

Farmers, processors prepare for outages with peak wildfire season

In early June, Pacific Gas and Electric shut off power for two days to 22,000 customers in Northern California. The goal was to prevent power lines from igniting a wildfire during the dangerously dry, windy conditions and avoiding another catastrophic event like the Camp Fire, which devastated the town of Paradise and led to about \$16.5 billion in damages.

The utility has announced it is expanding this practice of “de-energizing” power grids.

Now municipalities and water suppliers are scrambling to better manage basic services during the shutdowns, so that water still flows to fire hydrants, sewage won’t back up and the most vulnerable populations have the resources they need.

Agricultural groups and irrigation districts, meanwhile, are lobbying PG&E and the California Public Utilities Commission to provide earlier warnings for shutoffs and better estimates for how long they last. Growers and food processors fear longer shutoff events could come without warning.



The Camp Fire started along the edge of the Plumas National Forest on Nov. 8, 2018. Photo courtesy of USDA Forest Service.

For hullers and shellers of almonds and other crops that are not perishable in the short term, a few hours without power may be fine. When it rolls over to multiple days, however, problems arise. For more perishable crops like tomatoes, grapes and citrus, hours are key.

Powering water pumps is also critical. With drip irrigation, a few hours may not be as dire. But the high-risk fire days tend to coincide with times crops need water most: hot, dry conditions.

“If you're doing furrow irrigating, like for cotton or tomatoes, you can't stop the irrigation midstream,” said Roger Isom, president and CEO of Western Agricultural Processors Association. “If you do that and then try to start back over eight hours later, all you're doing is irrigating what you've already irrigated, because gravity flows from one end of the field to the other.”

He said if that's extended out to multiple days, the crop that didn't get the water “is gone.”

Isom, who is also president of the Ag Energy Consumers Association, said bringing in generators presents new problems.

Due to air quality concerns, the U.S. Environmental Protection Agency allows only tier 4 diesel generators to be used for agriculture. A new generator would require a new permit, which would take time. One generator may not be enough to fully restore operations either. Also, generators for rent would be scarce during this time and cost as much as \$10,000 when stretched out over several days. Purchasing backup generators would cost significantly more. The California Air Resources Board does allow exemptions from its diesel regulations for emergency standby generators, but that carries specific limits on emissions and hours of operation, as well as requirements for registration and reporting.



Roger Isom

“You just can't do that anymore,” said Isom. “The restrictions and regulations are so prohibitive, that it's not an answer.”

PG&E has stated the outages could last five days, while Isom has been told by the company to expect as much as a week. Predicting the outages, however, depends on the weather.

During the June shutoff, some counties were given less than a 24-hour notice because the hot, dry Diablo wind had unexpectedly picked up. PG&E restored power only after the National Weather Service pulled its red flag watch. The service's fire warning had specifically targeted the Sacramento and Northern San Joaquin Valleys for terrain of less than 1,000 feet in elevation – where a number of high-value crops are grown.

PG&E also shut off power to parts of Napa and Sonoma counties. Napa County Agriculture Commissioner Humberto Izquierdo said the area most affected was near Callistoga, though he had not heard of any impacts to growers or wineries.

“If they happen during harvest, there is more potential for impact at wineries,” he said in an emailed response, “especially smaller and family-owned wineries that might not have power backups like larger corporately owned wineries.”

The irrigated vineyards in this region actually served as a firebreak during the 2017 fires, limiting damage to the harvest that year.

Isom said some Central Valley almond hullers were swept up in the June outages only because their power grid extended to high-risk zones and the utility could not isolate the outages to specific sections.

While PG&E had applied the de-energize strategy before, the June incident was the longest and most broadly reaching outage.

“But there are risks to keeping the power on in high-fire-threat conditions,” a PG&E spokesperson recently told the *San Francisco Chronicle*. “This is a public safety issue, and shutoffs may be necessary in terms of public safety.”

Isom agreed that power must be shut off at times, though PG&E is now “erring on the side of too much caution.” He said the company should have instead put prevention measures in place years ago to avoid some of the recent catastrophic fires.

“We’re paying the price for this negligence,” he said. “It goes way beyond just the amount of time I’m down (during extreme fire weather).”

Fate of USMCA hinges on Trump and Pelosi agreement

Snowballing signals from the White House of losing patience over the slow pace of ratification of the U.S.-Mexico-Canada Agreement could force a showdown with House Democrats, and there’s a lot at stake for the U.S. ag sector.

