

New prescribed burning laws offer more resources for landowners

Experts on prescribed fires are lauding the progress state policymakers have made to accelerate the practice on private lands. While this puts California on equal footing with other Western states, advocates are quick to point out the number of acres treated with prescribed burning remains far below what is needed to mitigate the impacts of increasingly severe wildfires.

Last year was the worst wildfire year on record, with more than four million acres scorched. Yet lightning and indigenous cultural burning once covered as many as 13 million acres each year, according to M. Kat Anderson, an ethnobotanist at the USDA Natural Resources Conservation Service (NRCS) who detailed the Native American practices [in a 2013 book](#).

“What we're seeing is a real movement in California around community-based prescribed fire,” said Lenya Quinn-Davidson, a UC Cooperative Extension fire advisor for the North Coast region.



CalFire and DWR conduct a controlled burn in Butte County. (Photo: DWR)

Speaking in a webinar last week for the California Climate and Agriculture Network (CalCAN), Quinn-Davidson outlined several benefits of prescribed fire, beyond reducing fuel loads and increasing wildfire and drought resilience for forests and grasslands.

In Humboldt County—where she spends most of her time—and across the Pacific Northwest, fires control fast-growing conifers like Douglas fir that shade out and overwhelm deciduous oak woodlands. On rangelands, it is a tool for controlling invasive species like medusahead, star thistle and barbed goatgrass, as well as for shrub encroachment and coastal grasslands.

In March, Quinn-Davidson testified to a joint Senate committee hearing on wildfires and insurance that community members and private landowners want to use more prescribed fire, but hurdles remain for liability. By November, lawmakers had responded with new bills passed into law, along with state budget funding to support the practice.

Gov. Gavin Newsom has signed a measure providing new legal protections for prescribed burns.

Senate Bill 332 rapidly advanced through both houses with unanimous support. The California Cattlemen’s Association strongly backed the measure, arguing controlled burns protect ranches but state laws place too much liability on burn bosses when a project does not go as planned, acting as a disincentive for working on private lands.

Insurers opposing SB 332, however, called it poor policy to reduce accountability for “one of the most dangerous things one can do in California—start a wildfire,” though they withdrew opposition after amendments limited the scope of the bill.

SB 332 updates a 2018 measure, SB 1260, which established a state-certified burn boss program. It marked the first time California had a certification process that recognized the prescribed fire experience and qualifications of private individuals. Quinn-Davidson led the first class for the program last May, certifying 18 people as burn bosses. She described it as going well beyond an entry-level introduction for planning and leading burns, with the group composed of Forest Service and California fire department (CalFire) retirees as well as experienced landowners, cultural burners and tribal members.

Before SB 1260, CalFire would take charge of every aspect of a prescribed burn and assume all liability, with little room for outside partners, explained Quinn-Davidson. NRCS, meanwhile, would only do prescribed fire projects if a federally qualified burn boss was writing the plan and leading the burn—with only one such private burn boss covering the entire state.

“We really need a whole outside alternative workforce that can do this if we're going to meet the scale of the need,” she said.

SB 332 went a step further by changing the liability standard for prescribed burning on private land for wildfire suppression. Without this, a sudden wind gust or other unexpected factor that pushes the fire out of control and requires CalFire support would result in added costs billed to the landowner.

“That's a big fear that landowners have,” said Quinn-Davidson. “That's really worrisome.”

Beginning in January, landowners will only be liable if found to have acted in reckless disregard for safety and gross negligence. This puts California in the same category as Florida, Georgia, Washington, Colorado and Nevada for gross negligence laws.

NRCS has recognized the new state certified burn boss program and is offering incentive funding for such projects through the Environmental Quality Incentives Program (EQIP). While NRCS is in the process of revising the rates, Quinn-Davidson said they are already generous, starting at about \$30 per acre and rising with more complex fuel types. While the program only funds agricultural land, she said the definition is open enough to encompass many types of private property.



UCCE Fire Advisor Lenya Quinn-Davidson

Along with the incentive funding, the California Prescribed Burns Associations designed a burn model aimed at driving down costs for communities, meaning a project may cost landowners nothing if done in winter, without hiring a burn boss and while avoiding extra risks, according to

Quinn-Davidson. Burning during fire season and hiring a burn boss would cost a couple thousand dollars for a one-day project, she added. NRCS support would offset costs for any pre-thinning or for hiring crews to cut fire lines. By comparison, she estimated CalFire spends about \$50,000 for managing a 20-acre burn.

Adding to the federal incentive grants, the state budget set aside \$20 million within a wildfire package to establish a prescribed fire claims fund, which acts like a state-backed insurance pool for prescribed fires. Quinn-Davidson described this money as critical for filling the insurance gap for private burn bosses as the state launches its certification program, and California is one of the first states to do so. She noted that the new federal infrastructure package contains funding for prescribed fire projects.

Another measure that passed this year, SB 642, requires CalFire to develop a cultural burning liaison to work with tribes and other cultural practitioners. The new law also establishes a prescribed fire training center. But it failed to add any funding, which will be a focus for Quinn-Davidson as she engages with lawmakers leading up to the next legislative session. She also hopes to address liability issues for damages from prescribed fires, a provision dropped from SB 332 as a compromise for moving the bill forward.

The new liability law and incentive funding present other economic benefits for landowners as well. During the CalCAN webinar, Helen McGrath, who manages Flying M Ranch in Ventura County and serves on the board of the county Farm Bureau, said alternatives to burning can be painfully expensive. Contractors for goat grazing have provided quotes at three times the cost of hiring a landscaping crew to remove the weeds, she added.

Wendy Millet, who directs an 1,800-acre demonstration ranch for billionaires Kat Taylor and Tom Steyer, acknowledged the costs can be steep, after hiring a team of 850 goats for the ranch. **She argued, however, that expense pales in comparison to the amount CalFire invests in helicopters each year to fight wildfires, suggesting the state could offer more incentive funding to support communities looking to invest in goat herds for targeted grazing.**

Those costs could rise further next year, as California's agricultural overtime law takes full effect and limits the number of hours ranchers on a grazing crew can work each day. Sheep producers have been pushing lawmakers for an exemption on projects aimed at reducing fuel loads, but have failed to gain any relief from one of the state's most progressive labor laws.

