

Drought and climate extremes are pushing Californians to rethink if water is for fighting over

The phrase “whiskey is for drinking; water is for fighting over” routinely pops up in western water policy discussions—and Karla Nemeth is not a fan. The director of the Department of Water Resources (DWR) said California’s new era of climate extremes calls for messaging focused instead on collaboration.

Speaking at a meeting last week of the agriculture committee for the Association of California Water Agencies (ACWA), **Nemeth said the department is seeking to ameliorate what could be “very intense conflict” over scarce resources next year between groundwater sustainability agencies and drinking water managers, as various forecasting models portend a greater likelihood for dry conditions to extend into 2022.**

“Climate is going to push us into new kinds of conversations about what it means to operate these systems,” Nemeth said of the State Water Project (SWP) and the Central Valley Project (CVP). “That kind of crisis really helps us deal with our long-standing political problems.”



DWR Director Karla Nemeth (center) stands with Gov. Newsom during a press conference on drought. (photo: DWR)

The extreme drought conditions have become pervasive in California and are pushing state and federal water agencies to plan for a different level of uncertainty, she said. That work is already underway in the Newsom administration, as DWR coordinates with wildlife and water quality agencies to develop a plan for 2022 before the first SWP allocations begin in December.

“It doesn't seem like there's any real path to generating something beyond a zero allocation to the State Water Project starting in December,” said Nemeth. “That definitely gets everybody's attention.”

Feather River water districts, which are contracted to receive half of their water allocations even during dry conditions, could see that dip below 50%, “simply because there isn't water

available,” said Nemeth, noting that agriculture will see deeper cuts in older, more senior contracts.

California’s largest source of irrigation water, meanwhile, entered a new water year at the start of October with one of the lowest storage levels on record. CVP reservoirs have just 3.2 million acre-feet of water to carry over into 2022, less than a third of the storage at the end of the 2017 water year, when the projects delivered the most amount of water ever. Powerplant generation during the 2021 water year was nearly half of the average production and is expected to get worse.

“Reclamation remains all-hands-on-deck and fully committed to planning for another dry year,” said Regional Director Ernest Conant in a statement Wednesday.

Alexandra Biering, government affairs and communications manager for Friant Water Authority

The drought has now narrowly beat out the last one to be the worst in state record, going back to the late 1800s.

Partnerships and data are key to battling the drought, and California has more of both following the last drought. The Biden administration took a risk in having the Bureau of Reclamation release water from New Melones Reservoir into the Sacramento–San Joaquin Delta to maintain fish populations and push back saltwater intrusion at a time when the state was “just really out of options,” according to Nemeth. She believes the state and federal project operations should be coordinated, after Gov. Gavin Newsom separated the SWP from federal operations in 2019 in response to the Trump administration issuing new biological opinions for Delta species.

“We lose a lot of efficiency in all kinds of ways running these two parallel projects,” Nemeth said, adding that politics has been a constant hurdle with water policy in California. “One of our real challenges, of course, is every two years somebody is trying to get reelected, that being a governor of California or a president of the United States.”

The politics sends water districts into a holding pattern, according to Alexandra Biering, who manages government affairs and communications for the Friant Water Authority.

“We’re seeing this pattern of the politics driving decisions one way or the other when it comes to operations,” said Biering. “It’s this boomerang or whiplash, that we’re all just being pulled and pushed.”

DWR has been coordinating with SWP contractors as well CVP districts to address one of the three solution sets that the administration is pursuing in its December plan. With surface water supplies for senior water contractors limited, pressure mounts on groundwater basins, as farmers tend to pump more to survive through droughts.



Alexandra Biering, government affairs and communications manager for Friant Water Authority

“How we manage water for ag is very much driven by how groundwater basins are managed,” said Nemeth.

She expected competition for that water to be heavy next year as the state focuses its drought response on immediate drinking water needs and as growers rely on groundwater to preserve permanent crops. To alleviate this, DWR will soon launch a tool called California Groundwater

Live, which will present data on groundwater levels in basins of concern throughout the state. It will identify hotspots for domestic wells that need assistance and enable groundwater sustainability agencies to “frankly, not get locked up in a really intense and early conflict between domestic wells and ag water use,” she said.

The implementation of the Sustainable Groundwater Management Act (SGMA) has already driven the state to collect more information on the status of aquifers than it ever needed to before.

“We are just a world away from where we were in the last drought,” said Nemeth. “I can't stress enough how much better we're positioned to make better decisions, in terms of groundwater management heading into this drought.”

The added transparency in how agencies manage groundwater basins and a wealth of new data will “bring itself to bear if we are going to be able to make the significant reinvestment in water infrastructure that needs to happen in the state.” She called for leadership from state and federal governments as well as agriculture and business sectors and the environmental community to come up with investment solutions addressing “pinch points” in the system. That could include rehabilitating conveyance canals, adding more parties like the city of Stockton to pay into the Delta Conveyance Project for constructing a cross-delta tunnel, and making new conveyance connections for groundwater recharge.

“We have so many tools on the table right now that are all bringing a little piece of the puzzle,” she said. “We actually floated a half a billion-dollar pot of money to deal with some of the land use issues and ag transition issues in the valley.”

That number came directly from what the department has been learning from new groundwater sustainability plans submitted for SGMA, which have given shape to the real need for ensuring that agriculture can be sustainable in the valley, she said. The final budget package included \$50 million for repurposing land fallowed under SGMA. Nemeth surmised that two years ago she would have thought the administration had no shot at getting even that amount through the Legislature.

“We shouldn't be afraid of that. We should start to look at these things head on,” she said.

“A lack of planning is going to generate even worse impacts on water users, on ratepayers, on agriculture and on the environment.”

With recent data on water consumption showing urban districts, especially in Southern California, making little initial progress in meeting the governor’s call for 15% voluntary reductions in use, Nemeth recognized that more needs to be done to strengthen the state’s partnerships with these local agencies when it comes to supporting conservation programs. The administration last week relaunched the Save Our Water campaign from the last drought, but Nemeth indicated Newsom will likely take a stronger approach by the end of the year.

“The governor is definitely considering statewide mandates,” said Nemeth. “We've been very careful about wanting to support local water districts in their leadership and establishing how best to go about water conservation. But by the same token, we also recognize that the governor with the bully pulpit can really raise awareness for the drought.”

She expects this to be a part of the December drought plan.

“We're falling far short,” added John Varela, who serves on the board of directors for the Santa Clara Valley Water District. “The message is not getting through to our constituents.”

The agency supplies two million people in the Silicon Valley region, along with 15 cities, and Varela’s slice of the district has 5,000 well owners, the majority being in agriculture. Randy Record, who represents the Eastern Municipal Water District on the board of directors for the Metropolitan Water District of Southern California, shared that the eastern district has been working with ACWA to ban irrigation for nonfunctional turf, but “it's not going to happen overnight.” Nemeth recognized the slow inertia for enacting urban conservation and emphasized that speeding this up will be one of the pillars in the administration’s drought plan.

“It is really important for the ag community to see that happening,” she said.

Nemeth closed by saying that some of her favorite people in California are farmers and that she has deep respect and reverence for their jobs.

“There aren't people on this earth that are more inventive than a California farmer,” she said. “I want to do everything I can to make sure that agriculture in California is vibrant and sustainable into the future.”

CAPCA event details challenges ahead on pesticides and ag’s voice in Sacramento

Farm groups are scrambling to find common ground with a state administration and progressive lawmakers pushing for new regulations on pesticides, labor and water without bringing agriculture to the table first. Speakers at the annual conference for the California Association of Pest Control Advisors explained how they are bringing together agricultural coalitions in new ways to steer policies toward a more collaborative mindset.