“We have to get the Democrats to pass it,” Trump said of the USMCA in a speech Monday. “They may or may not, depending on how they feel politically.”

There are plenty of Democrats in the House who support ratification of USMCA, but it will be up to House Speaker Nancy Pelosi if there is ultimately a vote, and she has stressed she won’t be rushed.

“We are trying to keep the discussion on track and on schedule,” she said in a June press conference. “What the schedule is – is when we come to an agreement.”

But there’s no agreement in sight as Trump and others continue to lobby lawmakers on a quick approval.

“It’s absolutely essential we get the USMCA passed by the Congress, and passed by the Congress this summer,” Vice President Mike Pence said in a speech last week. “It’ll finally give American workers and farmers a level playing field that we need to be able to compete and win.”

Meanwhile, U.S. Trade Representative Robert Lighthizer is expected to sit down with House Democrats again Thursday for what has become a weekly meeting series. Democrats and Republicans have praised the USTR’s outreach, but so far, there’s no concrete evidence the Trump administration is willing to give in on any demands to change the trade pact – something Pelosi and others continue to demand.

Lighthizer met last week with the Trade Working Group, nine Democratic House members tasked by Pelosi to work with the White House on USMCA. The focus last week was on USMCA labor standards and this week they are expected to concentrate on environmental issues.

“It went pretty well, I think,” House Ways and Means Committee Chairman Richard Neal said about the meeting last week. “In fact, we’re making progress. (Lighthizer) has been able to answer many of the questions that have been asked on labor standards and ... enforcement.”

But when asked if Lighthizer showed any willingness to agree to Democrats’ demands to make changes to USMCA, Neal said only: “At the moment he seems interested in that.”

Rep. Terri Sewell, D-Ala., another member of the TWG, told *Agri-Pulse* that Lighthizer seems to be listening earnestly to the lawmakers’ concerns, but hasn’t committed to making changes to USMCA.

“At the end of the day, we’re really trying to get to ‘yes,’ so it was important for him to listen to the concerns that we have,” she said.

But as to Democrats’ demands for new enforcement measures for labor and environmental standards, as well as the removal of a provision to extend patents for biologic pharmaceuticals, Sewell said: “Well, (Lighthizer) hasn’t said no.”
But he also hasn’t said yes.

Both Republicans and Democrats have vocally supported strong enforcement provisions – especially for Mexican labor standards designed to raise wages there and prevent U.S. companies from relocating factories in Mexico – but reopening USMCA is seen as a dangerous proposition.

Opening up USMCA to make a change or two may sound relatively simple, says American Farm Bureau Federation Senior Director David Salmonsén, but it’s not. The fear is that once the trade pact has been opened, it’s hard to shut it back down.

“Maybe Canada or Mexico wasn’t totally happy with something they agreed to ... and then they say they want more changes,” Salmonsén said.

If Lighthizer can’t placate Pelosi and other Democrats without agreeing to reopen USMCA, it’s unclear if a resolution can be had. It’s also unclear how Pelosi would react if the White House sends the USMCA implementing language to the Hill before an agreement is reached with House Democrats. Kent Bacus, director of international trade and market access for the National Cattlemen’s Beef Association, says he doesn’t believe the Trump administration would take that risk.



*U.S. Trade Representative
Robert Lighthizer*



Kent Bacus, NCBA

“Until she feels comfortable with the terms of agreement and her caucus feels like they can support it, I don’t think the White House is going to gamble sending it up (to the Hill) without being sure ... this will pass.” he told *Agri-Pulse*.

Once the implementing language is sent to Congress – and under the law it can now be sent at any time – the House has 60 legislative days to vote on it and then the Senate has another 30 days after that. But the last time a Republican president (George W. Bush) sent implementing language for a free trade agreement (the Colombia FTA) to the Hill over Democratic protests was in April, 2008. Pelosi was then Speaker and she changed House rules and shelved the pact.

Former House Agriculture Committee Chairman Frank Lucas, R-Okla., says he strongly supports a quick USMCA vote, but also stresses sympathy for Pelosi’s position and does not see reopening the trade pact as a possibility.

“I appreciate the challenge (Pelosi) has on the other side,” he told *Agri-Pulse*. “I just don’t see the Mexican government going any further than they’ve already gone to accommodate these negotiations. She’s in a tough spot.”

