programs. The agriculture industry is not alone in heavily opposing the Newsom administration's plan to overhaul the state mill assessment, which levies fees on pesticide sales to fund the Department of Pesticide Regulation. The Household and Commercial Products Association is also calling for stakeholder discussion on this spending, according to policy advocate Nicole Quiñonez. "We have serious concerns with growing the department's budget by 40% without including any accountability measures,"

said Quiñonez during a budget subcommittee hearing on the provisions last week. Sales on non-agricultural pesticide products account for 50% of the annual mill revenue. "The vast majority of the funds today and in the proposed increase will go to ag programs," she said. "In two years, we anticipate being back here and asked to pay 50% of the staff in the increased budget." While Senate Democrats have rejected the overhaul, their ag budget proposal would still use taxpayer dollars to cover two years of funding for the staff and programs that would have been supported by the mill increase. Those programs would promote integrated pest management, support county ag commissioners, expand the department's air monitoring network and engage with environmental justice communities.

California may soon have a DNA barcode library for invasive insects. The Newsom administration is proposing to create a reference library for California insects based on DNA barcodes. The CDFA program would tag new and existing specimens from the Central Valley and other agricultural regions with unique barcodes. While adding a new catalogue of data on these insects, the program would also support the governor's biodiversity goals, particularly his 30x30 executive order to conserve 30% of the state's land and coastal waters by 2030. "This will help us better understand what's in our ecosystems, how it's moving," explained CDFA Secretary Karen Ross during a budget subcommittee hearing on the proposal last week. "And I believe it can help us identify invasive pests earlier, but also track how our pollinators are moving and where their declines are." Ross noted that it would work in coordination with the California Pollinator Coalition, a new public-private partnership promoting on-farm conservation practices. "It will also make this rich database of genetic material available for academia and for farmers and ranchers," she said. "We have some of the best entomologists—not only in the nation. We have some world-renowned experts at our at our plant diagnostics lab." The proposal has the support of the Natural Resources Defense Council and California Certified Organic Farmers. The budget request is for \$12 million from the state's taxpayer fund.

Organic livestock proposal from 2015 gets another comment period. The Organic Trade Association is both pleased and disappointed with USDA's decision to reopen the comment period on a long-delayed proposed rule regulating when livestock can be considered organic. "We welcome the movement on the part of Secretary [Tom] Vilsack's USDA, but we wish this had been a final rule," OTA CEO and Executive Director Laura Batcha said. "Dairy producers across the country need this rule and it should be implemented immediately," Spending bills in 2019 required issuance of a final rule by June 2020. The department's Agricultural Marketing Service will accept comments for 60 days starting May 12 on a proposal that requires organic milk and milk products be from animals "that have been under continuous organic management from the last third of gestation onward, with a limited exception for newly certified organic dairy producers," according to the Federal Register notice. OTA noted in comments submitted in 2019 that some USDA-accredited certifiers had been allowing dairies "to routinely bring non-organic animals into an organic operation, and transition them for one year, rather than raise their own replacement animals under organic management from the last third of gestation." Certifiers "are also allowing dairies to remove organic dairy animals from a herd, raise them using conventional feed and other prohibited management practices, and then retransition them back to organic," OTA said. "This practice of cycling dairy animals in and out of organic production is a violation of the organic regulations." In response to the reopening of the comment period, Batcha said "the bulk of the request for comment," including another economic analysis, "involves issues that have been previously explored."

### Farm Hands West: Wymer joins the Wine Institute

**Natalie Wymer** has joined the Wine Institute as the new vice president of communications. She succeeds **Nancy Light**, who is retiring after 24 years. Wymer comes to the Wine Institute after serving as the communications vice president at SunPower, a solar, storage and services company. Earlier in Wymer's career, she served in the Clinton/Gore Administration, including as communications director for the White House Climate Change Task Force. She also was a communications adviser to Energy Secretary **Bill Richardson** and was the deputy chief of staff to Labor Secretary **Robert Reich**.

John Georgalos is the new sales commodity manager at Ocean Mist Farms, handling Ocean Mist Farms' leaf program and managing iceberg lettuce. For the last 16 years, Georgalos served as commodity manager at Tanimura and Antle.

Tanimura and Antle has promoted **Brett Champlin** to senior director of harvest operations. Champlin started his career at Tanimura and Antle as an intern and most recently was the lettuce harvest director.

iTradeNetwork has added **Theresa Trees** and **Amy Mi** to its team. Trees has been named as the new executive vice president of commercial sales and Amy Mi was appointed vice president of sales



Natalie Wymer

operations. Bringing 17 years in sales and 11 years in supply chain management, Trees has worked for SPS Commerce, Salesforce and Wells Fargo. Mi brings more than 25 years of experience in sales operations and strategies. Before joining iTradeNetwork, Mi worked for Anaplan, Netgear, Polycom and Nvidia.