With a long break in winter storms, prescribed fire crews across the state—and especially Northern California—have been diving into another controlled burn season, with thin plumes of smoke sprouting throughout the foothills of the Sierra Nevada. Every acre of prescribed burning could bring immediate benefits, as the state is expected to plunge into another year of drought and set new wildfire records.

A heat-induced drought now, an ArkStorm next: Once-theoretical disasters are sending California farmers on a climate rollercoaster

As term limits expire in the coming years, a wave of new lawmakers and their staff will flood the Capitol. The newest part-time residents of Sacramento will undoubtedly visit the historic district, which was ground zero for the great flood of 1862. That sleeping disaster, scientists suspect, is set to reawaken as the state swings wildly from extreme drought to floods. Under such a megastorm, the city would surrender to its two rivers and submerge within a massive floodplain. One of the world's most productive farming regions would be wiped out in just days.



Cache Creek floods after a storm in 2019 (photo: DWR)

“A modern-day repeat would be disastrous for California, which has 40 million people instead of the 400,000 or so who were here during the last big one,” said Daniel Swain, a climate scientist at the University of California, Los Angeles, and science fellow at The Nature Conservancy. “There’s about a 50/50 risk of an 1862-level event in the next 40 years.”

The Category 5 storm that deluged California in October and broke a 24-hour rainfall record for Sacramento indicates such megastorms are now a reality for California, while the Pacific Northwest and several other regions in the world have already suffered extreme flooding this year. Speaking at the California Water Policy Conference last week, Swain described the state as fortunate for experiencing such a storm at a time when reservoirs were low and soils were parched from drought, rather than midwinter after other atmospheric rivers.

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“Sacramento is actually a poster child for the kind of dramatic statistics from the past year,” said Swain, in describing a whiplash effect from the state becoming both wetter and drier under climate change.

Under this “climate complexity,” California is not losing water overall, but precipitation is becoming concentrated into more intense winter storms, followed by unprecedented evaporation from warmer springs and an even more intense dry season that is expanding further into fall.

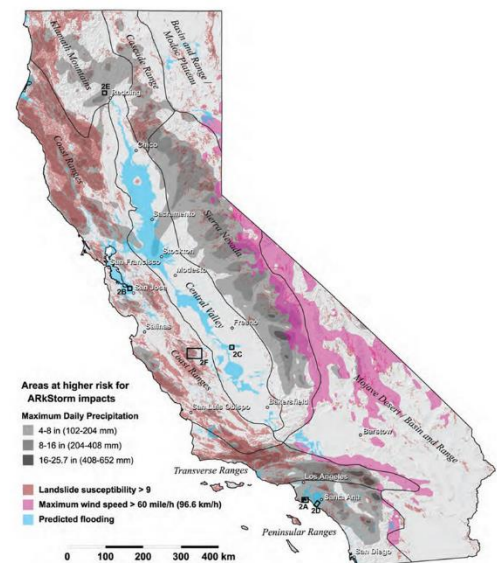
Swain pointed to Butte County as a region already hard hit by both sides of the hydroclimatic spectrum and a preview of events to come for the rest of the state. The county gained notoriety for the 2018 Camp Fire and two years later battled the North Complex Fire. The dam nearly burst in 2017 for Lake Oroville. Buffering the brief wet period were two extreme droughts that drove up prices for cattle feed for area ranchers and led to significant fallowing for rice growers.

Northern California struggled this year under the rapid onset of drought after a near-average snowpack largely disappeared rather than replenish reservoirs.

“What’s clear is that precipitation-only drought metrics are becoming increasingly misleading in a warming climate,” said Swain. “The same amount of rain and snow just doesn’t go as far as it used to.”

He argued this should lead to a paradigm shift in how state leaders think about water management. It is already shifting the research focus on climate issues. Swain is part of a team exploring a research endeavor called ArkStorm 2.0.

A slew of state and federal experts assembled to develop the initial ArkStorm modeling scenario a decade ago. Patterned after the 1862 event, the research explored the theoretical scenario of a series of atmospheric rivers (the “AR” in ArkStorm) carrying as much precipitation as hurricanes and pummeling the West Coast over



A USGS map shows ARkStorm predictions for California.

several weeks. Such an event would lead to an estimated \$725 billion in damages and other economic losses. Thousands of acres of urban and agricultural land would flood, resulting in catastrophic disruptions to water supplies and the evacuation of 1.5 million people. It would affect all counties and all economic sectors.

The existing flood protection system—designed to preserve urban areas—would crumble. Levees built for storms occurring once every 75 years would face 500-year streamflows, which ARkStorm deems a much more realistic outcome in today’s changing climate.

ArkStorm 2.0 will build on climate research published since the original modeling.

“We’re reimagining ARkStorm for the climate change era,” said Swain, “which, it turns out, greatly changes the magnitude of what is physically plausible.”

He hopes to release results on the initial atmospheric modeling early next year, thanks to financial support from the Yuba Water Agency and the Department of Water Resources (DWR).

Swain recognizes the climate has already shifted in California and is forcing the state to move beyond its 20th century policies and infrastructure. He warned that the future has already arrived for climate predictions made just 20 years ago.

In a panel discussion last week for the Public Policy Institute of California (PPIC), Tim Ramirez, who serves on the Central Valley Flood Protection Board, agreed with Swain.

“We’re designing things now based on old standards in a different regime,” said Ramirez. “And we’re not ready for the new cycle that’s coming.”

He offered the San Joaquin River as an example. Over the past century, the state has re-engineered the river to carry snowmelt in a controlled, deliberate fashion down to the Sacramento–San Joaquin Delta. It was not built to handle floods, he said. Ramirez pointed out that rivers actually need floods to maintain healthy ecosystems. He also pushed for more floodplain restoration to better handle extreme weather events, citing as an example the Yolo Bypass that spills flood flows onto rice farmland and winter waterfowl habitat.



UCLA climate scientist Daniel Swain

Ellen Hanak, who directs PPIC’s Water Policy Center, said agricultural lands along rivers must make more room for overflow to save the communities that abut those waterways. This strategy requires money to incentivize landowners and create more bypasses, she explained, adding that the Sacramento Area Flood Control Agency has pioneered innovative financial agreements with neighboring farmers for this purpose.