There may be another option, though, according to a cryptic speech by President Trump this week. Without giving any details, he said he has one or maybe two alternative plans.

“We have to get the Democrats to pass it,” he said, but then stressed that “if it doesn’t happen, I have a better plan, so don’t worry about it. You always have to have a plan B (or a) plan C, especially in politics.”

So far Trump is keeping the particulars of plans B and C to himself, but Bacus said he hopes it doesn’t come to that.

“I don’t think we’re ready to explore that because (USMCA) is still the best option in front of us,” he said. “This is something that almost everyone supports and it’s something that’s badly needed for the North American economy.”

H-2A rules changes would overhaul wage rates, cut farm expenses

A sweeping proposed overhaul of the H-2A farm labor program would have varying impacts on worker wages, while cutting farmers’ transportation expenses and reducing the number of applications farms have to file to import employees.

Farm groups and worker advocacy organizations are still studying the [489-page plan](#) to determine how it could affect individual growers and their workers, especially when it comes to the wages they have to pay H-2A workers.

The Labor Department proposal, known as an advanced notice of proposed rulemaking, includes a number of complex changes for calculating “adverse effect wage rates,” or AEWR, which set a floor for what farms have to pay workers.

Experts say the changes could lead to higher rates for supervisors and lower wages for rank-and-file workers. The wage rates are currently calculated based on surveys of rates for all workers in a region, regardless of whether they have supervisory responsibilities.

The wage rates have risen sharply in some states in recent years even as demand for H-2A visa grows, and there are wide disparities among regions.

Other changes, which were immediately welcomed by farmers, included a proposal to allow farmers to file a single application for workers they need at different times of the year, a concept known as “staggered entry.” Under current rules, for example, a farm must file separate applications for workers it needs at planting and those it needs at harvest. Under the proposal, a single application would suffice for both groups.

Another change would ease a requirement that farms who import H-2A workers also hire any domestic applicants who appear up to halfway through the season, a regulation known as the “50% rule.” Under the department’s plan, domestic workers wouldn’t have to be hired unless they showed up within the first 30 days.

“Based on preliminary reading there seem to be positive elements to this rule,” said Allison Crittenden, a director of congressional relations at the American Farm Bureau Federation. “We look forward to closely reviewing the new AEWR valuation and appreciate the efforts to make the process simpler, such as changing staggered entry and the 50% rule.”

In addition, farms would no longer be required pay transportation cost from the worker’s country of origin to the place of employment. Farms would only have to pay for transportation to the U.S. consulate or embassy where the workers obtain their visas.



Bruce Goldstein, Farmworker Justice

Farmworker advocates blasted the proposal, saying it would make it harder for domestic workers to get jobs and lower wages.

“The Trump Administration’s proposal would make it easier for farmers to bring in temporary foreign workers under substandard wages and working conditions, denying these valuable workers the economic and democratic freedoms on which this country is based,” said Bruce Goldstein, president of Farmworker Justice.

Eliminating the 50% rule would make it significantly harder for domestic workers to find jobs on farms, and the changes in calculating workers could significantly reduce wages, according to his group.

The United Farm Workers said the plan “would make it easier to deny jobs to domestic farmworkers so growers can hire more temporary foreign agricultural guest workers and pay them less, thereby depressing pay for domestic workers. Although there are many undocumented

farmworkers, there are also many legal residents and U.S. citizens who would be victims of Trump's changes in the H-2A program," the group said.

H-2A would continue to be restricted to seasonal workers, limiting its usefulness to dairy producers and other sectors that want year-round workers. Experts say making the program year-round would require Congress to change the law.

Demand for H-2A applicants has been increasing sharply ever year. The number of certified H-2A positions reached 242,762 in fiscal 2018, a 21 percent increase over 2017, and three times the 82,000 jobs that were approved in 2008.

Processing of applications has slowed in recent months, and farms also have been complaining about the AEW, which reached \$15.03 an hour this year in Oregon and Washington. Rates in other states vary from a low of \$11.13 in Alabama and Georgia, to \$12.23 in Oklahoma and Texas, \$13.92 in California and \$14.38 in the Dakotas, Kansas and Nebraska.

