

## Lawmakers race to set carbon sequestration goals ahead of CARB

A California carbon neutrality bill is ready for state Senate consideration after narrowly passing the Assembly last week.

The measure, Assembly Bill 1395, would set a goal for California to reach 90% carbon neutrality by 2045, with a focus on nature-based solutions and maintaining net-negative greenhouse emissions after 2045.

**The Assembly has also passed a bill with the more moderate aim of identifying the financial incentives, market needs and potential regulatory fixes for the sector to meet a 2045 carbon reduction goal, which has also faced agricultural opposition.**



*Asm. Al Muratsuchi, D-Torrance*

The Senate, meanwhile, approved a carbon sequestration bill for natural and working lands after amendments that dropped industry concerns. Under the amendments, the Natural and Working Lands Climate Smart Strategy currently being developed by state agencies will guide the process, and the goals must be vetted for cost effectiveness and technological feasibility. The plan must also suggest funding mechanisms for implementing the strategy.

The legislative activity coincides with the Air Resources Board launching the rulemaking process for updating California's Climate

Scoping Plan, which will include carbon capture efforts in agriculture. The agency has been hosting a series of stakeholder engagement workshops this week.

**“Lately the governor has been making the decision about climate policy and setting the bench marks,”** said Republican Assemblymember James Gallagher of Yuba City during floor debate for AB 1395 last week. **“We should be the ones establishing what the policy is.”**

Gallagher was referring to the governor's executive order in 2020 banning the sale of internal combustion engines for cars by 2035 and other vehicles by 2045. As a recall election looms, Gallagher and other Republicans have been pushing back on the governor's executive authority to issue such orders. Yet he opposed AB 1395 for setting limits on carbon capture technologies and limiting blue-collar jobs in the industry.

Others argued both "carbon neutrality" and "nature-based solutions" were poorly defined in the bill.

**A coalition of opponents including the California Farm Bureau and the Agricultural Energy Consumers Association argues that the bill would limit carbon removal through sequestration efforts on natural and working lands at a time when the state is looking to scale up incentives for these practices.**

Asm. Chad Mayes of Riverside County, who left the GOP after a controversial vote to renew the state's cap-and-trade program, argued the measure picks winners and losers.

"We must not get to net-neutral but net-negative and have every technology at our disposal," said Mayes. "It's our responsibility to reduce emissions, and we don't have to wait for China to step up. ... We have to work in a tripartisan way."

**Republican Devon Mathis of Visalia said the priority should be on bringing back jobs after losing so many during the pandemic shutdowns.**

The bill's author, Asm. Al Muratsuchi of Torrance (above), countered that he had no interest in picking winners and losers and called it a false narrative that his measure would limit innovation.

Asm. Bill Quirk of Hayward, who worried about ambiguity in the bill's language for what it means to prioritize nature-based solutions, switched his stance to support the measure, believing Muratsuchi would clarify this in future amendments.

Senate policy committees will soon take up the measure.

## **California retains emergency powers despite state reopening**

Farmers and other employers face a new N95 respirator mandate, even though Cal/OSHA is easing COVID-19 emergency safety standards for workplaces.

Next Tuesday, businesses have the option of eliminating physical distancing and partitions and barriers for employees working indoors and at outdoor events with more than 10,000 people as long as N95s are made available to all unvaccinated employees. After July 31, physical distancing requirements go away, but employers must continue to offer the N95 masks to unvaccinated workers.

Cal/OSHA's governing board approved the N95 requirement in a meeting last Thursday where the panel first rejected a proposal to ease COVID-19 emergency safety standards for workplaces, then flipped that decision an hour later.

The following morning, Gov. Gavin Newsom said he would not rescind California's state of emergency as part of the June 15 reopening. **Newsom was also reluctant to speed up the pace**

**for aligning Cal/OSHA with federal masking and social distancing guidelines, which agency staff don't expect to happen until at least August under the current process.**

Newsom said he was pleased to see progress in the board dropping some requirements for physical distancing and partitions, but hestressed that the state will be moving away from mandates and toward incentives and resource support. He suggested that there will be more changes after June 15.



*Newsom announces outdoor dining options and to-go cocktails will be allowed after June 15.*

**“A lot of employers are not in the position to afford N95 masks,” said Newsom. “We're looking to augment that.”**

Newsom’s cautious approach drew immediate criticism from Republican lawmakers, who have long argued the governor overstepped his authority in issuing dozens of executive orders that have affected more than 400 laws.

“If Newsom believes the state is safe enough to reopen, then it’s safe for people to be able to make decisions for themselves without his arbitrary and capricious

rules,” said Senate Republican Leader Scott Wilk of Santa Clarita. **“We don’t grow bananas — so there’s no need for a banana republic.”**

Agricultural and business groups shared a similar sentiment during the Cal/OSHA board hearing on the emergency temporary standards (ETS).

“While the revised standards are preferable to the existing harsh and unwieldy ETS requirements, they perpetuate the board’s misuse of statutory emergency rulemaking procedures,” argued Jason Resnick, senior vice president and general counsel for the Western Growers Association, in a blog post.

Bryan Little, director of labor affairs for the California Farm Bureau — in referring to the N95 provision — testified that the latest changes were “actually worse in some respects” than the initial standards and difficult to understand. He also complained the board lagged in adjusting the standards to meet the ever-changing COVID-19 situation as well as the governor’s goals.

“[The new regulatory proposal] is plainly at odds with the stated intention of the governor and many of his senior spokespeople that everyday activities should return to normal by June 15,” said Little.