Ruben Arroyo, the Riverside County agricultural commissioner and past president of the California Agricultural Commissioners and Sealers Association, began the conference by describing how the former director of the Department of Pesticide Regulation (DPR) created tension in a longstanding relationship between the department and commissioners before stepping down last summer.



Riverside County Agriculture Commissioner Ruben Arroyo speaks at the CAPCA annual conference. (Photo: Brad Hooker)

“I don't want to call it chaos, but at some point during the pandemic it was chaos,” said Arroyo. “And it wasn't because of the pandemic, it was because of a gentleman named Val Dolcini.”

At the time, the Legislature had recently approved a new program and funding to incentivize emissions reductions in disadvantaged communities under Assembly Bill 617. The small Kern County city of Shafter was flagged as one of the first communities to participate. In one of the early meetings for the program, Dolcini made promises to environmental justice groups on implementing pesticide notifications. Arroyo was not opposed to pesticide monitoring, since that is his job as a commissioner, but took issue with Dolcini not reaching out to the local ag commissioner, Glenn Fankhauser.

"In this partnership that we have with our state partners, we generally like to talk about things before we actually make promises to groups, and at least discuss what notification means," said Arroyo.

Notifications in Ventura County had drawn activists to a field "and caused a lot of problems," he said. His office had organized six community education meetings, sending out 20,000 fliers to notify the public—but only six people attended. He guessed about a dozen people would actually be interested in notifications in the Coachella Valley and pointed out that the state already makes the application information available to the public to satisfy environmental quality freedom of information requirements. In a press release, DPR said the notifications would grant people time to close their windows or leave the area, presuming there would be drift. Arroyo noted that the products have already gone through rigorous reviews for both EPA and DPR, and are considered safe if applied according to the label.

"How do we get past that department now that it's working against the commissioners?" he asked.

DPR's new acting director, Julie Henderson, is taking the lead on implementing \$10 million in the budget to launch a new statewide pesticide notification system.

"I don't see this going anywhere fast," said Arroyo. "We've got a lot of issues to deal with here. ... The notification program is being developed for a problem that doesn't exist. That seems to be occurring quite frequently now with some regulations and even with the department, in creating things that don't necessarily have any science behind it."

It's not just about communities like Shafter anymore, he added, since programs like this are expanding statewide. He worried about environmental justice groups writing to the Newsom administration, and lawmakers and the state attorney general arguing that commissioners like Fankhauser should be fired.

"To have people from the outside come in and tell us that we're not doing our job isn't a path to go down," he said.

Before DPR enacts a new regulation, Arroyo hopes to launch a voluntary pilot program in Riverside County and to partner with other commissioners, pest control advisors and farm groups for pilots in other counties, an effort that could lead to "a good regulation" by gathering data and working through the many issues.

"I don't want to ever create regulation statewide," he said. "I want to help create good regulation through my partners. But I'm not going to help them on things that I don't feel is a valid concern."

He is also pushing for structural pesticide applications to be included in the notifications, which would encompass homes and golf courses.

Arroyo was also concerned about the involvement of the California Coastal Commission in banning pesticides in some communities and the reluctance of DPR to send staff to testify at these meetings, though the department has written a letter of disapproval to the commission. Arroyo wondered how commissioners could enforce such laws if there is no issue to fix.

Ian LeMay, president of the California Fresh Fruit Association (CFFA), discussed broader impacts to growers. These include new minimum wage standards that make it difficult for peach

growers with premium products to compete with those in Georgia. Adding to an existing labor shortage, California's ag overtime law will be "extremely difficult to work with," he said, noting that some CFFA members have reduced planting acreage to accommodate a smaller workforce.

LeMay was also frustrated with policymakers over the deepening drought and reduced groundwater pumping over the next 18 years.

"The decision makers that we will have to engage with are showing us right now that they have different visions for how we will mitigate what will most likely be a third year of drought," he said.

He viewed a new agreement between the Newsom administration and federal agencies over pumping operations for water projects as inadequate, extremely disappointing, and worrisome for the industry.

"The value assessment of the importance of those commodities does not seem to be rising to where I would like to see it with our federal partners," said LeMay. "It is an uphill battle. The people we engage with see the world differently."



CFFA President Ian LeMay

As local agencies implement plans for the Sustainable Groundwater Management Act and with as many as one million acres expected to be fallowed, the state has a responsibility to be an honest broker and partner to lessen the impact, he argued. With thousands of acres already fallowed this year due to the drought, LeMay pointed out that the air quality index rose to 450 as winds kicked up a plume of dust in the valley.

Joshua Walters, a political strategist with the Alliance of California's Farmers and Ranchers, explained in a keynote address to CAPCA members that agriculture is not in an ideal situation with Sacramento policy makers, who "don't pause prior to doing something to understand how it impacts us all." **He described farmers as outsiders looking in and said the industry's standing has been eroding. The alliance hopes to change that through strategic messaging, sustained engagement and "staying in the fight."**

Walters claimed voters' defeat of the Proposition 15 commercial property tax last year as a win for the alliance and its targeted approach in providing \$1 million to an opposition campaign that highlighted flaws in the proposal, such as taxing solar projects and slowing development toward the state's renewable energy goals.

The alliance has been backing moderate Democrats for the Legislature to balance the influence of progressive lawmakers. Under new term limits, a wave of politicians will soon term out of office, bringing an opportunity for new faces in the Capitol, and the alliance is building a war chest to invest in those campaigns and searching for new candidates. Walters described how a simple suggestion once led to a two-star Air Force general and attorney for employers running for office, Senator Richard Roth of Riverside.

Yet moderates so far remain outnumbered in the Capitol and often go with the easier choice of siding with progressives to pass a measure, rather than risk frustrating a governor who has the power to veto one of their bills.

House, Senate panels briefed on state of western drought

A House subcommittee on Wednesday will serve as the venue for the third hearing in 10 days aimed at studying the impacts of a lingering drought on California and other western states.

The House Natural Resources Committee's Subcommittee on Water, Oceans and Wildlife is set to hold the second of its two-day hearing on Colorado River Drought Conditions and Response Measures.

The first day of testimony, on Friday, came just 10 days after a Senate panel held a similar hearing. The Senate Energy and Natural Resources Committee's Water and Power Subcommittee invited some of the same witnesses to describe how residents, including farmers and ranchers, have managed during this drought year, and what more Congress can do to help.

Tanya Trujillo, assistant secretary for water and science at the Interior Department, told both panels that the federal government would continue to collaborate with state governments, tribes and Mexico on a coordinated response to ongoing reductions in available Colorado River water. She noted that some areas of the basin are seeing the most severe drought conditions ever recorded.

“We are having to adapt and react in real-time, and to work very closely with our partners to respond to the situations as they are evolving,” she told the Senate subcommittee on Oct. 6.

Members of the committees also heard from representatives of the basin states and some of the tribes with water rights, who broadly agreed that ongoing multiparty approaches are, and would continue to be, necessary as the conditions that led to lower river flows this year are likely to continue.

With Congress still debating a major infrastructure bill, Sen. Mark Kelly, D-Ariz., chair of the Senate subcommittee, asked for some examples of how infrastructure investment can help with drought mitigation.



Interior Dept. Assistant Secretary
Tanya Trujillo

Jennifer Pitt, Colorado River Program Director for the National Audubon Society, said at higher elevations in the basin, those dollars have allowed ranchers to “put some small, low-head structures in a creek on their property and that, in turn, is holding water on the property longer during the season.” The impacts, she said, include extending the water supply, allowing for additional groundwater recharge and improving the health of wetlands. All of that has wider ecosystem benefits, she said. **“There are a lot of win-wins with ranchers who are taking good care of the land,” she added.**

Still, across the west, farmers have had to fallow land, which allows them to divert water from unplanted annual crop fields to perennial crops, or to prioritize higher-value annuals. At this point, though, compensation specifically for fallowing land is not part of government support, Tom Buschatzke, director of the Arizona Department of Water Resources, told the senators.