The rates are currently based on the gross hourly rate for field and livestock workers, based on the semiannual farm labor survey compiled by USDA's National Agricultural Statistics Service. Supervisors, agricultural inspectors, graders and sorters of animal products, agricultural equipment operators, construction laborers, and crop laborers are all the assigned the same state or regional rate.

In the proposal, the Labor Department says it's "concerned that the current AEW methodology may have an adverse effect on the wages of workers in higher-paid agricultural occupations, such as construction laborers and supervisors of farmworkers." So, the department wants to start calculating separate rates for specific agricultural occupations.

Michael Marsh, president and CEO of the National Council of Agricultural Employers, gave an example of how basing wage rates on occupations could affect wages: Under current rules, if tomato pickers receive an average of \$15 an hour and supervisors get \$30 an hour, the AEW would be calculated as the average of the two: \$22.50. If the occupations were calculated separately, the AEWs would be \$15 and \$30 respectively.



Michael Marsh, president and CEO of the National Council of Agricultural Employers

There are still some concerns about the accuracy of the NASS labor survey. Veronica Nigh, an economist with the American Farm Bureau Federation who has studied the issue, said **the large swings in average wages is likely due to some outlier surveys, rather than major changes in the labor market.**

The president of the California Farm Bureau, Jamie Johansson, welcomed the Labor Department proposals, saying it "would streamline certain aspects of the program and expand it to include additional forms of agriculture, such as reforestation work." He said the program has not been flexible enough for many California operations, noting that only 6% of producers surveyed this year about employee shortages said they used H-2A.

Five questions for Senator Jeff Stone

The diversity of the district Republican Senator Jeff Stone, R-Riverside County, represents has led to a lineup of unique pairings this legislative session. He has defended the insecticide chlorpyrifos against a ban in two hearings, while co-authoring bills with some of the most liberal senators in the legislature.

Stone is proud of the Temecula wine country he helped revive as a city councilmember. He was a “gentleman farmer” himself, having run a small vineyard and bottled a wine that once beat his Northern California competition in blind tasting competition.

His Senate District 28, which stretches across most of Riverside County, also has a well-established dairy industry and produces table grapes and olive oil. It touches progressive coastal enclaves, runs to the desert border with Arizona and includes part of the Sultan Sea.

Stone spoke with *Agri-Pulse* on the role his science background as a pharmacist plays, his takeaways on the governor’s priorities and how Republicans are viewed in Sacramento. The conversation has been edited for brevity.

1. What are some of the top concerns that the ag industry has brought to your desk?

I would say that the Temecula wine country is probably the biggest part of my legacy. I've been an elected official now for 27 years. When I was on the Temecula City Council, the wine country was in its infancy. It was hit really hard by Pierce’s disease, with the glassy winged sharpshooter, and 20% of the vines in Temecula were destroyed. It was a big part of our tourism attraction.



Sen. Jeff Stone, R-Riverside County

I worked with Senator Feinstein and other congressmembers. We secured \$13 million in grants to fund research at the University of California, Riverside. Fast forwarding, I was on the board of supervisors during that transition as we found the cure and started treating the vines and I was getting calls as a county supervisor to rezone a lot of large swathes of vineyards to medium-density residential from the largest home builders in the country. I recognized at that point in time that our wine country could be gone as fast as we put it together.

So, one of my goals as on the board of supervisors was to preserve the wine country... Our wine country last year brought in over a billion dollars.

2. You sat in two committees that heard arguments over SB 458, a bill to ban the pesticide chlorpyrifos. Was that the first time you encountered a bill like this, that overrides regulatory agencies?

No and I'll give you an example. I'm a pharmacist by profession. There's actually an effort underway right now (by CalEPA) to classify Tylenol as a Prop 65 issue, which requires a cancer warning.

The legislature, to a fault, looks for a problem – even if the problem isn't real or significant – to come up with a solution. But they don't realize that their solutions often either frighten people or put people out of work.

If you listen to the testimony on this particular insecticide, it is used rarely. We always use something that is known to be less toxic to accomplish the goal. But there are some instances where you have to use this insecticide or you can kiss certain agricultural industries goodbye because the pests are going to kill the product.

Sometimes we get into the weeds on bills. We talk about people who have gotten sick, who have become exposed to some of these insecticides. But these are allegations; these aren't proven. In the rare cases where the allegations are true, it's somebody who really hasn't followed the safety handling precautions on the product and as a result got sick.