DWR Director Karla Nemeth said the state must also account for human behavior in response to rising temperatures. She noted that farmers started planting earlier in the season this year with warmer weather presenting an opportunity to get crops in the ground sooner. This led to water diversions earlier in the year and

less flow later for endangered species protection.

With impacts to agriculture from the pendulum swing of extreme floods and drought, Swain cautioned that not all farmers and ranchers will be affected equally. Water supplies will be

broadly constrained by the increased variability while winter rains may come with only a week's notice, meaning increased flexibility will be a top priority for agriculture.

He was optimistic, on the other hand, for the role of growers in flood-managed aquifer recharge, or Flood-MAR.

“Agriculture is going to play a big part in that,” he said. “We need to retool systems and rework state water rules and policies so that it's possible to do this in the first place.”

On-farm groundwater recharge offers a flexible way to manage flood flows that may come only once every 30 years in some places, he explained.

Ali Forsythe, who manages environmental planning and permitting for the Sites Project Authority, added that new infrastructure investments will support Flood-MAR as well. The Sites Reservoir, as one storage proposal, would capture up to a million acre-feet of excess flows from the Sacramento River and hold that water to release over time for strategic groundwater recharge. She added that this type of off-stream reservoir would also store water for environmental releases and for municipalities, along with agriculture.

“Climate change is going to challenge us in the future in ways that we never thought was possible in the past,” said Forsythe. “We need to meet that challenge with our own innovative ideas, partnerships and willingness to move beyond the combat discussions to how we all get better together.”

Can Build Back Better funding survive the next farm bill?

The Biden administration and congressional Democrats are aiming to use the agriculture provisions in the Build Back Better bill to jump-start farmers' work on climate-related farming practices and potentially create permanently higher levels of funding for conservation programs.

But Republicans are warning that they may try to put the money to other uses if they get control of Congress and the Agriculture committees.

And there's also uncertainty about whether the Congressional Budget Office will go along with some legislative gymnastics that will be necessary to convert the Build Back Better funding into permanent spending baseline for future farm bills.

The House-passed bill, which would cost roughly \$1.7 trillion and may be scaled back in the Senate, contains \$82 billion in agriculture provisions, including about \$27 billion in new funding for conservation programs.



Senate Ag Committee Chair Debbie Stabenow, D-Mich.

Senate Agriculture Chairwoman Debbie Stabenow, D-Mich., has at times suggested that the ag-related funding in the bill would be used to create permanent farm bill baseline. She now stops short of confirming that's the plan.

“This is all part of the ongoing discussion now that I really can't answer yet,” she said when asked about the issue earlier this month. “So, we will be able to answer it but not yet. It’s certainly positive (for the farm bill), it’s not negative.”

But the committee’s top Republican, John Boozman of Arkansas, emphasizes that he won’t feel bound to spend the money as the Build Back Better bill directs if he becomes the committee’s chairman after the 2022 elections. Congress is due to write a new farm bill in 2023.

“Certainly, we don't feel constrained ... to honor anything that has been done now,” he told *Agri-Pulse* of the BBB funding.

Boozman said he wasn’t sure whether the funding could be converted into permanent farm bill baseline. A spokeswoman for Stabenow declined to discuss the issue before the bill is enacted.

Under spending rules for conventional bills, funding that’s added to farm bill programs is assumed to continue permanently after the legislation expires, which means it creates permanent baseline for future farm bills. However, that’s not the case with funding that’s added to farm bill programs through the budget reconciliation process, which Democrats are using to move the Build Back Better bill.

Under rules for the reconciliation process, none of the funding can be spent after 2031, which means the bill would have no effect on farm bill spending levels after 2031. (As it happens, most of the farm bill funding in the reconciliation bill is designated for spending during the current fiscal year through fiscal 2026.)

But farm bill veterans and congressional budget analysts say the House and Senate Agriculture committees could potentially convert the Build Back Better funding into permanent farm bill baseline by rescinding the reconciliation money and then reallocating those funds through the next farm bill. The CBO and congressional Budget committees would have to go along with those changes, however.

It’s also possible, as Boozman has suggested, that the next Congress could move the money out of the designated programs and into other parts of the farm bill, including the commodity or crop insurance titles.

“In any farm bill you can always move money around if there is enough political will to do so,” said Patrick Westhoff, director of the University of Missouri’s Food and Agriculture Policy Institute.

But Republicans would almost certainly need Democratic support to redirect the funding. Farm bills can’t be moved through the budget reconciliation process, so they need 60 votes to pass the Senate.

“I think it would be really tough to say ... this was climate-related money, but now we're going to make it about something completely different. I think that would be politically difficult,” said Ferd Hoefner, an agricultural policy consultant and longtime policy director for the National Sustainable Agriculture Coalition.

While ag groups have been cautious about taking public stands on a highly partisan bill, the ag provisions do have support from some farm groups, who see the funding as critical to helping farmers meet demands from their customers to reduce greenhouse gas emissions and sequester carbon.

The biofuel industry, for example, believes the funding will help lower the carbon footprint of ethanol and meet low-carbon fuel standards such as the one now in place in California.

In a new letter to the House and Senate Ag Committees, the National Corn Growers Association and biofuel industry groups say the reconciliation bill’s ag funding “will build new markets for farmers and biofuel producers and help lower the carbon intensity of agriculture.”

Even the American Farm Bureau Federation, which opposes the overall bill, concedes in a letter that "some elements of the reconciliation package would benefit agriculture."

Meanwhile, two former chairmen of the House and Senate Ag committees, former Rep. Collin Peterson, D-Minn., and retired Sen. Pat Roberts, R-Kan., worry that partisan divides will make it hard for the next Congress to even pass a new farm bill.



Former ag committee leaders Rep. Collin Peterson (left) and Sen. Pat Roberts, R-Kan. (right)

Speaking recently at the annual meeting of the National Association of Farm Broadcasting, Peterson said he is concerned lawmakers may be forced to pass a simple extension of the 2018 farm law.

“The big challenge politically, you know, no matter who controls Congress, is going to be trying to keep these guys out of the ditch, and keep them from fighting with each other, which they seem to do over everything that comes up,” Peterson said of lawmakers.