There is money to help farmers move and use water more efficiently, which may allow them to fallow less land, he said, keeping them in business for now. But he emphasized that change is inevitable for farmers in his state.

“They're not going to be able to farm the way they have farmed historically,” he said, “and it's a real paradigm shift through the agricultural community within the Central Arizona Project.”

Buschatzke agreed that the seven states, the tribal governments and the U.S. and Mexico need to keep meeting, discussing and looking for solutions.

“Arizona and the other states do not want an outcome in which perhaps the Secretary might dictate winners and losers,” he said, referring to the Interior Department. “And we certainly do not want to be in a courtroom in which a judge dictates winners and losers. So those are several motivations. But we will get there eventually, although it will not be easy.”

When Kelly asked, “How confident are you that another drought contingency agreement is going to be reached?” Buschatzke offered a concise response: “Senator, failure is not an option.”

On Oct. 15, Buschatzke and Trujillo appeared before the House subcommittee with state representatives from the other six basin states, plus two tribal water management leaders, Amelia Flores of the Colorado Indian River Tribes in Arizona and Daryl Vigil, Jicarilla Apache Water Administrator and Co-Facilitator of the Water & Tribes Initiative in the Colorado River Basin.

Sovereign tribes “need to be at the decision-making table,” Vigil said, especially as some of them have senior water rights that total 25% of the river’s flow and yet they have “historically been excluded from decision-making or consulted only after decisions have been made.”

Flores spoke about her tribe’s efforts to get a bill through Congress that would give it the right to establish a leasing program for its water rights. She noted that her tribe’s reservation needs more efficient water infrastructure and said both Interior and USDA programs are helping them, “but the needs greatly exceed the capacity of these programs and our ability to provide the required 50% matching funds.” State, local and private partnerships are helping, and she endorsed proposed funding in the reconciliation bill to help tribes survive the drought.

Trujillo, in written testimony accompanying her House appearance, noted that Interior reprogrammed \$100 million into “drought-related programs and projects” this year. That included funding for both emergency response and drought resiliency planning. In addition, she pointed to USDA contributing \$500 million to “support drought recovery and encourage the adoption of water-smart management practices.”

Peter Nelson of the Colorado River Board of California echoed others’ commitment to cooperation across all user groups. “California is collaborating with our sister states in the basin, Native American tribes ... federal agencies (and) colleagues in Mexico in developing the next set of Colorado River system operating guidelines.” He asked the committee to help fund partnerships involving “large scale regional recycling projects, system conservation programs, Salton Sea mitigation, and water quality improvements.”



Rep. Jared Huffman, D-Calif.

Subcommittee Chair Jared Huffman, D-Calif., asked Nelson for more details about the Salton Sea and why improving conditions was important beyond the immediate health concerns of area

residents, who have seen increases in dust and other respiratory challenges. Nelson responded that the lake has contributed significantly to water conservation as well as providing Pacific Flyway bird habitat. He said an ongoing partnership with the federal government is funding habitat restoration and dust suppression work and the state is making “some good progress” on its Salton Sea mitigation plan.

Rep. Jim Costa, D-Calif., cited the math of the river: When most allocations were determined, the expected annual amount of water available was about 16.4 million acre-feet. Today, that’s dropped to an average of about 12.4 million acre-feet per year.

“We've oversubscribed the river,” he said, “and that's part of the challenge here.” In addition, as witnesses noted, not all eligible users have been afforded their rights and populations have grown throughout the region. All of that leads to increased demand amid dwindling supply, and witnesses spoke to the collective need to adapt policy and practices to this new reality.

Self-pollinating almond variety reaches market

A new variety of almond that does not rely on bees or an adjacent, different almond tree for pollination is now available. Decades-long research at the USDA Agricultural Research Service (ARS) in the San Joaquin Valley began with a European self-pollinating variety and culminated in the development of the new Yorizane.

Craig Ledbetter, a research geneticist at the ARS lab in Parlier, Calif., began a breeding program focused on self-pollinating almonds in the mid-1990s in response to concerns that a non-native bee might reach the region and decimate the honeybee populations that pollinate almond orchards. Yorizane is the “first thing that’s come out of the almond breeding effort for me,” Ledbetter said.

Ledbetter says while selecting for self-fertility was the first priority, he also wanted an almond that would differ from the original European source in other ways. That one, called Tuono, has more shell than typical California almonds, meaning less valuable kernel weight per pound of harvest than US growers expect. Also, the taste and feel of the nut was different and Ledbetter was after a new variety that could fit into the existing market. So, after self-fertility, he selected for kernel quality, shell type (to prevent ones easily breeched by pests) and yield.



Nonpareil almonds fetch the highest price in California, but the new Yorizane variety are self-pollinating. (Photo: ARS)

The result is an almond that is a different size and shape from the dominant nonpareil variety, but fits into the broader California class. Ledbetter says with varieties that can’t self-pollinate, growers plant patterns of two different varieties. “There’s an advantage of having a solid block” of one variety, he said, because irrigation, spraying and harvesting all happen at the same time for all the trees.

Ledbetter said in regional trials Yorizane was treated the same and performed similarly to the other varieties. Yorizane trees will be available in limited numbers next year, with more in 2023, he said.

The almond breeding program received no industry or commodity group funding, he said, though the Almond Board of California is thanked in the [research paper, published in the journal HortScience](#), for supporting regional variety trials.

California expands a promising Bayer nematicide to more crops

The Department of Pesticide Regulation (DPR) has expanded the label for Bayer CropScience's Velum One nematicide and fungicide to include bulb crops and sweet potatoes.

Jeff Baxter, a product manager for the company's fruit and vegetable business, told *Agri-Pulse* this will meet a high demand for a good nematicide on sweet potatoes for a wide spectrum of nematocidal activity while also suppressing powdery mildew. For onion growers, it opens opportunities for tailored solutions in collaboration with Seminis seeds within Bayer's vegetable seed business.



Sweet potatoes being harvested from a field. (photo: USDA)

Velum One is already applied to tree nuts in California, with “huge advantages” for almonds, said Baxter. This has enabled a unique partnership with Netafim USA, the Israel-based precision irrigation system supplier. When new irrigation systems are installed, Netafim advisors notify Baxter and his colleagues, who then work with pest control advisors in recommending Velum One for the new plantings.

The drip irrigation system has increased almond yields by an average of 18% in trials. According to CDFA, nematodes impact as much as half of all almond acres. The two firms are touting the collaborative approach as a way for the Almond Board of California to meet its 2025 sustainability goals by minimizing pesticide applications as well as reducing water use by 20%.

Baxter said new data has shown Velum One, in combination with the insecticide Movento, has bumped citrus yields 23% over untreated crops, since both have nematocidal properties.

“We have high expectations in some of these other crops that are using drip irrigation,” said Baxter.

He was relieved to secure the DPR authorization, after a long wait due in part to the pandemic nearly bringing the process “to a screeching halt.” It has also delayed any further additions to the label, since the department must first process current requests, “otherwise I might have to start the timetable all over again on everything,” he said.

Farm profits threatened by volatile fertilizer, pesticide costs

Farmers are being hit from all sides with increased production costs, but two of the expenses responsible for the most volatility and uncertainty are fertilizers and pesticides.

Whether it's the Chinese driving up the global cost of phosphorous, Hurricane Ida's impact on glyphosate and nitrogen production, the threat of U.S. tariffs on urea ammonium nitrate from Russia, or U.S. sanctions on potash from Belarus, American farmers are bracing to sacrifice profits next year for the inputs they need for their crops.