**He told *Agri-Pulse* the regulatory changes undercut the state’s efforts to vaccinate the public as well.**

“The only meaningful protection lies in being vaccinated,” said Little. “The continued masking being mandated by the readopted ETS sends exactly the wrong signal: That even if you get vaccinated, you’ll still have to mask, at least at work.”

California Citrus Mutual has advised its members to adhere to the new regulation, which also takes effect on Tuesday, “even though it is contradictory to the state’s reopening guidelines.”

Cal/OSHA plans to add more details to a list of frequently asked questions to clear up the confusion. Eric Berg, a Cal/OSHA deputy chief, said he has been consulting with public health agencies to determine clear guidance on how employers can request vaccination status from workers while complying with anti-discrimination laws.

Fully vaccinated workers are no longer required to wear masks, except when unvaccinated employees are present in a room. If physical distancing and barriers are not deployed, employers are required to supply N95 masks to unvaccinated employees, though the workers are not required to wear them and can use standard masks instead. Meanwhile, if all agricultural workers in employer-provided housing are vaccinated, spacing requirements between beds are no longer required.

**“I would encourage that any amendments or FAQs be very, very robust,” said Chris Laszcz-Davis, a management representative on the board. “So that there is little room for confusion and interpretation, which seems to be a common theme all day long.”**

More than 800 commenters registered for the meeting, which lasted more than nine hours and late into the evening Thursday.

Laszcz-Davis called the new regulations more conservative than the latest guidelines issued by the Centers for Disease Control (CDC) and said the board does not have the time or need to work on a permanent regulation for infectious disease in the workplace, as other board members urged in May.



*Chris Laszcz-Davis, Occupational Safety and Health Standards Board*

“Did [Cal/OSHA] align to the CDC as was requested? I think that the answer there is no. That begs a different question: Is this actually the best way to do the rulemaking?” said Kate Crawford, another management representative on the board. “The N95 requirements — as we heard over and over from all sides of the equation here — are basically untenable.”

Board Chair David Thomas, a labor representative, acknowledged the N95 issue will be the biggest challenge to overcome but maintained that the priority was to protect workers.

“This is just a measured step in the right direction,” said Thomas. “We’re supposed to protect employees in the workplace that are vulnerable. That’s our charge.”

Board members urged staff to develop a proposal more in line with the CDC but were unable to provide any clear direction on what should be included.

**“The responsible thing to do would be to convene an advisory committee meeting with stakeholders, and let them weigh in on the revisions,” said Christina Shupe, the board’s executive officer. “The reality is that when we do something like that, it requires time.”**

The board charged a three-member subcommittee to convene immediately and report back to the board at its June 17 meeting.

## **Environmental justice report targets farmworkers, pesticides**

A White House report that is designed to guide federal spending in disadvantaged communities recommends new protections for farmworkers, tighter regulatory scrutiny of pesticides and targeted incentives for expanding wind and solar power.

The report by the White House Environmental Justice Advisory Council grew out of an executive order signed by President Joe Biden a week after he took office, in which he set up the council to help implement the administration’s Justice40 Initiative, which seeks to direct 40% of certain federal investments to benefit communities that have been historically underserved.

**Biden’s executive order specified those investments as including “clean energy and energy efficiency; clean transit; affordable and sustainable housing; training and workforce development; the remediation and reduction of legacy pollution; and the development of critical clean water infrastructure.”**

Using the committee's recommendations, Council on Environmental Quality Chair Brenda Mallory, Acting Director of the Office of Management and Budget Shalanda Young, and National Climate Adviser Gina McCarthy will publish recommendations on how to target 40% of the overall benefits of investments to disadvantaged communities.



*President Joe Biden*

**The report appears to take a dim view of biofuels, which are mentioned in passing through their inclusion in an opinion piece linked in the report.** Biofuels, along with nuclear, biomass, carbon capture and sequestration and natural gas are technologies to be avoided, and strategies supporting them "are largely driven by the need to pacify powerful constituencies," said Jacqueline Patterson, director of the environmental and climate justice program at the National Association for the Advancement of Colored People, in the op-ed.

Renewable Fuels Association President and CEO Geoff Cooper, in a statement shared with *Agri-Pulse*, called it “surprising and disappointing that the advisory committee overlooked the benefits of renewable fuels. ... Ethanol reduces the harmful tailpipe pollution that disproportionately affects low-income and disadvantaged communities, and it slashes the greenhouse gas emissions that are contributing to climate change. In addition, the increased use of ethanol reduces demand for petroleum fuels, which are often manufactured at large industrial refining complexes adjacent to, or in the middle of, urban and suburban neighborhoods.”



**"RFA encourages the committee to revisit the environmental, economic, and social benefits provided by renewable fuels, and we would welcome the opportunity to host committee members at an ethanol production facility so they can see these benefits up close and in person,"** Cooper said.

Federal agencies are in the process of taking the recommendations in the report and identifying programs that could be used to implement them. A climate and economic justice screening tool that is in the works would help identify disadvantaged communities.

Cathleen Kelly, a senior fellow for energy and environment at the Center for American Progress, called the report "absolutely groundbreaking and historic" and took note of the short time frame the council had to prepare it.