The legislature likes to broad-brush legislation to eliminate things. The last thing the industry wants is to do something that's going to poison the people who are consuming the product. If anybody knows and studied this more, it's really that the professionals are the farmers...

Monsanto is a big company and the legislature isn't real fond of Monsanto, because of bioengineering and GMO products. Sometimes we try to nurture technology in the state of California, being basically the capital, in Silicon Valley, of research and development. Then, unfortunately, when they become too successful, the legislature tries to put the brakes on their success, as you can see with AB 5. That's going after Uber and Lyft right now and trying to basically destroy their employment model, which has helped so many people who need extra income and on their own schedule and on their own time. By imposing these labor regulations on them, it's going to have a dramatic effect on people's lives. It's no different than we see in the agricultural community.

(SB 458 author Senator) Durazo doesn't come from a scientific background. She's not a farmer. She's not a scientist. She's a labor organizer. A labor organizer has no business in understanding the toxicology of insecticides. She's just relying on the sponsors of the bill, who want to further protect the environment from insecticide use.

3. How has the political makeup changed in the legislature since you've been in office?

When I came into the legislature (in 2014), we were fortunate in that we had 15 (Republicans). We took the supermajority away from the Dems to raise taxes, give constitutional amendments and things like that. We had a little bit more clout. But when Trump was running for office, it created a schism within the Republican Party. He was viewed as toxic by many in the Democrat

Party. Unfortunately, California is a very blue state and the voters took their anger out on our congressional delegation and on some of our Senate delegation and our U.S. Congress numbers declined.

We saw our State Senate and Assemblymembers decline to the point where Democrats just see us as a nuisance. They can do whatever they want with or without us in the capital.

I've always had the attitude of working hard with the other side and pretending as though we have better numbers. But this forces us to work in a bipartisan way. Some people could look at the glass half empty. I look at the glass as half full.

Who would have ever thought that Jeff Stone, one of the most conservative members of the legislature, is a co-author of seven bills with the most liberal member of the legislature, Senator Wiener of San Francisco?

4. What's your impression of the 2019 legislative session to date?

Part of the legislative session is to really figure this governor out. There's been a lot of frustration – I know more on the Democrat side than the Republican side, because we don't typically have a lot of interaction with him. With Jerry Brown, he had an open-door policy... This governor's kind of standoffish – not just with me but even the Democrats. He has his own agenda. The issue is that he's running the state as a candidate for president in 2024, instead of running the state with albeit a lot of problems as governor. And we have so many severe problems... There's a flight of businesses out of the state of California because we just overregulated our businesses so much and decimated the middle class.

I've never seen a governor flip-flop on so many issues as this governor has flip flopped on. He gives you his direction one day and changes it the next. He's constantly got his finger in his mouth and checking the winds and seeing which way they're blowing before he makes the decisions. If there's an atmospheric shift, then the next day you read that he was misinterpreted, and this is really what he meant.

It's going to be a learning experience now to see where he's going to be on a lot of these bills that Jerry Brown has vetoed in the past. The Democrats are testing this governor to see if he's going to be as tough on some of their legislation that will have a dramatic effect on agriculture and certainly other businesses in the state of California.

5. Anything else you would like to say to the agriculture community?

I've always been a strong advocate for the ag community...

You may remember that ag workers were allowed to work 60 hours a week, without getting overtime. And they loved it because they made a lot of money to help their families here... When (Assemblymember) Lorena Gonzalez, per the union's influence, said they needed to be treated like every other employee in the state of California, I met with workers who said, "We don't want that. She's doing something that we don't want. We like the 60 hours. We get paid well for what we do." I warned my colleagues on the floor that just by enacting this you're not going to get overtime for these 20 extra hours for these farmworkers. It is commodity price driven.

Instead of having two people working 60 hours a week, which is 120 hours, they're going to have three people working 40. You're hurting the people that you are trying to protect. They didn't listen to us. As a result, there's been problems now because a lot of these migrant farming employees have gone to other states.

Barnyard groups sound the alarm for improved trade, regulations

Producers from all phases of livestock production were in Washington Tuesday with a message: Something has to change.

Be it in the administration's trade policies, treatment of contract growers by meatpackers, or a stalemated trade agreement, the status quo needs some improvement, farmers from a wide variety of geographies and production systems told lawmakers and reporters.

Livestock and poultry groups say retaliatory trade tariffs are costing their industries billions in decreased sales and loss of potential market growth.