“Everything's getting harder and harder to get,” said Michael Fruge, a rice and soybean farmer in Eunice, Louisiana. “We never ever had an issue as long as I've been doing this.”

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Gregg Doud, Aimpoint Research

For Fruge and other farmers who depend on fertilizing and protecting their crops, the cost of doing business is only going to get worse, said Gregg Doud, chief economist for Aimpoint Research.

“What are we telling clients? Volatility, volatility, volatility,” he told *Agri-Pulse* about the outlook for the coming months as farmers try to prepare for next year. “We went through COVID last year but everything was still relatively smooth. It is not going to be smooth.”

Much of that volatility is in the fertilizer market, and there’s not just one cause to the supply disruptions that have pushed prices up globally. There are essentially three kinds of synthetic fertilizer – nitrogen, phosphate and potash – and the markets for all of them are in disarray.

The U.S. doesn’t import phosphate from China, but China accounts for about 28% of global phosphate exports. The country on Friday banned producers there from selling it overseas until June of next year.

That’s creating global scarcity and it’s also helping drive up prices for American farmers, regardless of where they buy it from, said Kathy Mathers, a spokeswoman for The Fertilizer Institute.

“Ninety percent of global fertilizer consumption is outside the U.S., so anything that happens globally, really impacts our market,” she said.

“Whether you buy it from China or not, it is materially impacting the global supply and demand, so it is increasing prices,” said Sam Taylor, executive director with RaboResearch.

The same is true for potassium chloride – or potash. The Biden administration in August announced sanctions on Belarus to punish the country for the fraudulent election of Alyaksandr Lukashenka – sanctions that include the two major state-owned potash companies that export about 13 million tons of the fertilizer per year. Those sanctions are on a 120-day delay, but Taylor says prices are already rising.

“Belarus has historically comprised about 20% of the global supply of potash and the sanctions against Belarus are creating a supply shock,” said Mathers.

When Fruge plants his rice in early March next year, he likes to use phosphorous and potassium fertilizer, but that’s going to cost him an extra \$90 per acre as it stands now – about \$100,000 in added expense over what he paid this year.

But he says he can’t afford not to pay it.

“We can’t use less,” he said. “We have to provide the fuel for the crop ... There’s not any room for us to take away from the crop. It’s just not something we can do with rice. We’re already operating on thin margins and yield is a priority. We have to have the yield to pay for our expenses. Rice is a high input crop to begin with.”

Prices in the U.S. for two key types of fertilizer – monoammonium phosphate (MAP) and diammonium phosphate (DAP) are extremely high.

As of Oct. 1, according to an analysis by the Farm Credit Service of America, the national average DAP price was \$722 per ton – a 44% increase from the beginning of the year.

Compared to a year ago, it's an even bigger increase. Year-to-year, the average DAP price is up 61% The average MAP price is up 68%, potash is up 95% and urea ammonium nitrate (UAN) is up 62-78%.

Brandon Fast, a corn farmer in Mountain Lake, Minnesota, said he's paying a lot more for the liquid nitrogen fertilizer he'll need for next year.

Nitrogen supplies are taking major hits around the globe. Production was stalled in the U.S. when Hurricane Ida slammed into the Gulf and natural gas prices forced nitrogen plants in Europe to shut down.

Natural gas production in the U.S. has doubled since 2008, said Mathers, but hasn't stopped recent price spikes for the fertilizer.

Fast says he uses a 32% nitrogen concentrate to side-dress his crop when the corn gets about 18 inches tall.

"I booked my nitrogen not too long ago," he said. "I contracted it. It was double from last year and it's gone up another 20% since then."

Fast said he paid \$440 per ton, up from \$220 last year.

"My father-in-law just booked his nitrogen at \$530 per ton," he added.



Sam Taylor, RaboResearch

Farm analysts and economists are debating whether or not the exorbitant fertilizer prices will drive a move from corn to soybean acres next year, said Taylor, but he stressed he's not yet convinced there will be a major shift.

"Corn is a much more expensive crop to produce and has a higher level of sensitivity to input pricing," he said. "But it has a higher yield, so there is greater variability for profitability ... I'm on the fence."

Corn and soybean farmers are both paying much higher prices for their pesticides – if they can get a price for the chemicals from retailers, some of whom are having trouble getting supplies.

Glyphosate supplies and prices are also being rocked by domestic and international events – from Hurricane Ida to the upcoming Olympics in China.

Fruge, who says he plants 1,200 acres of soybeans in Louisiana, is concerned.

"You're looking at glyphosate being three times higher than it was last year," he said.

The largest glyphosate facility in the U.S. is a Bayer operation in Luling, Louisiana. It's up and running now, but not yet at complete capacity.

“Hurricane Ida impacted the Bayer Crop Science production plant in Luling, Louisiana, causing damage to the site and extensive damage to the entire region,” a spokesman told *Agri-Pulse*. “The site has resumed full operations ahead of schedule and is expected to be back at full production soon.”

But the impact of supply disruption from China may be an even bigger factor.

China is hosting the Olympics next year and the government, in order to appear more environmentally sensitive under international scrutiny, is ramping up inspections of chemical producers, says Taylor. And producers of yellow phosphate – a key component of glyphosate – are “collateral damage.”

China’s Hunan province – which produces about 40% of all the yellow phosphate in the country – recently announced that it would limit production to just 10% of its normal monthly output to constrain energy use and pollution, said Taylor, and that effectively lowers Chinese production by 35-40%.

That’s causing a major global supply shortfall because China traditionally accounts for 65% of global glyphosate production.

“We saw the price of raw materials to produce glyphosate go through the roof and the price of glyphosate followed,” said Taylor. “Glyphosate prices on the Chinese market are up by about 180% year over year. Many Chinese glyphosate suppliers are now temporarily halted and are not taking orders.”

But even the product that China does export is caught up in shipping delays.

Fast says he and his cooperative do depend on imports from China and rising prices are exacerbating the problem of getting the products. Major backlogs at ports are making the situation worse, he said.

“The trouble with chemicals is getting the active ingredients from China and the shipping issues,” the Minnesota farmer said. “Containers used to cost \$1,500 and now they’re at \$22,000.”

Torres Small eyes rural communities as key to economic recovery



Xochitl Torres Small

The new leader of USDA's rural development efforts wants to underscore the importance and diversity of farm country in her actions as undersecretary, offering priorities that mirror the Biden White House and Vilsack Department of Agriculture in the process.

Confirmed earlier this month as USDA's Undersecretary for Rural Development, Xochitl Torres Small brings experience from Capitol Hill to the position, something she hopes to leverage now that she's serving a broader constituency. The former member of Congress – and House Ag Committee member – spoke with *Agri-Pulse* from her home in

New Mexico with suitcases packed for an upcoming move to the nation's capital after working her first few weeks on the job remotely.

“Thankfully we haven’t had too many too many broadband issues here in New Mexico,” Xoch, as she prefers to be called, said.

The following conversation has been lightly edited for clarity and brevity.

Question: With so many different programs that you've got in your portfolio for rural development, how are you doing with of trying to establish priorities and focus areas?

Xochitl Torres Small: You’re absolutely right, Rural Development does almost everything under the sun for rural communities, so there’s a lot to do. Starting out, it’s important for me to get a sense of all the work that’s done, and I’m really grateful for my experience as a rep for a rural district to know how crucial rural development is. So, we can talk about all of the programs that they do, but sometimes it's easier – and I think it's better for rural communities – when you think of rural development as a whole. You can reach out to the field office or we're reaching out to communities to identify what their specific needs are, and figure out how to invest in them, to help bring a community's vision to life.