**"There's going to have to be a lot of focus on strengthening federal investment programs across all of the agencies to make sure that they can actually deliver real and direct benefits to disadvantaged communities," she said.**

USDA and EPA programs receive a lot of attention in the report, including through a recommendation that the Rural Utilities Service's electric programs "prioritize support for clean, distributed energy, and ensure 40% of funds are directed to disadvantaged communities." USDA also should expand its Rural Energy for America Program (REAP) "to tax-exempt entities including nonprofits and government entities and increase program funding to \$100 million per year to support tribal energy and energy efficiency projects."

Kelly said underserved communities have in the past faced barriers in obtaining federal funding, "ranging from systemic racism, where the funding is just simply not allocated, either by the federal government or state governments." Agencies could provide technical assistance to people applying for grants, she said.



Michael Marsh, NCAE

Farmworker protection is prioritized in the report, which calls for the government to upgrade standards for farm labor camps "to mitigate the risks that climate change, extreme weather events and pandemics pose on migrant and seasonal farmworkers and their families."

The report also notes there is "no federal standard to protect outdoor workers," long sought by advocates for farm laborers — including in a petition submitted in 2018 by Public Citizen.

**Michael Marsh, CEO of the National Council of Agricultural Employers, said some of the report's recommendations, such as "access to field sanitation and hand-washing facilities, training in use of and provision of protective equipment for pesticide application, (and) heat stress prevention plans," have long been implemented by farmers and ranchers.**

"Farmers take the health and safety of their workforce very seriously and it is in the farmer's self-interest to do so," he said, adding that NCAE supports the report's recommendation to invest in farm labor housing.

“Access to capital for farmers seeking to update and modernize housing for workers can sometimes be a challenge when farmer margins are as tight as they are when the banker is hoping you can pay them back,” Marsh said.

Allison Crittenden, a congressional relations director at American Farm Bureau Federation, said, **“I’m not sure if we need additional regulation on something so prescriptive, to manage any concerns regarding heat.”** She noted that OSHA’s “general duty clause” is designed to protect employees from workplace hazards that are not covered by a specific standard.

Oscar Londoño, however, executive director of WeCount! In Miami, says a national heat standard is needed. “In 2016, here in Florida, there were more than 1,000 hospitalizations related to heat-related illness,” he said. California and Washington state have standards, and other states such as Colorado and Maryland are working toward them now.

Elements of a standard include mandated breaks during periods of extreme heat and access to clean and cool drinking water. **In both construction and agriculture, he says, water may be available but inaccessible to the average worker.**

On pesticides, the report calls for improving cost-benefit analyses “by considering the availability of safer alternatives early in the process and considering social costs of use of pesticides, (and) develop methods for gathering true exposure data showing the extent of farmworker exposure, rather than relying on industry-generated data.”

Crittenden said in general, AFBF hopes it will be included in conversations if and when regulatory measures are proposed to implement any of the recommendations.

On pesticide registrations, she said, “There are always ways to improve that process,” but added, “I think it’s important to make sure that scientific experts are the ones involved in the decision-making process, and that (decisions are) based on the most accurate and realistic data.”

## **Biofuel-hungry airlines push for federal incentives, raising fears of soy oil squeeze**

Airlines that are scrambling to lower their greenhouse gas emissions are lobbying Congress to enact new incentives for renewable jet fuel, even as competition for biofuel feedstocks already is heating up.

An alliance of U.S. airlines, aircraft manufacturers Boeing and Airbus, shipping giants UPS and FedEx and many biofuel producers is seeking a new tax benefit for sustainable aviation fuel, or SAF, that would be worth substantially more than the current \$1-a-gallon tax credit now provided to biodiesel, sustainable aviation fuel and renewable diesel, a rival to biodiesel. The airline industry says the SAF incentives are essential if the carriers are going to significantly reduce their greenhouse gas emissions, since electric aircraft are nowhere on the horizon due to the battery requirements. SAF currently costs three to five times more than conventional jet fuel, according to Airlines for America, the industry trade group.

The airlines have committed to using 2 billion gallons of biofuel by 2030 — roughly 10% of their current jet fuel consumption — and to becoming carbon neutral by 2050. Last week, United

Airlines announced it is purchasing at least 15 supersonic aircraft that will be powered entirely by the biofuel.

**Just 4 million gallons of sustainable aviation fuel were produced in 2020, with much of it used by airlines operating out of Los Angeles and San Francisco.**

“Make no mistake, SAF is of critical importance to the aviation sector and its efforts to minimize GHG emissions,” the airline-led alliance said in a letter to House Democrats who are sponsoring a package of SAF incentives.

“We all need the SAF industry to be scaled up successfully so that aviation, and our nation, can meet its climate goals.”

But the airline’s climate goals have set off alarm bells among biofuel producers because of the potential demand the incentives would create for soybean oil and other conventional biofuel feedstocks that are already in short supply.

**Prices for soybean oil, which traditionally have stayed around \$30 to \$40 a pound, have soared to \$70 a pound in recent weeks because of global demand.** That’s good for soybean growers, but industry experts worry that the demand for vegetable oil could eventually put smaller biodiesel producers out of business while also raising food prices.



*Kurt Kovarik, NBB*

“We see it (SAF) as both potential opportunity as well as a potential challenge, depending on ... what is the impact of this on the feedstock market,” said Kurt Kovarik, vice president of federal affairs for the National Biodiesel Board.

**“Our motivation here is to ensure that we can continue to contribute to the goals of the administration, and that is decarbonization of all energy, all liquid transportation (fuel),” he said.**

There also is going to be growing demand from the trucking industry for biofuel, he said, and biodiesel also can reduce the usage of petroleum-based heating oil in the Northeast.