Representatives of the pork, turkey, poultry, cattle, and sheep industry shared those concerns during a House Agriculture Subcommittee hearing Tuesday.

"We can't urge you enough to keep these trade doors open," David Herring, president of the National Pork Producers Council, said at the hearing.

Herring noted in his testimony pork producers are losing "\$8 per animal, or \$1 billion on an annualized, industry-wide basis" because of China's 62% tariff on pork.

If the tariffs weren't in place, U.S. pork producers would be in a prime position to supply China with the pork they need while the country combats African Swine Fever, he added.

Subcommittee Chair Jim Costa, D-Calif., said the administration's "tariff-like attitude" hasn't helped long-standing issues for producers.

"I grew up on our family's farm with the notion that farmers, ranchers, and dairymen are price takers not price makers," Costa noted.



Figure 1 David Herring, NPPC

The trade war with China has also been challenging for U.S. wool exports to the country. Since the tariffs were implemented, "we have seen raw wool exports drop by 85% and sheep skins drop by nearly 70% in value," Steve Salman, operations manager for the American Sheep Industry Association said.

Hearing witnesses also called on Congress to ratify the U.S. Mexico-Canada Agreement as soon as possible. Costa told reporters he's hopeful House Democrats can reach an agreement with President Donald Trump on the pact by the fall.

Aside from trade policy, the groups also said labor remains a substantial concern for their members.

“You can’t raise more birds without more people,” Minnesota turkey farmer John Zimmerman said. “We’ve gone down the automation route. A lot of the processing plants have increased automation but at the end of the day, you still need people in those plants to do things.”

The processing industry, he emphasized, is different from the vegetable industry: It needs labor all year and not just during the growing seasons.

Minnesota Republican Jim Hagedorn agreed with needed changes to the immigration system, but stressed workers should come to the U.S. legally. “Until we secure the borders, until we have an immigration system that works, that can’t be circumvented, those programs are worthless.”

The Trump Administration on Monday announced a proposed rule to enact changes in the H-2A farmworker visa program, including streamlining the application process and addressing wage calculation.

Got hemp? A handful of states still working on laws

From the Southeast to New England, the Pacific Northwest to the mid-Atlantic, and most places in between, states are embracing hemp as a welcome alternative for growers struggling with low commodity prices.

But there are still a handful of outliers.

Most states passed laws quickly and without controversy, responding to the desire in the farm community for a versatile crop that has myriad potential uses. Texas became the latest to pass a hemp legalization law last month, and shortly thereafter New Hampshire’s legislature passed a law allowing the crop to be grown, processed and traded in the state but set up a committee to look at how to implement a hemp program.

Those actions brought the number of states with hemp laws to 46, leaving just four without a pathway for growers to hop on the hemp bandwagon: Ohio, South Dakota, Mississippi and Idaho.

Three of those are working to address the subject, while in Idaho, legislation to allow hemp farming died this spring, and the state’s attorney general has declared that hemp containing any amount of tetrahydrocannabinol (THC) is, for legal purposes, marijuana and cannot be cultivated. According to the farm bill, hemp cannot contain more than 0.3% THC.

Both Ohio and Mississippi are on the path to legalization. A bill in the Ohio legislature has plenty of support, say hemp advocates, but lawmakers there have been preoccupied with passing a budget; they recently had to approve a temporary spending measure after failing to pass a two-year funding bill.

“Our farmers support it. Many of the members of the legislature support it,” said Tony Seegers, director of state policy for the Ohio Farm Bureau Federation. “Two or three members of the House Ag Committee said it was their top priority when it was first introduced.”

But “the budget is taking up a lot of oxygen in the room,” Seegers said. He hopes that when the budget battles recede, the legislature will pass hemp legislation, which already has cleared the House Ag Committee.

Seegers says hemp has the potential to be Ohio’s third biggest crop, after corn and soybeans. “From my understanding, it’s pretty hardy,” he said, also mentioning its versatility. Its outer fiber can be used in industrial applications from electronics to building materials (think hempcrete), its seed can be a food ingredient, and its flowers are a source of cannabidiol (CBD), a chemical compound widely touted as a treatment for aches and pains and anxiety, although the FDA has only approved one drug with CBD so far.