He went on, “If I had my crystal ball, no matter who’s in charge of this thing, I think it’s going to be very difficult to get a farm bill passed under any circumstances,” he said.

Roberts said it is critical that the Senate retain the existing filibuster rules and the 60-vote requirement for passing non-reconciliation bills. The 60-vote threshold would ensure that a farm bill needs bipartisan support to pass.

“To get 60, I have to get Democrat votes if I’m the Republican chairman, and vice versa with Sen. Stabenow,” Roberts said.

The Build Back Better bill would authorize \$27 billion in new conservation funding, including a new, \$5 billion program that would pay farmers \$25 per acre for five years to plant cover crops.

Farm bill conservation programs would get \$21 billion in new funding, including \$9 billion earmarked for the Environmental Quality Incentives Program and \$7.5 billion for the Regional Conservation Partnership Program and \$4.1 billion for the Conservation Stewardship Program.

In all three cases, most of the money for the three programs is earmarked for spending in fiscal 2024 through 2026. All but \$800 million of the EQIP funding, for example, would be authorized for spending from FY24-26.

Another \$600 million is designated for a new USDA program to measure the impact of conservation practices on greenhouse gas emissions and carbon sequestration.

The bill also includes \$2 billion for agricultural research, \$1 billion of which is earmarked for infrastructure improvements at minority institutions. There is \$27 billion for forestry programs, including \$14 billion for reducing hazardous fuel treatment and billions more for forest restoration.

Another \$25 billion for clean energy, rural development and farmer debt relief. The rural development funding includes \$9.7 billion for transitioning rural electric cooperatives to clean energy and nearly \$1 billion for biofuel infrastructure.

Biden assembles anti-China team

President Joe Biden's effort to amass partners for challenging China is taking shape, and U.S. Trade Representative Katherine Tai is working to rekindle ties with historical allies such as Japan, the European Union and the United Kingdom while forging new bonds with countries such as India and Vietnam.

“We need to stand up together — Europeans and Americans — on the Uyghur issue, on Tibet and on Hong Kong and Taiwan,” Nicholas Burns, Biden’s nominee for U.S. ambassador to China, told the Senate Finance Committee recently. “And we need to be together on trade because both of us together are victims of Chinese unfair trade practices. Think of the power of the EU, the U.S. and perhaps Japan, working together.”

Details of a Biden strategy that the U.S. ag sector hopes will lead to a more stable trading relationship with China are unclear. But the strategy is expected to include tariffs there are still in place from the Trump administration as well as foreign allies and the World Trade Organization.



President Joe Biden

Tai has spent the past week in Asia, intensifying the Biden administration’s race to gather allies to confront China over grievances of free market abuses, intellectual property rights violations and a host of other complaints.

Her participation Tuesday in the first U.S.-India Trade Policy Forum since 2017 capped a whirlwind week that started in Tokyo when she met with a host of high-ranking Japanese officials, including Hagiuda Kōichi, the country’s minister of economy, trade and industry. It was in Tokyo where Tai and Kōichi launched the U.S.-Japan Partnership on Trade — an initiative to reaffirm “the shared commitment to strengthen this alliance through regular engagement on trade-related matters of importance to both countries.”

Executive Vice President of the European Commission Valdis Dombrovskis joined Tai and Kōichi in Tokyo, and together they announced the resurrection of their “trilateral partnership to address the global challenges posed by nonmarket policies and practices of third countries” — an effort primarily aimed at countering China and its industrial subsidies.

From Tokyo, it was on to Seoul, where Tai and South Korean Trade Minister Yeo Han-Koo celebrated the U.S.-Korea Free Trade Agreement, a 9-year-old pact that helped spur a significant increase in U.S. beef exports.

But Tai has made it clear that it is a priority to build new trade ties with India, a democracy home to 1.4 billion people that has clashed with China on the countries' shared border.

The U.S. is even finding new support from Mexico in countering China's reach. Mexican President Andrés Manuel López Obrador says he's ready to sign up to help counter China's growth.

“Economic integration, in full respect for our sovereignty, is the best instrument to face the competition stemmed from growth in other regions of the world, especially the productive and commercial expansion of China,” Obrador said at the White House last week during a summit of North American leaders convened by Biden. “We must not forget that while Canada, United States, and Mexico account for 13% of the world market, China (accounts for) 14.4% percent.”

Ag leaders say they are pleased the Biden administration is building closer ties with trading allies, but it is still unclear how the strategy will result in a more stable trading relationship with China, the largest ag importing country in the world that is still technically in a trade war with the U.S.



USTR Katherine Tai

“I don't know what it means for agriculture,” said Sharon Bomer Lauritsen, founder of AgTrade Strategies LLC and former assistant U.S. Trade Representative for agricultural affairs and commodity policy. **“I don't know what it means — if anything — for the retaliatory tariffs that are on U.S. ag products.”**

Those tariffs are at the core of the damage and uncertainty that is marring the U.S. trade relationship with China, which imported \$26.5 billion worth of U.S. ag commodities in 2020.

The U.S. imposed tariffs on \$550 billion worth of Chinese goods from the summer of 2018 to the summer of 2019, and China retaliated with duties on \$180 billion worth of U.S. goods — most of which were agricultural commodities like soybeans, corn and pork. Those tariffs don't include the U.S. and Chinese duties tied to China's steel and aluminum exports, which also resulted in tariffs on U.S. farm goods.

Neither the U.S. nor China agreed to lift tariffs as part of the "phase one" trade pact that the countries signed in January of last year, but since then China has been granting ad hoc exclusions to the duties for Chinese importers. Those decisions, together with a Chinese pledge to buy billions of dollars worth of U.S. ag commodities, have allowed U.S. exports to reach record levels for some commodities in 2020 and 2021. The Chinese commitment expires on Dec. 31 and there is no requirement for China to continue to grant the exclusions.

China has asked the U.S. to remove the tariffs, but so far Biden has refused, opting to keep the leverage in place.

"The administration has been clear that it wants to work with allies to confront China, and it has announced several new alliances to that end — the revived subsidies work with the EU and Japan, the focus on a new economic framework for the Indo-Pacific, the U.S.-EU Trade and Technology Council, etc.," said Darci Vetter, vice chair for agriculture and food at Edelman, a public relations firm, and former chief ag negotiator for the U.S. Trade Representative during the Obama administration.