But another biofuel industry lobbyist said when it comes to biofuel policy, Biden administration officials have focused relentlessly on promoting the production of aviation and maritime fuels.

“There isn’t enough feedstock to go around, let alone get everything to sustainable aviation fuel. ... Something has to give,” he said.

There are key differences between biofuels that figure into the economics and politics.

Renewable diesel and sustainable aviation fuel are “drop-in” fuels, which means they are chemically identical to conventional petroleum-based diesel and jet fuel. They can both be made in refineries, typically using cooking grease or animal fats, which have a significantly lower carbon footprint than vegetable oils. The refineries’ hydrocracking process uses hydrogen to react with the fats and oils to produce the fuels.



Several major oil companies are modifying refineries to produce renewable diesel and jet fuel because of the growing demand for those products.

Biodiesel is produced through a transesterification process that converts fats and oils into biodiesel and glycerin. The process is more efficient, requiring less oil or fat to make a gallon of biodiesel, which is then used for blending with conventional diesel. But biodiesel isn't a drop-in fuel so its market potential is more limited.

**Some large biodiesel producers, including Renewable Energy Group, are getting into the renewable diesel and SAF business, but most smaller biodiesel producers can't feasibly convert their operations, industry officials say.**

Robert Kent, president of oil industry consulting firm REK Energy, said it's relatively inexpensive to convert a refinery to biofuel production and that it helps oil companies meet their corporate sustainability commitments.

"As the renewable diesel plants get built, and the competition for feedstock heats up, I think the biodiesel people may be at a disadvantage," Kent said during a BMO Capital Markets conference in December.

Nancy Young, vice president of environmental affairs for Airlines for America, the airline industry's trade group, said all types of feedstocks will be needed to supply carriers' biofuel demands, including vegetable oils. Other potential feedstocks include oilseeds that are grown as cover crops, municipal solid waste, and gases captured from steel manufacturing.



*Nancy Young, Airlines for America*

**"If you're going to continue to move towards liquid fuels made from renewables you kind of need the all-of-the-above strategy," she said.**

Another potential feedstock is ethanol, which can be converted into jet fuel through a special process. Growth Energy, an ethanol industry trade group, has been urging lawmakers to ensure that ethanol could qualify for any SAF incentive that gets enacted, said spokeswoman Leigh Claffey.

"We certainly have members who are interested in SAF production, as the market potential could be as large as the total aviation fuel market over time," she said.

Airlines for America is supporting a recently introduced House bill, the Sustainable Aviation Fuel Act, which would create a special tax credit for SAF worth up to \$1.75 a gallon. The bill would also create an aviation-only low carbon fuel standard similar to one now in operation in California for all forms of transportation. California's LCFS is the major driver for the renewable diesel market because of its low carbon footprint.

**The goal is to get the bill included in an infrastructure package that President Joe Biden is urging Congress to pass.**

The administration has proposed a similar tax credit for SAF with one key distinction: The House bill is proposing a blender's credit that would apply to foreign as well as domestically produced fuel. The administration is proposing a production tax credit that would only benefit U.S. suppliers.

One of the largest SAF suppliers is a Finnish-based company, Neste, which has refineries in Singapore and the Netherlands.

Democrats on the Senate Finance Committee recently advanced legislation that would replace existing biofuel tax incentives with a new low-carbon fuel credit that would include aviation fuel as well as biodiesel, renewable diesel and other alternative fuels.

Meanwhile, the National Biodiesel Board is seeking an extension of the existing \$1-a-gallon tax credit, which is currently set to expire at the end of 2022.

The prospects for any of the tax proposals are uncertain with the Senate divided 50-50. On Tuesday, Biden broke off talks with a group of Republican committee leaders on an infrastructure plan. A critical swing Democrat, West Virginia's Joe Manchin, has not ruled out supporting a partisan bill that would have to be passed through the reconciliation process.

The American Soybean Association declined to comment on the issue.

## **US dairy fears grow as new EU import restrictions loom**

The U.S. and European Union are working to smooth out trade differences when it comes to aviation and steel, but the U.S. dairy sector says a proposed European overhaul to the health certificates it requires for imports is a major threat to American exports.

The U.S. ships about \$100 million worth of dairy products each year to the EU, despite tariffs and restrictive licensing requirements, but selling to Europe is on the brink of getting much worse, according to U.S. industry groups like the National Milk Producers Federation and the U.S. Dairy Export Council.

### **Beginning in August, the EU plans to impose a host of new rules covering the importation of dairy and composite food products, regulations the U.S. industry says will cripple trade.**

The European Commission was working on its overhaul of the health certificates when it comes to dairy, meat, eggs, seafood and composite foods for about a year before it published the new rules late last year. Composite foods are a wide variety of products such as pizza, cheesecake and biscuits.

The new regulations require farms to receive frequent inspections for signs of foot and mouth disease and rinderpest, new procedures that industry representatives say are far too intrusive and force farmers to hand over too much information to foreign governments. The EU is also demanding new record-keeping systems that would store years' worth of data on cows' health records and movements.

In a recent letter to Ag Secretary Tom Vilsack and U.S. Trade Representative Katherine Tai, NMPF President and CEO Jim Mulhern and USDEC President and CEO Krysta Harden called the regulations "deeply problematic" and in violation of World Organisation for Animal Health and Codex rules.

**“If we don’t meet those requirements,” one U.S. industry official said, “trade will stop with Europe.”**

There is evidence that trade is already being affected. U.S. exporters are rushing to get shipments to Europe on the books by the Aug. 21 deadline, according to the industry official and a U.S. government official who are monitoring the situation.