So, when it comes to priorities for Rural Development, I am just so deeply grateful to get to work under the leadership of President (Joe) Biden, Vice President (Kamala) Harris and Agriculture Secretary (Tom) Vilsack, to be a real ally for people in rural communities by investing in infrastructure and opportunities that help to build back better. A fundamental component of that is supporting rural communities on the frontlines of climate change by building disaster resiliency, whether it be forest fires or droughts or floods, while also making climate-smart investments like increasing access to renewable energy and fuel infrastructure, and then creating new income opportunities in those markets.

Also, it's about increasing equity, and Rural Development has a key part there because so many communities across rural America have been left behind. And so, fighting for that as we take on systemic injustices to build brighter futures for everyone.

Q: During COVID, we’ve seen a lot of hospitals overwhelmed with a patient load and often underwhelmed with resources. RD has a portfolio for community facilities including hospitals, so can you tell us how you’re starting to deploy more funds to help those rural hospitals?

It's such a crucial question, and it's an example of where Rural Development has key resources to help invest. The most common one is the community facilities; as a representative, I worked in the midst of COVID with a rural community that was trying to keep their clinic open, and trying to identify resources, and Rural Development was one of the first places we turned. So that's certainly important in investing in future resiliency.

Rural Development is also standing up a program – has actually already done so – and is getting money out the door to increase and support hospitals as well as clinics, and to provide vaccinations and to increase and get out some of the support that's necessary for people with COVID, or people who are trying to stop the spread of COVID-19.

Q: You mentioned outreach, but you haven't exactly had a lot of staff in place, especially at the state level. I know you have acting and interim folks, but where you are with current staffing and where do you hope to be maybe six, 12 months from now.

The first thing I want to do is just recognize the incredible civil servants who have been keeping Rural Development going as we struggle to make sure that we have the resources and the people in place that we need to do our enormous mission.

I'm the first undersecretary that Rural Development has seen for over four years, so that starts at the top in terms of being able to make sure that we're getting the investments in rural communities that we need.

You also mentioned the state directors, and that's so crucial to the mission. I've talked about how important the state or field offices are to connecting directly with leadership on the ground, with the people who need these resources. So, we've been working hard to identify the right people to do that work.

Rural Development is a large portfolio, and finding people who have experience in all of those sectors is crucial, but I'm really excited about the first tranche of state directors who've come on board – I actually attended the same orientation as them – and it's exciting to see the kind of people who will be leading in the states.

A good example is our new state director from Alabama, Nivory Gordon. He's worked in Rural Development for three decades, so he knows all of those resources that can help bring a community's vision to life, but he also has on-the-ground experience about how crucial it is to support the people who are supporting all of America. He is a cattle producer; he runs the operation with his wife and his kids. And so that's a good example of the type of fit that we're looking for, to lead Rural Development nationwide.

Q: Another area that is under the purview of Rural Development is rural broadband. Tell us how that is advancing and whether or not you have sufficient resources right now?

It's a huge need as we look at what is the infrastructure that can help level the playing field so that no matter where in the country you are, you can compete in the worldwide marketplace, broadband or good reliable internet is crucial. It's one of the key things that we've all realized in the midst of the COVID-19 pandemic.

I'm so proud of Rural Development, the work that they've done to try to get money out of the door quickly in the midst of a pandemic, setting up an entirely new program and working to make those awards, and I'm excited to continue to work with Rural Development to speed up the process that we can get through a lot of the reports that are necessary – all of the environmental and historic – to get money out the door.

So, when it comes to how we reach those underserved populations, folks who don't have internet at all, or folks who have internet that's meaningless because it takes so long you can't even do a video, finding the ways to get to them is a challenge. Rural Development has a unique set of skills to be able to get that done, whether it's preexisting relationships with the rural electric coops, whether it's understanding how to work with a hospital and a library to get internet closer to that last mile, and understanding that sometimes it's not always the maps that will have the best information but it's the people on the ground. So Rural Development is a crucial partner and part of it will be also coordinating with the other entities that are taking on this broadband challenge whether it's (the National Telecommunications and Information Administration) or (the Federal Communications Commission), making sure we're all working together, and there's strong coordination that's happening on that front as well.

Q: You mentioned those other entities, is the fact that there are so many different people involved in this conversation hurting things because there's no centralized effort, or is it helping things because there's a lot of different people involved?

That depends on how we respond to it. I think we're responding to it with strong coordination, and we'll have to continue to do that. Because what it means is that we've got people with expertise in a lot of different ways. Rural Development has, for example, facilitated dialogues with NTIA, with tribal communities, with Native American sovereign governments to help reach in all of the different ways that we can. But it's going to take knowing each other's expertise and having those clear lines of communication to make sure the money gets out as quickly as possible into the places that need it the most.

Q: Do you think it would make sense to centralize this effort somewhere in the government?

I think that what we've got going now is a good starting place when it comes to strong coordination and leveraging specific expertise. So, as we work together, we'll find better places to leverage our expertise and get that money out of the door. When it comes to redoing the entire system, that's hard to do when you're trying to get money out to communities as quickly as possible, and I just know how important it is that we're all clear, that we're working together on this front.

Q: Agriculture obviously is important in many rural areas, but so is natural resource extraction. As we look at addressing climate change and perhaps transferring from some of those historic job creators, where are we going to find the new ones, and how can Rural Development help create some of that stimulus that will provide new opportunities in rural areas as there's a transition to greener jobs?

That's such a good question and it really speaks to the diversity of rural America. In southern New Mexico, ag does support so many economies. My grandparents immigrated from Mexico because of the ag opportunities that were here. So that certainly is a big part of rural America. You also talked about natural resources; there's also tourism, there's also manufacturing, and the opportunities that are growing, I think are places where we can continue to invest.

One of the things that I think we can improve when it comes to Rural Development is placing strategic investments in communities. Now, there's not a soundbite answer for that because the idea is you look at what makes that community unique, and turn that into a marketplace. But one example where you find a pivotal investment is actually in Georgia, a few years back. Rural Development helped get a water treatment facility online, and that capacity that they needed was enough to attract Kia, a car manufacturing entity to the community and increase jobs. So, it's finding what investments, what investors are looking into in an area or finding that a community has plans to expand a business that's already there, and then looking at what the infrastructure needs are to increase that.

I think also when it comes to making sure that people can choose to live in these great communities and do work across the world, that's where broadband comes in, making sure that they can participate in the worldwide economy with that connectivity, and then identifying what are those opportunities, whether it's biofuels, or whether in my home state, there was just an opening of a manufacturing (facility) that contributes to the wiring that's done in wind turbines. So, finding those specific places, the specific investments, and then what's the infrastructure that's keeping that business from coming or expanding in that community.

Q: Equity and access have been a big part of not only the Biden administration but also the Vilsack USDA here in these first months. What role do you see Rural Development playing in advancing equity and access?

I think folks don't always realize how diverse rural communities are across the country. One of the things I appreciate about President Biden's effort is acknowledging that a key piece of equity is doing work in rural communities, making sure that rural communities themselves aren't left behind and the people who grew up in these areas have the same shot at our American dream. But we've also got an incredibly diverse rural America, whether it's Indian country, or whether it's Colonias along the border, whether it's the Black Belt, Appalachia, we've got so many different heritages.

A good example, coming from New Mexico is running water in Indian country. I mean, that is a specific example of systemic injustice. How do you keep your family safe and healthy if you have to haul your water on a weekly basis? Also in the Colonias, working to make sure that they have access to that basic infrastructure and that's where affordable housing comes in. Because if you bring in affordable housing, you're also bringing in all of the utilities that are crucial to keeping your family healthy and safe. Sometimes when you've got that infrastructure to your door, your mortgage is cheaper than your rent before because you don't have to pay for the propane and all that other stuff. So, this is what we mean when we say advancing together and building back better; addressing equity and inclusion is a fundamental part of that, and that's where Rural Development can really support those efforts.