"The question is when and whether the combination of these new alliances will provide a substantive, coordinated response to China's unfair trade practices that would allow the United States to move away from the bilateral tariffs that have been so painful for U.S. agriculture."

RFS patience running on fumes for a frustrated biofuels industry

When President Joe Biden was sworn into office, the biofuels industry had a fresh sense of optimism, buttressed by what he said on the campaign trail, about the federal government's governance of the biofuels mandate.

So far, that optimism hasn't been met with corresponding action.

The deadline for the Environmental Protection Agency to finalize annual blending targets under the nation's biofuel mandate is next Tuesday, and the administration has yet to release the proposal it sent to the White House Office of Management and Budget for interagency review in August. There's also a stack of 65 applications for small refinery exemptions from the Renewable Fuel Standard on the agency's desk awaiting action, including 29 for the 2019 compliance year and another 28 for 2020.



Emily Skor, Growth Energy

"It's incredibly frustrating," Growth Energy CEO Emily Skor said in an interview with *Agri-Pulse*. "The administration has to start looking at the RFS as a tool to meet its climate goals."

Renewable Fuels Association President and CEO Geoff Cooper offered the same "incredibly frustrating" verbiage to describe the situation.

Under the law that created the RFS, EPA is to finalize annual blending targets – formally known as Renewable Volume Obligations – by Nov. 30 for the following year's ethanol production and for the biodiesel production the year after that. Cooper said RFA is working to "get the logjam broken up at the White House and get these proposals out."

"We haven't even seen a proposal yet, so it seems very unlikely to us at this point that we're going to have a final rule for 2022 before 2022 begins," he told *Agri-Pulse*.

Despite the lagging timeline, he still believes the agency plans to go through a formal notice and comment period for the RVOs rather than finalizing figures without the opportunity for public input.

"That's a 45, 60-day process from beginning to end, which means we're probably looking at early 2022 before we have a final rule for 2022, and that's if EPA gets the proposals out in the next few days," Cooper said.

The timing of RVO rollouts is one of the few areas where the oil and biofuel sides of the RFS debate have common ground: Refiners want to know how many gallons of biofuels they'll be required to blend into the nation's fuel supply, while biofuel producers appreciate a clear picture of demand for their product.

Should the EPA miss the Nov. 30 deadline to finalize the 2022 RVOs – an all but certain outcome at this point – it would become the third consecutive administration to miss an RVO deadline.

The Obama administration was forced to release three years' worth of volumes at once in 2015 after an oil industry lawsuit compelled a consent decree laying out a publishing schedule. The Trump administration missed a deadline of its own last year, pointing to demand and production uncertainties offered by the COVID-19 pandemic.

In September, reports emerged the EPA was considering a retroactive cut to the 2020 RVO, something that drew a quick and fiery reaction from biofuels leaders. According to a draft set of figures leaked to media and industry sources, EPA has been considering a reduction of 3 billion gallons from the 2020 RVO. About 2.5 billion gallons of that reduction would come from the conventional biofuel category typically viewed as corn ethanol. In 2019, the last time RVOs were released, EPA set that category at the congressionally-set target of 15 billion gallons.

“(The 2020 RVOs) are done, they are finalized. That would be an unprecedented act; we believe it would be an unlawful act,” Skor said. “There’s absolutely no need to justify reopening 2020 in addition to the fact that we just don’t think they have the authority to do that.”

The 2022 RVOs also offer special importance to the RFS as the final year in which the EPA will have congressional volumes as a guide in setting annual RVOs. In 2007, Congress set volumetric targets through 2022, suggesting at the time that the agency would then use market data to form new RVOs every year. Skor argued the 2022 volumes will “set the stage” for the next set of RVOs, so “getting those RVOs at 15 billion gallons is going to be incredibly important.”

While there is uncertainty on when the RVOs will be released and what they will look like, there is one form of certainty available to the agency and the industry: lawsuits are coming.

Growth Energy has already offered an intent to sue over the failure to issue timely RVOs. Cooper said if the reported 2020 RVO cut does in fact take place, “there’s going to be a swift and fierce reaction from our industry and we’ll be considering all of our options to make sure that RFS integrity is maintained.

“We just can’t operate in an environment where EPA is going back and changing things after the fact.”

An EPA spokesperson said the agency has no updates on the situation beyond last week’s news of an extension of the RFS compliance



Geoff Cooper, RFA

deadlines. The industry wasn't exactly thrilled with the news, but at this point is directing its lobbying attention at RVO finalization.

“As long as they’re going to comply, when they report it isn’t as big of an issue.” Ron Lamberty, senior vice president of the American Coalition for Ethanol, said in an interview with *Agri-Pulse*. “What does become an issue is that if you don’t give people the target before the year starts.”

The industry also has another powerful tool in its back pocket as Democrats try to shore up their support in rural areas - the words of Biden and administration officials themselves. During the campaign, Biden attacked then-President Donald Trump for his handling of the RFS, and administration officials, including EPA Administrator Michael Regan, subsequently made commitments to the biofuel industry.

The administration pledged to "get the RFS back on track," Skor said. “We have been very clear with (Regan): Thank you, that means getting it out on time. That means meeting 15 billion gallons of conventional blending, and these delays are incredibly frustrating.”

Report: Increasing packing capacity welcome, but doesn’t guarantee protection from disruption

Even as some states and USDA invest millions of dollars into expanding medium and small-scale meat processing, a new economic analysis cautions against seeing this development as insulation against the next “black swan” event, which is how the researchers describe the pandemic.

Meat plants got slammed during the COVID-19 pandemic by the combination of the virus' quick spread in the cold, close-quarters working environment, employees needing to quarantine at home even if they were not sick, and the shut-down time needed to clean and retrofit workstations to allow for more distance between people.

Ultimately, though, most plants were not closed or forced to operate at reduced capacity for long.

“I was a little surprised by how quickly the system got back to some semblance of normal,” said economist John Anderson of the University of Arkansas Department of Agricultural Economics and Agribusiness, who is the lead author on the paper published this week in *Applied Animal Science*. “I thought that the lag in production would be bigger and last longer.” Most facilities experienced at most four to six weeks of disruption, he said.