*Jim Mulhern, NMPF*

After Aug. 21, the new certificates will be required and “there’s no expectation we’ll be able to meet the new certification requirements,” the government official said. The products with old certificates must arrive in Europe by Oct. 20.

“If the dairy and composite certificates are implemented as proposed, we are deeply concerned that this new legislation has the potential to cut off U.S. dairy exports to the EU market as well as to foreign food processors whose finished products ultimately are shipped to the EU,” USDEC and NMPF said in the letter. “Trade in dairy products transiting EU member states (in route) to a third country and to U.S. military bases in the EU is also in jeopardy, as are exports of composite products to the EU, even if they contain very little dairy.”

**The European Commission is simply acting to consolidate food safety and animal welfare regulations for imports while bolstering their effectiveness, one official said. But the U.S. dairy industry doesn’t see it that way.**

Representatives say the U.S. deserves special consideration because of the strength of its food safety and animal health systems, especially because when it comes to animal diseases like foot and mouth disease, conditions are better in the U.S. than in many European countries

“The EU’s rush to implement a ‘one-size-fits-all’ approach to food import certification for all countries does not recognize the safety of U.S. dairy products, which has not changed and remains high,” said Mulhern and Harden in the letter to Vilsack and Tai.

As U.S. exporters scramble to rush sales before the August deadline, government officials in Washington and Brussels are trying to work out a solution that will keep trade flowing, even if it’s just a postponement of the new certification requirements, U.S. industry, U.S. government and European government officials tell *Agri-Pulse*.

European and U.S. officials agreed to talk only on background because sensitive talks remain ongoing.

**Washington is working hard to get Brussels to bend, says one government official. “We are concerned enough that we are really pushing it.”**

And Mulhern and Harden say they are frustrated — especially because Europe has much better access to the U.S. dairy market than the U.S. has to Europe.

“If the EU is not prepared to genuinely reform its agricultural trade tactics, then the U.S. should make the difficult decision to fight fire with fire,” they said in the letter to Vilsack and Tai.

“Our industry is deeply frustrated that the EU has easy and reliable access to this market for roughly \$1.5 billion of its dairy products each year while the U.S. is forced to scramble every few years when EU import documentation requirements change merely to hang onto dairy exports less than a tenth that level. This persistent EU disregard for the impacts of its agricultural regulatory changes on trade partners must come to an end to have any hope of a good faith reset to trade relations.”



*Krysta Harden, USDEC*

**The European Commission has been very accommodating to requests for talks, an EU official said, but stressed that the deadline is still in place.** The official declined to say if any changes had been agreed upon.

“We are talking and we hope that we can find a solution,” the official said.

## **USDA climate hubs to play crucial role as farmers look to adapt**

The Agriculture Department’s seven-year-old network of regional climate hubs will play a key role as USDA seeks to bolster climate research and get farmers and ranchers to employ that research to adapt to the impacts of climate change.

The network of ten hubs doesn’t get a lot of money — the latest budget request, for fiscal year 2022, includes \$23 million in direct funding, just \$3 million above the current-year level — but they are in a unique position to disseminate information to producers because they are located at land-grant universities and can leverage partnerships with those universities and state agencies.

**USDA, however, also has proposed another \$17 million in fiscal 2022 for “hub-like” work, a spokesperson says, including “education, outreach, and extension; tool and technology exchange; and the synthesis of information.”**

The work funded by the \$17 million will be done outside of the climate hubs but will provide snow and climate monitoring through USDA’s Natural Resources Conservation Service (\$7M); urban ag education and outreach, also through NRCS (\$8M); and funds to the Risk Management Agency “for research, review and to ensure actuarial soundness of new products addressing climate change (\$2M),” the spokesperson said.

**“I think they swing above their weight for a relatively small program, and they get a lot of attention,”** says Bill Hohenstein, director of USDA’s Office of Energy and Environmental Policy in the Office of the Chief Economist. “So we’re really proud of the work that that program has done over the last five years.”



Bill Hohenstein, USDA

Launched in 2014, the hubs flew under the radar during the last administration when funding, Hohenstein said, was “level.” Now, however, there is likely to be more attention paid to the work the typically three-person offices perform.

**“Climate change is a priority for the administration,” Hohenstein said. “And that is going to have implications across the department.”**

“Hubs play a unique role in connecting research to programs to helping us build a climate-literate staff, so we can share the information on how to be more resilient, and how to address climate change, with the public but especially producers — farmers, ranchers, forest landowners, the folks that manage infrastructure in rural communities, the whole range of folks who are vulnerable to climate change,” he said.

The hubs’ job is “taking the science, making sense of it, and making it usable, so the folks we have working with farmers can integrate that,” Hohenstein told *Agri-Pulse*.

“A lot of what the hubs will be doing is working to build that capacity in both our field staff, and the folks in the private sector like crop consultants, and folks at the state level, university-based extension — all the people that actually do outreach to farmers and ranchers — basically working with them to make sure they have the information they need.”

USDA’s just-released Climate-Smart Agriculture and Forestry Strategy emphasizes the role of the hubs.

**In support of the strategy, the hubs “should continue to lower barriers and increase the rate of adoption of CSAF practices,” the strategy says.** “They should also help identify opportunities for collaboration with partners to develop necessary innovations or curate tools and technologies to moderate stressors.



Dennis Todey, USDA

At the Midwest Climate Hub, that can mean looking at new crops that might perform well in scenarios such as drought or increased precipitation, said director Dennis Todey.