Q: What did the pandemic teach us about housing availability and affordability in rural America?

What COVID-19 taught the rest of America is something that rural America already knew; affordable housing is hard to find in small towns and communities. There's a lot of outdated homes, homes that no longer have access to the essentials – internet for sure but also running water and electricity. And it's really hard to get folks interested in building new homes in rural communities because there's not that same economy of scale. And that's where rural development can really help, whether it's the self-help, where the borrowers help build their own homes working with developers, or whether it's the multifamily opportunities, but finding those investments and helping bridge that gap that economies of scale, often creates.

Q: You've got the next few years to kind of make your mark on the agency. What are your thoughts on what you see as the big changes you'd like to make?

I am first so grateful for Rural Development and all the work they have been doing; I mean, the work is getting done. Money is getting to communities and real projects are happening on the ground, and I am excited to continue that through President Biden and Vice President Harris's mission of Building Back Better.

In Rural Development, that looks like identifying those strategic investments that can be made in communities. But also it's about reaching people who just have never been reached before, even when that means a bigger investment. So it's looking at specific communities and having that outreach and building that capacity and connection with leaders in these local towns and unincorporated areas, identifying what their specific needs are and being responsive to it so that Rural Development's investments can catalyze future opportunity.

The other goal I have is making sure that all of our country knows how crucial rural America is for our success. Whether it is the energy that we talked about, whether it is farming and food.

Whether it is the tourism that people rely on for self-recreation, whether it's future innovation, Rural Development is providing for all of America, rural communities are providing for all of America, and that's why it's crucial that we make sure that everyone is Building Back Better.

Dairy industry struggle eases with USDA aid, more normal markets

The Biden administration's offer of pandemic assistance to dairy producers, coupled with a return to more normal markets, has helped quiet a battle in the industry over the future of the milk pricing system – at least for now.

Market turmoil during the COVID-19 pandemic in 2020 spurred producers to make competing proposals to rework changes to the pricing formula that were included in the 2018 farm bill. However, the \$350 million in pandemic assistance that Agriculture Secretary Tom Vilsack announced in August will offset many of the losses that some producers saw during the pandemic.

“Secretary Vilsack has a lot on his agenda from climate change to social justice, and having a kerfuffle in his backyard” over milk pricing “is something that is a distraction,” said Marin Bozic, a University of Minnesota economist who helped develop one of the competition industry proposals. “And I believe that USDA hopes that the Market Volatility Assistance Program will just make that issue go away.”

Some of the urgency in the pricing issue has also gone away because producers are currently earning more money from the new pricing formula than they were with the previous one that the farm bill replaced, said Bozic.

That wasn't the case for many producers of fluid milk during the second half of 2020.



Marin Bozic, University of Minnesota

Cheese prices skyrocketed as the Trump administration implemented the Food Box donation program, which was designed to help address the disruptions of food supply channels and a sudden hunger crisis due to the pandemic. But fluid milk producers didn't benefit from the cheese-buying splurge, in part because of the complex rules for pricing under the federal milk marketing order system, together with the change by the 2018 farm bill.

The National Milk Producers Federation is asking Congress to supplement the USDA program to help larger producers who were affected by the 5-million-pound cap. Some large fluid milk producers, especially in the Southeast and Southwest, were hit particularly hard by the market disruptions.

In the meantime, NMPF is continuing its search for possible reforms to the pricing formula. The group has reconvened its producer-led economic policy committee “to discuss longer-term fixes to Class I mover as well as other critical marketing-order issues,” said Paul Bleiberg, senior vice president of government relations for NMPF. “Our goal is to reach a national consensus both on the solutions needed and the best way to achieve them.”

The farm bill modification was the result of an agreement between NMPF and the International Dairy Foods Association. The price of fluid milk (Class I) was set at 74 cents per

hundredweight over an average of the prices for Class III (milk sold for cheese) and Class IV (butter and milk powder).

Under the old system, that “mover” for fluid milk was set as a premium over the price paid for either Class III or Class IV, whichever was higher. The change made in the 2018 farm bill was intended to eliminate price spikes and provide companies buying fluid milk with more predictability.

NMPF proposed earlier this year to adjust the mover for fluid milk every two years based on conditions over the prior 24 months, with the current mover remaining the floor.

Several other dairy organizations — the Dairy Business Association, Edge Dairy Farmer Cooperative, the Minnesota Milk Producers Association and the Nebraska State Dairy Association — offered an alternative plan with Bozic’s help called “Class III Plus.” The groups said it would provide a longer-term solution to the concerns with the formula. The plan would tie the Class I (fluid) skim milk price to the Class III (cheese) skim milk price, plus an adjuster, and the practice of advanced pricing.

Vilsack has indicated that USDA isn’t going to consider changing the formula until there is industry agreement on what to do.

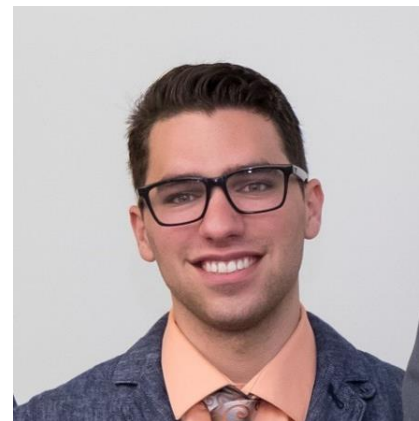
IDFA, meanwhile, hasn’t taken sides and continues to study the issue. The group’s members have long favored more market-based changes.

“When dairy is united and remains focused on building a future together, we can accomplish almost any shared objective. ... Our members continue to support market-based FMMO (federal milk marketing order) policies and would support a process to develop a collaborative solution that can unify the industry,” said IDFA spokesman **Matt Herrick**.

A recent [analysis of the industry proposals by the American Farm Bureau Federation](#) found no clear winner, although some could be better than others for producers depending on the time frame.

During 2020, producers would have done better under the old formula or the Class III Plus proposal, the AFBF analysis found. Starting this spring and running into 2023, the NMPF proposal would have resulted in higher prices as a result of the two-year recalculation that would be required. After that two-year window, the NMPF formula may not be as advantageous as the other formulas, said AFBF economist Danny Munch.

Munch agreed with Bozic that the existing pricing formula is currently better for producers than the old one that the farm bill replaced.



Danny Munch, AFBF

“We’re now back in a pre-COVID area where the current pricing option is actually more advantageous,” he said.

Bozic believes the industry debate over the FMMO pricing system will be rekindled after the completion of a University of Wisconsin study for the industry on “make allowances,” the pricing adjustments that are allowed for processor costs. If USDA is going to consider changes in

make allowances, producers will want the department "to take a broader look at other things that need to be modernized about federal marketing orders," he said.

States begin authorizing coronavirus funds for broadband expansion

A handful of states are moving to expand rural broadband service by tapping some of the funding they received from Congress through the American Rescue Plan, the stimulus bill enacted in March.

Connecticut, Hawaii, Indiana, Louisiana, Missouri, Maine, Oregon, Utah, Virginia, and Washington have authorized a total of \$1.49 billion in broadband funding so far. More states are expected to move ahead with plans in the coming months. Indiana, Virginia and Washington are among the states earmarking the largest amounts of money for broadband.

About \$10 billion in funding is being provided through the Coronavirus Capital Projects Fund, which was created as part of the American Rescue Plan Act of 2021. Each state may receive at least \$100 million of a total of \$5.2 billion to expand broadband internet access, according to the Department of the Treasury.

States are allocated a portion of the \$10 billion based on overall population, rural population, and poverty rate, according to Treasury. Funds must be obligated by 2024 and spent by 2026.