His analysis concluded that while increasing slaughter capacity with additional smaller plants will have benefits for some producers and consumers, it will not increase resilience in the supply chain overall. That’s because the smaller operations will serve primarily direct-to-consumer markets, which grew significantly during the pandemic but remain a very small segment of the sector.

For the larger packers that rely on economies of scale, Anderson said the “multimillion-dollar question” is how to reduce disruption from any future event. Before the pandemic, risk management involved anticipating infrequent but contained events such as a tornado, fire or blizzard that would be over rather quickly, he said. The pandemic defied any sort of predictability, but such an event remains highly unlikely. Anderson said companies may attempt to revisit their risk mitigation plans, but taking up the question of an open-ended disruption like this pandemic “is a little bit of a paralyzing sort of thing to think through.”

Even so, recognizing human labor was the reason processing proved to be the “bottleneck in the supply chain,” Anderson said, “the incentive to automate has increased in the wake of the pandemic.”



John Anderson, University of Arkansas

An industry expert who spoke at the annual meeting of the National Association of Farm Broadcasting echoed that sentiment.

“You're eventually gonna push more and more towards trying to figure out other ways besides labor,” said livestock economist Scott Brown of the University of Missouri. That will make the cost of automation less daunting, he said.

Pandemic vulnerability aside, the labor market has grown tight and managing a workforce in a sector that is physically demanding and at times requires overtime and/or weekend shifts has grown more difficult, he said.

A few mid-sized processing plants are in the works in the Midwest, with American Foods Group announcing last week it's chosen Warren County, Missouri, for a new beef plant. Despite the public concern about U.S. meat processing capacity in the wake of the pandemic, the newest plants may find it's not the best time to open an additional packing facility, according to Brown. That's because drought in the West will likely result in fewer cattle going to slaughter just as new plants come online. He expects supplies to remain tight into 2023 and the Missouri plant to open in the third quarter of 2024.

“What's been too many cattle here for a period of time may quickly turn around to be not enough cattle,” he said, “even with current capacity, if we aren't careful.”

As for the smallest processors, “they got to have a premium for that product, if they're going to stay in business longer term,” Brown said.

Anderson agreed, adding that as small operations consider expansion, they will need to carefully monitor whether pandemic-influenced increases in sales are permanent. The spike in desire for locally-produced meat could slip away as shoppers feel less inclined to pay premium prices. Plus, the additional mid-size capacity and increased efficiencies at the big plants could lead to lower retail prices, widening the gap between supermarket and niche prices. “So, if you're going to survive as a small-scale producer, be aware that you'll be surviving in what is probably an even more competitive environment than it was before” the pandemic, he said.

Small producers and processors will need greater marketing skills to keep and cultivate relationships with customers.

“That’s a long-term project of building and maintaining demand,” Anderson said. “Don’t assume that it will be there just because it’s there during the pandemic.”

Rural leaders look for innovative ways to attract city folks to the country

Editor's note: This is the first of a two-part series on efforts to attract more people to live and work in rural America.

The civilization-scrambling COVID-19 pandemic is reordering millions of lives, jobs, and economic fortunes in rural America, just as it’s been rejiggering the rest of the country’s realities.

That could mean population and economic growth for the future of thousands of rural communities who grab the opportunities.

Mark Smither, a strategy expert for Paulsen, a Sioux Falls, South Dakota, marketing and research firm, believes a large-scale population shift into rural areas is in the works.

“What accelerated it,” he says, “was the pandemic, then technology, then employers saying, ‘You can do your job remotely.’ Once they opened that door ...”

His confidence stems from a panel study he did last summer with Audience Audit, an Arizona-based research group, surveying Americans coast to coast about relocation.

“We saw a lot of news articles about people from the city moving to the country ... but I didn’t think they really captured the reason why, so we thought we would try to bring more clarity,” he said.

His project involved interviewing online 326 adults who were either urban dwellers considering a rural move in the near future or those who had moved to a rural location since the start of 2020. One finding: 68% of urban respondents said they would “definitely” consider changing jobs or employers to move to a rural area, and 20% said they probably would.



Mark Smither, Paulsen

Smither believes he discerned a new American mindset. The survey responses persuaded him “a lot of the people coming from cities to rural America believe there’s a better life in rural America ... a better entrepreneurial opportunity ... more freedoms, and that whatever they thought they could achieve as Americans they could do in a rural space.”

A 2019 USDA Economic Research Service report on rural population trends describes a significant flow of Americans to selected rural areas from 2012 to 2017. It estimated 58% of counties nationwide had positive changes in net migration (in-migrants minus out-migrants).

“People moving to rural areas tend to persistently favor more densely settled rural areas with attractive scenic qualities, or those near large cities,” especially those with outdoor recreational amenities, the ERS observed.

Similarly, the Census Bureau’s 2020 Census points to a convergence of rural population around micropolitan areas (includes cities of 10,000 to 50,000 people with adjacent counties), which increased 1% in residents overall. **Most fast-growing micros are near large, fast-growing urban areas, but the agency also pointed to net gains of more than 15,000 people in some smaller cities: Bozeman, Montana; Rexburg, Idaho; Heber, Utah; and Williston, North Dakota, an oil-patch town where the population more than doubled during the fracking boom.**

Gains were not consistent across rural areas. *Agri-Pulse’s analysis* of 2020 Census data shows shrinkage in rural, agriculturally productive Great Plains counties from Nebraska to northern Texas and in North Carolina. The rare population growth was in counties with large crop processing facilities or meatpacking plants that have historically relied on immigrant workers.



Teryn Zmuda, NACo

But what direction does rural population take now in the 2020-2030 decade and COVID-19’s complex aftermath?

When more than 4 million Americans, 3% of the whole workforce, voluntarily leave their jobs in a single month, as happened in August and September, stakeholders in rural communities may have a chance to corral some of the escapees.

But observers of rural trends say much has to happen before Americans dash to the countryside the way Smither expects.

“It really does take collaborative leadership of our county officials and other community stakeholders ... to take action to diversify an economy and to ensure that the residents ... have access to good jobs and are taken care of,” says Teryn Zmuda, chief economist for the National Association of Counties (NACo).