“We’re not going to get to the point anytime soon of a large-scale change out of corn and soybeans, but, you know, if you have some marginal land, maybe you don’t grow corn,” he said. “Maybe there’s a cash crop of some kind that you can use that is better for that land area and can still create some profit off that.”

One example, he says, is the potential of reintroducing nut trees, which would provide both nuts as a cash crop and shaded grass for



livestock. **“We're not going to grow chestnuts everywhere, but getting people to think of these different ideas” is important, he said.**

Todey said that one event put on by the Midwest hub has clearly been well-received: a monthly call, usually with a state climatologist from the region and co-hosted by a scientist from the National Oceanic and Atmospheric Administration, on weather conditions faced by producers in the region.

“We've seen a pretty steady increase in attendance,” Todey said, along with positive comments from attendees. “People are saying it's really helpful to know what's going on and what things are coming,” he said.

In the Northeast, Joshua Faulkner, farming and climate change program coordinator at the University of Vermont's Extension Center for Sustainable Agriculture, points to a series of videos produced with grant money from the hub, featuring farmers talking about practices they've undertaken to adapt to changing conditions.

**“One farmer actually gave nitty-gritty details on what his seeding mix was, and pounds per acre for specific cover crops,” Faulkner said. “That's really educational for farmers, down to the nuts and bolts.”**

In California, the hub has been working on the impacts of climate change and wildfire. For example, some specialty crops require a certain amount of chilly temperatures to break dormancy. A USDA fact sheet on the subject says “adaptation efforts may be necessary for California to continue cultivating high-chill crops like walnuts, pistachios, or cherries.”

California hub director Steven Ostojka says the hub also is working with research partners to “sleuth out” the impact of “smoke taint” on wine grapes in the state, which the Risk Management Agency estimates may have hit as many as 30,000 acres of California wine grapes in 2020.

Ostojka mentions, in particular, a project called GRAPEX, for “Grape Remote sensing Atmospheric Profile & Evapotranspiration experiment.” The initiative's mission is “to refine and apply a multi-scale remote sensing evapotranspiration (ET) tool kit for mapping crop water use and crop stress for improved irrigation scheduling and water management in vineyards in the Central Valley of California, a region of endemic periodic drought.”

Although the work focuses mainly on vineyards, “the improved tools will also have applications to fruit and nut orchards and other crops with highly-structured canopies,” according to the project's website.



Annual heat waves are another concern, Ostoja said, as “they really can stress the physiologic processes of a lot of our perennials, and in some cases, annual cropping systems.” Water management is another important area, he says, so applications are “well-timed, and on point.”

Looking to the future, Ostoja said, “We have disadvantaged communities scattered across California, and a lot of that is superimposed on some of our highest producing agricultural counties in the state. And there are a lot of concerns about equity and environmental justice that we just haven't had the resources to address. Should we see increases [in resources], I think that's one of the places we would look at.”

## Western Growers, CDFA partner on AgtechX Ed initiative

Western Growers plans to work with the California Department of Food and Agriculture on a statewide initiative to equip “a future workforce with the skills and knowledge to navigate emerging on-farm technology,” the organization recently announced in a release.

The initiative comes as California agriculture is experiencing increasing challenges such as severe drought, high labor costs, and new proposed state regulations. Dave Puglia, WG's president and CEO, said the effort underscores the organization's desire to address those

obstacles while still maintaining sound food production in the state.



“As we face chronic and worsening labor shortages, escalating labor costs and legislative mandates, and dwindling access to water, crop protection tools and other inputs, the rapid development and deployment of technology is our best hope to preserve California’s farmland and regional agricultural economies,” he said in a statement.

The initiative will unite universities and colleges, farming and agricultural businesses, and tech companies to equip

the agricultural workforce with the skills necessary to work with rapidly evolving agricultural technology. WG and CDFA plan to work on a handful of events that will feature keynote addresses from CDFA Secretary Karen Ross and include opportunities to learn more about the new technology.

Four AgtechX Ed events will be held across California, specifically in key agricultural areas like the San Joaquin Valley, the Imperial Valley, Monterey County, and the greater Sacramento Area.

The events will allow ag workers and other attendees to listen to conversations between leading farming and technology companies about the specific skills needed in their workforces while highlighting the training opportunities their organizations offer to acquire these technical skills. Further, California Community Colleges and California State Universities will be present at the

events to showcase new educational pathways meant to offer individuals the skills needed to work in the industry.

Ross, meanwhile, will speak to the necessary partnerships that must exist between the ag industry, government, and academia to ensure education is meeting the needs of the ever-evolving agricultural industry.

Beyond these four events, the AgtechX Ed Initiative will assist ag workers with internship or apprenticeship opportunities, job shadowing, and also will host regional career mixers.

“To rise to the occasion of feeding a global population of 10 billion people in the next 30 years with fewer resources and labor, we need to start investing in preparing tomorrow’s agricultural workforce today,” Ross said in a statement. “Education starts in the classroom, and that’s where agriculture prominently needs to be. As the development of technology rapidly accelerates, initiatives such as AgTechX Ed lays the foundation for new tech-based education training platforms that will build an adequately trained workforce.”



The AgTechX Ed initiative will kick off Aug. 25-26 at the San Joaquin Valley's Reedley College.

Beyond aiding agricultural workers, Puglia said the initiative is also meant to grow existing WG workforce development programs like Careers in Ag and Junior AgSharks that foster youth’s interest in ag careers.