Tony Seegers, Ohio Farm Bureau

The bill on hold in Ohio is modeled after the law in Kentucky, where hemp has been grown since 2014 under a pilot program allowed by the 2014 farm bill. Setback requirements for growers are included to minimize the chances of cross-pollination with marijuana grown for medical purposes, and growers and processors both must be licensed by the state.

"Applicants have to demonstrate they have the financial wherewithal" to start growing or processing, Seegers said. Though OFBF expressed some concern about those provisions, Kentucky officials said it was important not to rush into the hemp market, Seegers added.

Kentucky has seen its market grow steadily. In 2014, the first growing season, 33 acres were planted. This season, the state’s department of agriculture has approved more than 100 licenses covering 42,000 acres, a 26,000-acre increase from last season.

In South Dakota, the outlook for hemp legalization is cloudier because of Republican Gov. Kristi Noem, who vetoed legislation in March that would have allowed hemp production. She said she was concerned about how law enforcement would distinguish between hemp and marijuana in transportation and about the connection between hemp and marijuana legalization.

"I am concerned that this bill supports a national effort to legalize marijuana for recreational use," she said in her veto statement. "There is no question in my mind that normalizing hemp, like legalizing medical marijuana, is part of a larger strategy to undermine enforcement of the drug laws and make legalized marijuana inevitable."

“Our state is not yet ready,” she said. Noem’s veto barely survived legislative override attempts, falling a couple of votes short in the state Senate.



Gov. Kristi Noem, R-S.D.

Caleb Finck, a Republican state representative and co-sponsor of the legislation, said he did not agree with the governor, and hopes that a legislative committee meeting over the summer can agree on recommendations by the end of the year, at least.

But there's still the matter of getting legislation passed during the 40-day legislative session that kicks off in January. The House and Senate are made up of "105 different people from varying backgrounds," he said, point out the difficulty of getting legislation through.

Lee Qualm, South Dakota's House majority leader and chairman of the legislative committee, says there's more than enough interest in growing hemp in South Dakota. "I've been in the legislature for seven years," he said. "There's not been a topic I've received more comments on than growing hemp."

"I'm not going to say it's going to be the salvation of the family farm," he added. However, "It has a lot of potential" because of its versatility.

Noem, however, still has concerns. Press Secretary Kristin Wileman said Noem, a farmer and former small business owner, "would love to expand markets through new, safe, proven commodities that will put more money in the pockets of small business owners and producers."

However, industrial hemp "failed to meet those qualifications when we looked at this issue last session," Wileman said. "Serious questions remain about the impact on public safety, enforcement, and costs to the taxpayers. The Department of Agriculture in Washington hasn't put out federal guidelines yet, and the FDA hasn't approved CBD oil, which remains illegal in our state in most cases. We still have a lot more tough questions than we have good answers when it comes to hemp."

USDA is working to have regulations in place by this fall in time for the 2020 growing season, and FDA recently said it is "expediting" efforts to come up with CBD regulations.

Mississippi is also working to come up with an agreement on hemp cultivation. A Hemp Cultivation Task Force met July 8 and will meet again Sept. 25, with a charge to consider "the potential of hemp cultivation, market potential, and potential job creation in Mississippi."

Mike McCormick, president of the Mississippi Farm Bureau Federation (MFBF), said he expects the task force will look closely at Kentucky's law as a template for Mississippi's. The interest is there: "Everyone's hurting right now," he said.

Andy Gipson, the state's commissioner of agriculture and commerce, is chairing the task force, which also includes Andy Whittington, environmental coordinator with the MFBF.

McCormick said to some extent, the state is waiting on regulations and guidance from USDA and FDA. "We're really waiting on them at this point," he said.

Advocates see states as best path forward for right to repair laws

Growing farmer frustration over not being able to repair farm machinery without getting the dealership involved has led to Right to Repair legislation popping up in more states across the country over the last 5 years. Advocates say ag manufacturers and major farm groups are standing in the way from legislation being implemented but companies say they have no problem with farmers wanting to repair their equipment.

Right to Repair is legislation allowing consumers the ability to repair and modify their own electrical devices, including farm equipment.

Not being able to repair equipment in a timely manner is frustrating for many farmers who live several miles from a dealership and are constantly at the mercy of Mother Nature.

“A beautiful stand of wheat can be wiped out in a hailstorm just in the blink of an eye,” certified organic farmer Tom Schwarz of Nebraska, *tells Agri-Pulse*. “Every minute you have to be in the field, you have to be in the field.”