Kathryn de Wit, Pew Charitable Trusts

Kathryn de Wit, the project director for The Pew Charitable Trusts Broadband Access Initiative, said states had already been increasing their funding for broadband deployment.

“There’s been a noticeable increase in legislative and funding activity within states starting around 2017. What we were seeing at that point were state lawmakers, in particular, recognizing in their rural communities that broadband was quickly becoming an economic lifeline,” de Wit told *Agri-Pulse*.

Lawmakers felt their communities were suffering without affordable high-speed connections, de Wit said.

The Virginia legislature has appropriated nearly \$708 million in American Rescue Plan Act funds for broadband, with \$221 million going toward the Department of Housing and Community Development, \$479 million for the Virginia Telecommunications Initiative, and \$8 million to provide low-income customers with broadband.

Gary Wood, president and CEO of Central Virginia Electric Cooperative, said it can cost up to \$30,000 per mile to lay fiber in a rural area with only 10 homes per mile and only 50% to 60% of the residents taking the service when it is offered.

The federal funding helps offset the capital costs to make them more manageable, he said.

Indiana is providing \$250 million for broadband through a grant program that will be administered by the lieutenant governor’s office. Washington state is appropriating \$276 million in grants for local broadband infrastructure projects.

In Missouri, the Department of Economic Development has authorized only \$10 million in ARPA funds for broadband grants so far, but Missouri Gov. Mike Parson proposed a \$400 million broadband plan in August to get residents connected. That money still needs to be authorized by the state legislature.

Janie Dunning, a broadband consultant for the Missouri Farm Bureau Federation, said states may prioritize money differently. One example is spending money on adoption efforts, which is the percentage of people subscribing to broadband service.

"It doesn't do any good to have (broadband) available if the residents don't take it, because then it becomes (unaffordable) for a provider," Dunning told *Agri-Pulse*. Some states, including Missouri, are even looking at cost-share initiatives when it comes to consumers affording access, she said. Dunning also expected there would be spending on consumer access and education.

De Wit said getting broadband to local communities is not just about building the needed infrastructure but also about access and affordability of devices, noting Congress is starting to recognize those issues.

"We are seeing holistic policy not only being passed but implemented that reflects the (depth) of the digital divide," she said.

ARPA included \$350 billion for the state and local recovery fund, \$10 billion for the capital projects fund, and \$9.6 billion for the homeowner assistance fund, although it's unclear what has been used for broadband expansion so far. Another \$7.17 billion was allocated for the emergency connectivity fund for schools and libraries. Nearly \$65 billion has been included in the bipartisan infrastructure bill currently being debated among Democrats.

Wood urged both Republicans and Democrats in Congress to continue funding broadband until the problem is fixed.

"Don't take your foot off the gas pedal at a time (when) the need is more critical and recognized than ever before," Wood said.

News Briefs:

Farm groups tee up debate over pesticide notifications. Ahead of public workshops next month, a coalition of farm groups has submitted comments on a proposed statewide system for notifications of pesticide applications. The Ag Council led a group of 18 organizations in a letter to the Department of Pesticide Regulation (DPR). "California has the most restrictive pesticide application requirements in the world," reads the letter, which urges DPR to take this into account before adding more. The coalition is advocating for a community education program to counter any fear or confusion generated by the notifications and for the department to first conduct pilot projects to determine best practices. The letter also requests the notifications be limited to adjacent neighbors, to restricted materials and to 48 hours or less before applications.

DPR eyes pesticide-treated seeds for new regulations. The Department of Pesticide Regulation (DPR) is holding a public workshop November 15, 2021, from 10:00 a.m. to 12:00 p.m. PST through Zoom on pesticide-treated seeds to inform future regulatory actions. The discussion will cover the current regulatory framework and the potential for the seed coatings to

move from a field. The department plans to gather more information on use and potential impacts. DPR notes there is limited information on the extent of use in California, the commodities involved and the active ingredients. Pesticide-treated seeds are exempt from EPA review and do not fall under the state definition of a pesticide for review by DPR. When the coating process takes place in California, the treatments must be registered with EPA. Last year DPR rejected a petition to regulate seeds treated with neonicotinoids, but vowed to look into the issue and consider actions. Then lawmakers dropped a bill this year that would have banned those seeds altogether.

EPA chlorpyrifos decision garners objections from ag industry. More than 80 farm groups have asked the Environmental Protection Agency to continue to allow use of chlorpyrifos. The American Farm Bureau Federation, Cherry Marketing Institute, American Sugarbeet Growers Association, American Soybean Association and others filed formal objections to the Aug. 30 decision to revoke tolerances for the insecticide, use of which has been linked to neurological damage in children and infants. By law, EPA must respond to the objections. The groups said chlorpyrifos “has more than 50 registered agricultural uses on numerous crops, many of which are high-benefit uses to protect against economically significant pests.” EPA’s own risk assessments “show some uses meet the legal standard” under the Federal Food, Drug and Cosmetic Act. Michigan cherry producers will be hit hard, the groups said, because they “currently have no other effective control options besides chlorpyrifos for American Plum Borers and Peachtree Borers.” Sugarbeet growers also will be harmed: “Chlorpyrifos is the most effective product available” to treat emerged sugarbeet root maggots, they said. Soybean growers may have to apply two products to control two-spotted spider mites and soybean aphid populations that have developed resistance to other insecticides, such as pyrethroids, the objectors said. Chlorpyrifos “is the only option that will control both pests.” EPA’s “rule revokes tolerances on crop uses where many growers have few or no pest management alternatives, leaving them exposed to hundreds of millions of dollars in irreparable crop damage,” the letter said.

Agencies warn agriculture and food groups to protect against ransomware. Three federal agencies warned critical infrastructure entities, including food and agriculture organizations, to implement new recommendations and hopefully, protect against BlackMatter Ransomware attacks. The Cybersecurity and Infrastructure Security Agency, the Federal Bureau of Investigation and the National Security Agency put out a joint release on Monday, which includes technical details, analysis, and assessment of this cyber threat, as well as several mitigation actions that can be taken to reduce the risk to this ransomware. First seen in July 2021, BlackMatter is a ransomware-as-a-service (Raas) tool, which means the developers are able to profit from cybercriminal affiliates. BlackMatter actors have attacked numerous U.S.-based organizations and have demanded ransom payments ranging from \$80,000 to \$15,000,000 in Bitcoin and Monero, the release noted. Over the last several months, JBS, the world’s largest meat-processing corporation, suffered a ransomware attack, along with NEW Cooperative which makes farming software, and Crystal Valley cooperative, which handles farm supply and grain merchandising, in Minnesota. The joint advisory “highlights the evolving and persistent nature of criminal cyber actors and the need for a collective public and private approach to reduce the impact and prevalence of ransomware attacks,” said Eric Goldstein, Executive Assistant Director for Cybersecurity, CISA. “CISA, FBI and NSA are taking every step possible to try to make it harder for cyber criminals to operate. Americans can help us in this long-term endeavor by visiting [Stopransomware.gov](https://stopransomware.gov) to learn how to reduce their risk of becoming a victim of ransomware.”