Zmuda says high-speed internet service is essential to rural communities’ economic growth. Thus, NACo supported the just-passed infrastructure bill with its \$65 billion for broadband. And at least 10 states are already spending parts of the \$5.2 billion from Congress’ rescue package last March to expand broadband access.

In fact, various networks have been springing up to help folks train, equip, and move to go rural and work remotely.

Last winter, Greater Bemidji (Minnesota) Economic Development began offering its 218 Relocate incentive package. It invites folks to move to northern Minnesota’s 218 area code and offers up to \$2,500 in reimbursement for moving and/or telecommuter expenses, plus teleworking support and tools, all while flashing the “all-Fiber Optic Gigabit Internet service” available in the city and most of Beltrami County.

Erin Echternach, GBED's assistant director, says she's trying to sell "the infrastructure we have here for people to be able to telecommute."

So far, 22 people have taken Bemidji up on the offer, and she says, "we don't think there's going to be any stopping this trend in telecommuting," as she's been seeing "a lot of flexibility by employers for telecommuting."

Tim Beddow took the 218 Relocate deal, moving with his wife Maria in August from Farmington, New Mexico. The Minnesota Power analyst says it's unlikely his employer would cover his transition costs to work remotely, so the GBED grant covered a year of his internet service charges, modem, and some other related equipment. Maria, meanwhile, landed a pharmacist position in Bemidji.



Erin Echternach, GBED

Bemidji is just one of 40 Telecommuter Forward! cities or city/county combos certified in a statewide campaign by Minnesota's Office of Broadband Development to promote telecommuting among employers and workers. The city or county must at least assign an employee to the project and resolve to advance "telecommuter-friendly policies (to improve) the quality of life for employees ... economic innovation and vitality in communities throughout Minnesota."

Meanwhile, Northwest Kansas Economic Innovation Center and S&T telecommunications co-op began sponsoring a telecommunications skills and remote work training program in early 2020 in 26 counties of northwest Kansas.

The Rural & Remote apprenticeship program is designed to attract remote jobs or provide additional training for existing remote jobs, says Scott Stroul. He helps participants secure the training, internet services, equipment, appropriate workspace and other needs to become a successful remote worker.

Stroul says participants work towards an online "work readiness certificate" and complete needed training in computer coding. The program has placed about 25 people in jobs in recent months, he reports. Some work in their homes, some in co-worker space or shared offices.

Rural & Remote, he says, wants to help "families who have good broadband at their house on the farm...(and) families who are looking for additional income to support their farms."

Next week, the second part of this series will explore how broadband and community colleges are key to rural rebirth.

News Briefs:

GOP Ag committee members call for chlorpyrifos reevaluation. The top Republicans on the House and Senate Ag committees are pleading with the Environmental Protection Agency to reverse its decision revoking all food tolerances for chlorpyrifos. In a letter, led by Sen. John Boozman, R-Ark., and Rep. Glenn 'GT' Thompson, R-Pa., and signed by more than 30 Republican members of the Ag committees, EPA administrator Michael Regan is also asked for assurances that "future EPA actions related to the registration or registration review of crop protection tools will be conducted consistent with the science-based, regulatory process required

under EPA’s congressionally-mandated authorities.” The lawmakers say the August decision to ban the input’s use on food crops “undermines the scientifically rigorous work of the Agency.” “EPA’s blatant disregard for the work of its career scientists and the significant confusion the Agency’s decision has created for producers, channels of trade, and our nation’s food supply has inserted further uncertainty and stress for producers,” the letter said, saying those same producers are already dealing with supply chain issues and making decisions about future growing seasons. While the lawmakers want the EPA to rescind its August decision, they say “at a bare minimum, EPA should delay the effective date of its August 2021 final rule until the Agency has provided complete and final answers to the regulated community on the phase-out implementation of this critical crop protection tool.”

Legislators call for Biden to act on Mexico's noncompliance with biotech

provisions. A bipartisan group of lawmakers is calling for the Biden Administration to force Mexico to abide by the biotech provisions laid out in the United States-Mexico-Canada Agreement. Led by Reps. Adrian Smith, R-Neb., and Jim Costa, D-Calif., the 70 lawmakers said in a letter to President Biden that the Mexican government "has brought biotechnology permit approvals to a standstill, making Mexico’s regulatory system, which used to be largely transparent and science-based, nonfunctional." Mexican President Andrés Manuel López Obrador announced an intent to phase out certain agricultural technologies by 2024, including biotech corn for human consumption, the letter said. “This decree, which is not based in science, is particularly concerning because it signals the potential rejection of currently pending permit approvals and opens the door to revocation of existing biotech authorizations,” the legislators wrote.

Lawmakers ask Labor Department for help with truck driver shortage. More than 60 House members are urging Labor Secretary Marty Walsh to prioritize applicants for Workforce Innovation and Opportunity Act assistance who are seeking to become truck drivers. The law, passed in 2014, helps provide access to job training for dislocated workers, low-income individuals and out-of-work youth. According to Labor Department statistics cited in a letter to Walsh from the lawmakers the program in 2020 helped more than 12,900 workers receive training to drive trucks and other heavy tractor-trailers. The letter led by House Ag Committee Chairman David Scott, D-Ga., and Frank Lucas, R-Okla., said speeding up the approval process can help offset some of the challenges presented by a nationwide truck driver shortage. “With turnover rates for large, long-haul truckers reaching the 90 percent mark and the lag time for training and onboarding new drivers lasting several months, it is critically important DOL enact these measures as soon as possible,” the lawmakers wrote. The American Trucking Associations, National Association of Small Trucking Companies, Women in Trucking, International Foodservice Distributors Association, the National Association of Truck Stop Operators, the Society of Independent Gasoline Marketers of America and the International Dairy Foods Association voiced support of the lawmakers' request.