**Angela Bailey** has been tapped to lead the Oregon Farm Bureau as the new president. She succeeds **Barb Iverson**, who stepped down from the helm after facing health issues. Bailey and her husband own and operate Verna Jean Nursery, specializing in growing ornamental and flowering trees. Bailey is also a member of the Multnomah County Farm Bureau.



Angela Bailey

USDA has announced the addition of four individuals to staff positions:

Kate Waters joins USDA as the new press secretary in the Office of Communications. Waters most recently served as the communications director on the reelection campaign of Sen. Mark Warner, D-Va. She has also served as the traveling press secretary for Kamala Harris' presidential campaign and was the digital director and deputy press secretary in Harris' Senate office. Eddie Shimkus and Laura Driscoll have been hired as legislative advisers in the Office of Congressional Relations. Shimkus previously served as the legislative director in the office of Rep. Sander Levin, D-Mich., and Driscoll most recently served as the legislative director for Rep. Antonio Delgado, D-N.Y. Jon Hurst has been brought on as a special assistant in the Office of the Deputy Secretary. Hurst most recently served as a regional

organizing director for the North Carolina Democratic Party Coordinated Campaign. He also worked on Joe Biden's presidential campaign and was an associate producer at the Foreign Policy Association.

**Lesly McNitt** is joining the Democratic staff on the House Agriculture Committee as senior professional staff. McNitt comes to the Hill from the National Corn Growers Association where she served as the director of public policy, trade, and biotechnology. McNitt served in a variety of roles at USDA during the Obama-Biden Administration, including as chief of staff for both

the Farm and Foreign Agricultural Service Mission Area and the Farm Service Agency. She also ran the Farm Journal Foundation's government relations and program development.

Mark Poeschl has taken a new role with the Furst-McNess Company as the new president and chief executive officer. Poeschl was the chief executive officer of the National FFA Organization but stepped down in January after four years at the helm.

Shakuntala Haraksingh Thilsted has been honored as the newest recipient of the World Food Prize for her research in improving the nutritional profile of aquatic food systems. Thilsted is currently the global lead for nutrition and public health at WorldFish, a research center



Lesly McNitt

headquartered in Malaysia. To read more on Thilsted's career, click here.



Shakuntala Haraksingh Thilsted

The Council for Agricultural Science and Technology has selected **Sarah Evanega** as the recipient of the 2021 Borlaug CAST Communication Award. Evanega is a research professor in the Department of Global Development with a joint appointment in the School of Integrative Plant Science in the College of Agriculture at Cornell University. She also serves as the founding director of the Cornell Alliance for Science, a global communications effort promoting evidence-informed decision-making across a range of science issues. Evanega helped launch the College of Agriculture and Life Sciences initiative, AWARE (Advancing Women in Agriculture through Research and Education), to help promote women in agriculture.

The American Feed Industry Association has promoted six staff members. **Kori Chung** now serves as the public policy and certification specialist. Chung previously was AFIA's legislative and regulatory assistant. **Lacie** 

**Dotterweich**, who was AFIA's communication coordinator, has been promoted to manager of communications and social media. **Mallory Gaines**, previously the manager of market access and trade policy, is now the director of market access and trade policy. **Gina Tumbarello** has been elevated to senior director of international policy and trade. **Daisy Rodriguez** now serves

as AFIA's registration and events specialist, and **Shakera Daley** has been promoted to accounting and administrative specialist.

**Joby Young** is teaming up with DOJ and DOD alum, **David Lasseter**, to launch their new firm, Horizons Global Solutions. Young is the former chief of staff to Secretary of Agriculture **Sonny Perdue**. Before working at USDA, Young was chief of staff for Georgia Republican Rep. **Austin Scott**.

Growth Energy has hired **Michael Lorenz** to be the new senior vice president of market development, where he will oversee global and domestic expansion of higher ethanol-blended fuels. Most recently, Lorenz spent 20 years as the executive vice president of petroleum supply for Sheetz Inc., where he oversaw the fuel supply for 600 stores in six states and started the company's first renewable and alternative fuels program. Earlier in his career, Lorenz worked at ExxonMobil and Mobil Oil Corporation.

UnitedAg, a trade association providing healthcare to agribusinesses, has made updates to its leadership team. **Alex Chee** has been named executive vice president and chief financial officer. Chee joined UnitedAg in 2020 as the chief technology officer. **Yvonne Park** is now the associate general counsel of UnitedAg and **Sachin Varma** has been named senior director of underwriting.

#### Best regards,

#### Sara Wyant

#### **Editor**

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