FSIS reexamines Salmonella control strategies. The Agriculture Department’s Food Safety and Inspection Service (FSIS) plans to beef up its efforts to prevent the spread of

Salmonella, the agency announced Tuesday. In a [release](#), the agency said it is looking at a number of control and measurement strategies, including encouraging preharvest controls to reduce Salmonella contamination coming into the slaughterhouse, that it plans to use to determine the best approach for reducing Salmonella cases. “Far too many consumers become ill every year from poultry contaminated by Salmonella,” Ag Secretary Tom Vilsack said in the release. “We need to be constantly evolving in our efforts to prevent foodborne illness to stay one step ahead of the bad bugs. Today we’re taking action to help prevent Salmonella contamination throughout the poultry supply chain and production system to protect public health.” Salmonella causes over 1 million consumer illnesses, according to USDA. Over 23% of those cases come from chicken and turkey consumption. The FSIS is also planning to “strengthen FSIS’ partnership with the Research, Education and Economics mission area to address data gaps and develop new laboratory methods” and will be consulting the National Advisory Committee for Microbiological Criteria in Foods for input on possible approaches. According to the release, USDA also plans to get feedback from the industry, consumer groups and researchers as it reexamines its Salmonella processes. “Reducing Salmonella infections attributable to poultry is one of the department’s top priorities,” Sandra Eskin, the USDA deputy undersecretary who is leading the initiative, said in the release. “Time has shown that our current policies are not moving us closer to our public health goal. It’s time to rethink our approach.”

Farm Hands West: Drew promoted to president, CEO at Ocean Mist Farms

Ocean Mist Farms has promoted **Christopher Drew** to president and CEO. He was previously serving as COO. Drew earned his bachelor of science in crop science from California Polytechnic University – San Luis Obispo, and his master’s degree in business administration from the University of Phoenix – San Jose.



Christopher Drew

Michele Melillo now serves as the vice president of grower support services for Sun World International. Melillo previously was the director of technical services.

The Association of California Water Agencies’ nominating committee has unanimously selected San Juan Water District Director **Pam Tobin** as the presidential candidate for ACWA’s recommended slate for the 2022-23 term. The election for ACWA president and vice president will take place at the Association’s 2021 Fall Conference on Dec. 1. Tobin has served as director at the San Juan Water District since 2004 and has also served on the Regional Water Authority / Sacramento Groundwater Authority Board and been in its leadership for 16 years.

Jamey Higham has been selected to be the next president and CEO of the Idaho Potato Commission, effective in 2022. Higham began his career working in quality control at Walker Produce and after that took a job in sales at Potandon Produce in Idaho Falls. He spent five years at Ford Motor Co. in marketing and sales but later returned to Potandon Produce and worked for another 13-years serving as vice president of sales. In 2016, he was named president and CEO of Farm Fresh Direct.

[Laura Batcha](#), the longtime leader of the Organic Trade Association, plans to step down in the [spring of 2022](#). Batcha has been with OTA since 2008 and has been the organization’s executive director and CEO since 2014. OTA has hired consulting firm Korn Ferry to lead the search in

finding its next executive director and CEO and has asked interested parties to submit applications by Nov. 29.

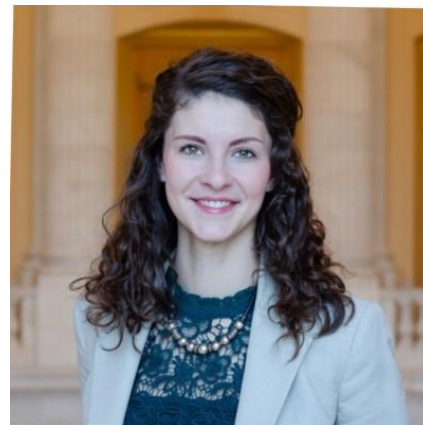
The American Forest & Paper Association has tapped **Eric Steiner** to be the new vice president of government affairs, effective Nov. 1. Steiner joins AF&PA from Elanco Animal Health, where he served as senior director of government affairs. Prior to Elanco, Steiner worked for Kraft Foods, the Senate Ag Committee, USDA and the National Association of Wheat Growers.

Michael Torrey Associates has welcomed **Julie McClure** to its team as a director of government affairs. McClure most recently was the science policy manager with the Agronomy, Crop, and Soil Science Societies where she advocated for food, agriculture, and natural resource research programs across federal agencies. She began her career as a science policy fellow at the American Society for Biochemistry and Molecular Biology.

Elisa Bayoumi has joined OFW Law as the new regulatory and legislative coordinator, and **Lauren Goodacre** has joined as a paralegal working on litigation matters and regulatory analysis for SNAP, health care, cannabis, FDA, and USDA issues. Bayoumi will focus on issues related to agriculture, forestry, food policy, and regulation. Before joining the firm, Bayoumi graduated from the University of Chicago with a bachelor's in political science and a master's in international relations. Goodacre graduated with a Juris master's degree from Antonin Scalia Law School at George Mason University and also has a bachelor's in forensic psychology from Florida Institute of Technology.

Carley Esser is moving over to the Senate Ag Committee on Oct. 27 to work as a professional staff member managing Title 1 commodity programs and crop insurance issues for Arkansas Republican **John Boozman**, the committee's ranking member. Esser previously worked for her hometown congresswoman, **Vicky Hartzler**, R-Mo., as a senior legislative assistant covering the agriculture, energy, foreign trade, environmental protection, public lands and natural resources, and transportation portfolios. Esser has also worked for the U.S. Grains Council.

Pluton Biosciences has appointed **Steven Slater** as the new CEO. Slater brings more than 30 years of experience in microbial genomics, biotechnology and business leadership. Slater previously worked for Terramera as vice president of strategic initiatives and has also worked for Monsanto.



Carley Esser

The Department of Agriculture has announced the appointment of 13 new members to serve on the National Advisory Committee on Microbiological Criteria for Foods (NACMCF). The new members will serve a two-year term and are as follows: **Teshome Yehualaeshet**, Tuskegee University; **Yaohua (Betty) Feng**, Purdue University; **Bing Wang**, University of Nebraska-Lincoln; **Randy Worobo**, Cornell University; **Mahipal Kunduru**, Topco Associates; **Elisabetta Lambertini**, Global Alliance for Improved Nutrition; **Joelle Mosso**, Eurofins; **Max Teplitski**, Produce Marketing Association; **Joseph (Stan) Bailey**, bioMérieux; **Tanya Roberts**, Center for Foodborne Illness Research and Prevention; **Janell Kause**, USDA, Food Safety and Inspection Service; **Andreas Keller**, HHS, Food and Drug Administration; and **Lt. Col. Audrey McMillan-Cole**, DVM, DoD, Defense Logistics Agency.

Julie Lagacy has been named Caterpillar's first chief sustainability and strategy officer. Lagacy currently serves as Caterpillar's vice president of the enterprise strategy division and will assume the additional responsibilities on Nov. 1.

Janna Spruill has joined the National Association of State Departments of Agriculture Foundation as project manager for the USDA GAP cooperative agreement. Spruill spent the previous seven years working for the North Carolina Department of Agriculture's Food and Drug Protection Division.

C.W. (Bill) McMillan, a longtime lobbyist and consultant for the U.S. beef cattle industry and an Agriculture Department assistant secretary, died on Oct. 13 of heart failure. He was 95. Following U.S. Navy service in China and the Pacific, McMillan graduated from Colorado State University in 1948 and became a county agricultural extension agent. McMillan joined what then was known as the American National Cattlemen's Association in Denver in 1959, serving as its executive vice president for 11 years and opening its Washington office in 1970. Former President **Ronald Reagan** nominated McMillan to be USDA's assistant secretary for marketing and transportation services in January 1981. He resigned four years later to create a consulting service, largely specializing in food safety, animal and plant health and international trade in meat and poultry.

Arnold Mayer, a lobbyist for meat and poultry plant worker unions who worked on food issues for 34 years, has died of pneumonia at a suburban Washington nursing home. He was 91. When he retired in 1989, Mayer was vice president and director of public affairs at a predecessor of today's United Food and Commercial Workers International Union. In retirement, he lobbied for the Food Research and Action Center (FRAC), a supporter of USDA's SNAP and school lunch programs.

Best regards,

Sara Wyant
Editor

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