*CDFA Secretary Karen Ross*

“AgTechX Ed is an exciting and critical initiative that can help advance the tech-expert workforce we must have to continue producing healthy California-grown foods,” he said.

## News Briefs:

**Meatpackers offer SCOTUS Prop 12 pushback.** A trade association representing meatpackers is asking the highest court in the land to consider a new report in their fight to overturn California’s Proposition 12, arguing the law “provides no benefit to consumers and increases breeding sow mortality according to the State’s own rule.” In a reply brief to earlier documents filed to the Supreme Court asking the high court to hear the case, the North American Meat Institute referred to the California Department of Food and Agriculture’s analysis of Prop 12 released late last month. On Many 28, CDFA kicked off a 45-day comment period on the proposed regulations to implement the law, which it says “mandates farm animal confinement standards for egg-laying hens, veal calves, and breeding pigs and the sale of shell eggs, liquid eggs, whole veal meat, and whole pork meat derived from these covered animals.” Ag groups have pushed back against the law and raised concerns over its impact on interstate commerce. “Our petition to challenge the law has the support of more than 20 states and we think it should

be reviewed by the Supreme Court,” Julie Anna Potts, president and CEO of the North American Meat Institute, said in a statement. NAMI’s brief said CDFA reported the “estimated ongoing cost is greater than the initial cost of conversion at \$100,0000 per year for a typical breeding pig farm.” The state also said the animal confinement allowances specifically outlined in Prop 12 “are not based in specific peer-reviewed published scientific literature or accepted as standards within the scientific community.” The law passed in a 63-37 vote in 2018. Proponents included the Humane Society of the United States with ag groups like NAMI and the National Pork Producers Council standing in opposition.

**Global food prices rise at fastest rate in more than a decade.** The Food and Agriculture Organization of the United Nations says global food prices rose in May at their fastest monthly rate in more than a decade. FAO's Food Price Index, averaging 127.1 points in May, was 4.8% higher than in April and almost 40% higher than in May 2020. The index reached its highest value since September 2011 and currently rests at only 7.6% below its highest value recorded, in nominal terms. The spikes in the international prices of vegetable oils, sugar and cereals contributed to the surge in the index, FAO noted. FAO's Cereal Price Index rose by 6%, the Vegetable Oil Price Index rose 7.8%, and the Sugar Price Index rose 6.8%. The Meat and Dairy Price indexes rose by 2.2% and 1.8%, respectively. FAO reported world cereal utilization for 2021-22 is expected to expand 1.7%. It predicts the world’s consumption of cereal will rise in tandem with the world’s population growth, paired with an increase in the use of wheat for animal feed. By the close of the 2021-22 crop season, world cereal stocks are expected to increase by 0.3%. This rise would end a consecutive three-year decline of cereal stocks. The FAO Food Price Index tracks monthly changes in the international price of a basket of commonly-traded food commodities.

**USDA to spend \$4B-plus on supply chain issues.** The Agriculture Department says it will spend more than \$4 billion to address supply chain issues in the farm sector highlighted by the COVID pandemic and the recent cyberattack on meatpacker JBS. The funds will go “to strengthen the food system, support food production (and) improved processing, investments in distribution and aggregation, and market opportunities,” the department said in its announcement. Through the Biden administration’s Build Back Better initiative, “USDA will help to ensure the food system of the future is fair, competitive, distributed, and resilient; supports health with access to healthy, affordable food; ensures growers and workers receive a greater share of the food dollar; and advances equity as well as climate resilience and mitigation.” The administration also announced a Supply Chain Disruptions Task Force Tuesday to examine the issue, which will be led by Ag Secretary Tom Vilsack, Transportation Secretary Pete Buttigieg and Commerce Secretary Gina Raimondo. Vilsack told reporters he expects “there will be a number of convenings of stakeholders to do a deeper analysis of some of the challenges that we face, and gain from them some of the knowledge and direction as to how we might be able to strengthen the supply chain.” The food production system, while remarkably efficient, has also left many small to medium-sized producers behind, Vilsack said. “This challenge of the supply chain adds to a number of concerns that have arisen about our current food system, a system where nearly 90% of farms fail to generate a majority of income for those who own and operate the farm,” he said. While productivity has soared, it has come “at the expense of an alarming rate of topsoil loss and soil health and water quality,” he said. The nutrition system “often provides food but can fail to provide adequate nourishment,” and the food system in general “has seen rapid consolidation and a lack of competition.” Lastly, he also said the system “has lacked equity for socially disadvantaged producers and a fair shot for small and medium-sized producers.” Read the full story at Agri-Pulse.com.



## Farm Hands West: Han joins Tillamook County Creamery Association

Tillamook County Creamery Association has hired **Peggy Han** as the new chief financial officer and executive vice president. Han brings more than 25 years of financial leadership experience to the position, previously working at Vitamin World USA as CEO. She graduated from the University of California at Berkeley with a degree in economics and a minor in accounting.



*Peggy Han*

**Cathy Burns** and **Tom Stenzel**, the future co-CEOs of the combined Produce Marketing Association and United Fresh Produce Marketing Association, announced the senior leadership team that will be in place once the two groups merge at the beginning of 2022. **Robert Guenther**, currently the United Fresh senior VP of public policy, will be the new chief public policy officer. **Yvonne Bull**, currently PMA's chief financial officer, will lead finance and human resources for the new group. **Doug Bohr** will lead education and business development programs as the new chief education and programs officer. **Jennifer McEntire**, currently the United Fresh senior VP of food safety and technology, will head up food safety and regulatory affairs. **Max Teplitski** will retain the chief science officer title he currently holds at PMA. **Lauren Scott** will be the group's new chief strategy officer, and **Miriam Wolk** will serve as the new chief membership officer.