UC Davis team develops alternative to ice cubes. A team at the University of California, Davis, is seeking a patent for a product they’ve developed to keep food cold or frozen. Their “jelly ice cubes” do not contain plastic, are washable and reusable and won’t allow pathogens to hitch a ride or mold to form. The concept is to replace ice with a product that is reusable and ultimately compostable when its utility wanes. The cubes are 90% water, but the 10% gelatin hydrogels allow them to maintain a soft structure - hence the term “jelly” - and to hold any shape into which they are cut. “You can use it for 13 hours for cooling, collect it, rinse it with water and put it in the freezer to freeze again for the next use,” said Gang Sun, a professor in the Department of Biological and Agricultural Engineering, in a statement from the university. He collaborated with Luxin Wang, an associate professor in the Department of Food Science and

Technology. Wang said the idea emerged from observations of how much ice is used in fish processing and concerns that, as it melts, that ice could cause contamination. Plus, the reusable cubes reduce water consumption. “We want to make sure this is sustainable” and also controls pathogens, Wang said. The project was supported with a \$485,000 grant from USDA's National Institute of Food and Agriculture.

NRCS funds three California water quality projects for 2022. USDA’s Natural Resources Conservation Service awarded \$1.6 million in funding through the National Water Quality Initiative (NWQI) for three projects in high priority watersheds in California to help agricultural producers improve water quality. The funding, which will be delivered through the Environmental Quality Incentives Program, will enable planning and implementing conservation practices to address agricultural sources of water pollution, including nutrients, sediment, pesticides, and pathogens related to agricultural production. The allocations include \$50,000 for the Clear Lake Project, \$800,000 for the Salt River Project and \$750,000 for the Calleguas Creek Project. “The NWQI allows us to address water quality problems at a watershed scale,” said NRCS State Conservationist Carlos Suarez. “We can target the conservation measures that will be effective at reducing pollution and will work for local farms and ranches.”

Farm Hands West: Newsom appoints Jameson deputy secretary for climate and working lands at CDFA

Governor **Gavin Newsom** has appointed **Virginia Jameson** as the Deputy Secretary for Climate and Working Lands at the California Department of Food and Agriculture. Jameson has been the climate and conservation program manager at the California Department of Conservation since 2018. Before that, she was deputy state director for the American Farmland Trust from 2015 to 2018 and the natural resources and sustainable development program coordinator for the American University School of International Service in 2014.



Virginia Jameson

Governor Newsom has also tapped **Alice Busching Reynolds** as the next president of the California Public Utilities Commission, following the retirement of Marybel Batjer on Dec. 30. Batjer has served as president of the CPUC since 2019 and was named chair of a new Department of Motor Vehicles (DMV) Reinvention Strike Team by the Governor. Reynolds has been serving as senior adviser to the Governor for Energy since 2019. She has served as senior adviser for climate, the environment and energy in the Office of Governor Edmund G. Brown Jr. from 2017 to January 2019.

California’s USDA Natural Resource Conservation Service has announced three new leadership selections in the state. **Allen Curry** has been selected as the assistant state conservationist for field operations in Salinas covering the counties of Alameda, Contra Costa, Marin, Monterey, Napa, San Benito, San Joaquin, San Luis Obispo, San Mateo, Santa Barbara, Santa Clara, Santa Cruz, Solano, Sonoma, and Stanislaus. **Johnnie Siliznoff** has been selected as the assistant state conservationist for field operations in Fresno covering the counties of Amador, Calaveras, El Dorado, Fresno, Kern, Kings, Madera, Mariposa, Merced, Nevada, Placer, Sacramento, Tulare, and Tuolumne. **Jon Gustafson** is the new permanent state resource conservationist. Curry most recently served as the district conservationist in Indio. Siliznoff was the acting district conservationist in Fresno and previously the district conservationist in Madera. Gustafson was the state rangeland ecologist.

The Almond Alliance of California has named **Aubrey Bettencourt** as its new president and CEO, effective Dec. 1. She currently serves as director for sustainability for the California Cattle Council and Western United Dairies.



Aubrey Bettencourt

President **Joe Biden** is appointing two individuals to serve in key regional roles within USDA.

Armando Valdez has been tapped as state director of rural development for Colorado. Valdez currently serves as a member on the Colorado State University System's Board of Governors. During the Obama-Biden Administration, Valdez was appointed to the Farm Service Agency executive committee for Colorado.

Kent Pepler has been chosen to be Colorado's state executive director for the Farm Service Agency. Pepler is a fourth-generation farmer from Mead, Colorado. He served as a member of the Colorado State Farm Service Agency State Committee during the Clinton-Gore Administration from 1995-2000 and also served briefly as the assistant state executive director and acting state executive director for the agency.

Biden also has announced his intent to nominate **Jerome Powell** to a second term as chairman of the Federal Reserve and **Lael Brainard** to serve as vice chair of the Board of Governors of the Federal Reserve System.



Anne Alonzo

Anne Alonzo has joined Pollination, a specialized climate change investment and advisory firm, as a senior adviser. Most recently, she served as senior vice president of external affairs and chief sustainability officer at Corteva Agriscience. She also served as the president and CEO of the American Egg Board, vice president of global public policy at Kraft Foods, chair of the World Cocoa Foundation and was a vice president of Amoco.

Jacqueline Cohen now works for Waxman Strategies as vice president of environmental policy practice. She most recently served as the chief environmental counsel for the House Energy and Commerce Committee on the Democratic staff.

UPL has named **Bryan Brochin** as the commercial head of U.S. agriculture, leading the U.S. agriculture sales team. Brochin comes to UPL with 27 years of experience in the agricultural industry, most recently serving as the director of global bio-ag marketing and strategy at Novozymes.

The National Biodiesel Board has elected a new governing board. Serving a two-year term are: **Chad Stone**, Renewable Energy Group; **Chris Hill**, Minnesota Soybean Research and Promotion Council; **Dave Walton**, Iowa Soybean Association; **Harry Simpson**, Crimson

Renewable Energy; **Kent Engelbrecht**, ADM; **Mike Devine**, World Energy; and **Ryan Pederson**, North Dakota Soybean Council.

Farm Journal has promoted **Cliff Becker** to executive vice president of the company's livestock division. Becker joined Farm Journal in 2012 and most recently served as senior vice president.

The Washington Forest Protection Association's executive committee has selected **Jason Spadaro** to serve as its executive director. Spadaro has served as interim executive director since July after the death of **Mark Doumit**. Spadaro has more than 30 years of forestry experience. He has also served as WFPA's immediate past president and a trustee for more than 11 years.

Best regards,

Sara Wyant
Editor

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