MyLand Company has hired **Joe Ruiz** as director of sales for the Western Region, responsible for client expansion and new client acquisition. He brings over twenty years of global agriculture sales and technical experience, most recently serving as vice president of sales, North and South America for Sinclair. He also previously worked at JBT Corporation and Brogdex in sales and technical sales roles.

The National Mango Board has brought on **Cindy Swanberg Schwing** as a new retail account manager focused on the West Coast region. She brings 20 years of experience in the produce industry, previously being a three-time business owner.



*Fitz Elder*

The Metropolitan Water District of Southern California voted Tuesday to appoint **Adel Hagekhalil** as its new general manager. Hagekhalil comes from the Los Angeles Bureau of Street Services and has also spent time at the city's Bureau of Sanitation.

A familiar face in farm policy is set to assume a key position on Capitol Hill. **Fitz Elder** will become the Republican staff director for the Senate Ag Committee, transitioning from his current role working with the chamber's Rules and Administration Committee. Elder, who also has experience on Capitol Hill working for the Appropriations Committee and as a lobbyist with the Russell Group, will take over for **Martha Scott Poindexter**, who is taking a position with the U.S. Dairy Export Council.



The Department of Agriculture has announced new senior staff appointments. **Sanah Baig** has been named chief of staff for USDA's Research, Education, and Economics mission area. She most recently served as chief of staff at the Good Food Institute. **Alyssa Charney** now serves as chief of staff for the Natural Resources Conservation Service. She previously worked for Sen. **Bob Casey**, D-Pa., handling his agriculture and environment portfolio. Before that, she led conservation policy at the National Sustainable Agriculture Coalition. **Meg Campbell** is now the senior adviser for the Natural Resources Conservation Service. For the last 10 years, Campbell has been working in urban agriculture and recently has focused on designing and building permaculture garden beds. She has held roles at Campbell & Levine and Perkins Coie, where she practiced trust, technology and cybersecurity law. During the Obama-Biden administration, she served as special assistant to **Jill Biden** in the Office of the Vice President. **Juan Bautista Dominguez** will serve as advance lead in the Office of the Secretary. He brings several years of operational field logistics and communications experience, previously working on gubernatorial, Senate and presidential races. He has also served in senior adviser capacities for national and international nonprofit organizations focused on health care reform, climate change and economic development.

Beyond Meat has announced **Phil Hardin** as its new chief financial officer, **Deanna Jurgens** as the new chief growth officer, and **Margaret “Jackie” Trask** as chief people officer. Hardin comes to the company after 15 years at Amazon, where he served in finance and investor relations roles across various business units. Jurgens previously was responsible for sales across the U.S., Canada, Australia and Japan as the chief global sales officer for skin care company Rodan and Fields. She has also held senior leadership roles with PepsiCo, Target, and Frito-Lay. Trask brings 14 years of experience leading human resources and employee processes after previously working for cosmetics company JAFRA Cosmetics International. She most recently served as senior vice president of worldwide human resources.

Tyson Foods recently promoted Chief Operating Officer **Donnie King** to be the company's new president and CEO. He brings more than 36 years of experience in the protein sector as well as executive experience in areas ranging from food safety to supply chain issues. King will take over for **Dean Banks**; Tyson says Banks is leaving the company and board for personal reasons.



*Donnie King*

Rep. **Kevin Brady**, R-Texas, has named **Joshua Snead** as the new Republican chief trade counsel on the House Ways and Means Committee. For over five years, Snead has worked on the Trade Subcommittee under former Chief Trade Counsel **Angela Ellard**. Before that, he served as an associate for King & Spalding's International Trade Group and also worked for the National Pork Producers Council.

Aimpoint Research has brought on retired Col. **Ken Gilliam**, former director of strategic war gaming at the U.S. Army War College, as the new fusion leader. The Georgia native brings a 27-year career with the military to the position. Gilliam has been with Aimpoint since March 2021 under the U.S. Army's Career Skills Program.

The World Food Prize Foundation has tapped **Victoria Chia** to be the organization's senior director of international dialogues. A Harvard University graduate, Chia previously served as a program officer of the International Medical Corps.

**Olivia Oo** now serves as a legislative assistant for Sen. **Jon Tester**, D-Mont. She handles the portfolio for commerce, foreign trade, small business, telecommunications, transportation and public works. She previously served as the legislative director for Rep. **Antonio Cárdenas**, D-Calif.

**Brad Karmen** has retired from the Farm Service Agency after more than 41 years at USDA. During his time in Washington, Karmen worked on seven farm bills focusing on commodity, crop insurance and conservation programs. He has also worked for the House and Senate Agriculture Committees. Karmen plans to work in the private sector on farm bill issues after his retirement.

**Don Galleano**, a Western Municipal Water District board member, died on June 2 at the age of 69. Galleano served on the Western Municipal Water District's board of directors since 2004, representing Eastvale, Jurupa Valley and Norco. He served as president of Galleano Winery, a family business that was founded in 1927. The winery is known for not using irrigation, but practices dry-farming — which relies on moisture-retaining soil. Galleano also sat on the Jurupa Community Services District board, the National Orange Show Foundation board and the Los Angeles County Fair Association board.

**Best regards,**

**Sara Wyant**  
**Editor**

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