Schwarz has a good relationship with his dealers when it comes to repairing equipment but said that’s not the case with everyone.

“Those guys should have the ability to bring in a third party or be able to repair it themselves,” he said.

Schwarz believes in the ability to repair products. That is why he began advocating for state legislation on Right to Repair some four and half years ago. “Farmers fix stuff, that is what he we do,” he said.



Gay Gordon-Byrne, Repair Association

Gay Gordon-Byrne, executive director of the Repair Association, said there are about 20 states that have introduced some type of Right to Repair legislation. The first bill was introduced in South Dakota in 2014 but was defeated.

Byrne said since then, the number of bills being introduced has grown. In 2015, 4 bills were introduced; This year, 20 bills have been introduced.

“There have already been states asking for help preparing for 2020,” Byrne noted.

Those 20 states (listed alphabetically) include: California, Georgia, Hawaii, Illinois, Indiana, Massachusetts, Minnesota, Missouri, Montana, Nevada, New Hampshire, New Jersey, New York, North Dakota, Oregon, South Dakota, Vermont, Virginia, Washington and West Virginia. Louisiana has already pre-filed for 2020.

While Byrne said the increasing number of bills is good, the biggest challenge is getting state politicians to vote for this legislation because they fear upsetting manufacturing companies.

“When a big powerful company, let’s say Apple or John Deere comes knocking on their door saying ‘this is going to be terrible,’ they want to make those companies be their friend,” Byrne said.

This puts politicians in a tough spot having to please both farmers and Ag companies, so they ultimately reject the legislation.

Companies such as John Deere, a member of the Association of Equipment Manufacturers, say they don’t disagree farmers should be able to repair their own equipment but have modification concerns surrounding safety, sustainability, and innovation.

“To the extent the owner has the right to lawfully repair his or her equipment, Deere recommends against unauthorized modification of the embedded software code,” said Ken Golden, director, global public relations, at Deere & Company. “The embedded software code is designed and tested to ensure a positive and safe experience for customers.”

He added customers may choose to have service provided by John Deere dealers, where "trained technicians provide expertise and assistance with service issues in the shop or, in many cases, remotely in the field."

“Manufacturers have invested in developing embedded software code to ensure the equipment operates safely and accurately and meets all applicable emissions standards,” Golden said.

Byrne said it seems likely that push back from big companies is why there hasn’t been much activity for national legislation in the agriculture sector.

She noted the state legislative path is a more practical route for Right to Repair legislation because states can require manufacturers to comply with their specific law in order to do business in their state.

“Federally, the copyright has some control, but (the government) have already done nearly everything they can to make it clear that repair is legal,” Byrne said.

Several farm organizations have gone on the record in support of Right to Repair policies.

At this year's Commodity Classic, members of the American Soybean Association debated for several minutes on how exactly their policy language should read surrounding the Right to Repair. Ultimately, they settled with, “ASA supports the agricultural producer’s right to repair equipment and machinery.”

The American Farm Bureau Federation also has policy to support the "right to repair one's own equipment" and legislative action "to require agricultural equipment manufacturers to allow equipment owners and independent repair facilities to have access to the same" diagnostic information available at company dealerships.

In February 2018, AEM and the Equipment Dealers Association in the U.S. issued a statement of principles, committing to steps to assist customers who want information to repair their own equipment. This came after they heard from farmers wanting access to this information.

“By 2021, we will provide the repair and diagnostic tools (farmers and ranchers) are asking for,” said Stephanie See, director of state government relations, at AEM.

By 2021 AEM’s offerings will make it easier to diagnose, maintain and repair equipment through a plug-in tool and onboard diagnostics, she added.

“This commitment that we’ve made to farmers is outside of any governmental policy,” See said. “We will be doing this regardless of where the debate of Right to Repair is happening.”

News Briefs:

Legislation would increase inspectors of imported agriculture goods. Bipartisan legislation has been introduced in the Senate to address the current shortage of agriculture inspectors at the border. Michigan Democrats Gary Peters and Debbie Stabenow along with Republicans Pat Roberts of Kansas and John Cornyn of Texas introduced the bill to increase the focus on agriculture inspectors at U.S. borders who “prevent the intentional or unintentional entry of harmful plants, food, animals and goods into the United States,” according to a [release](#) announcing the bill. The Protecting America’s Food & Agriculture Act of 2019 would give the [U.S. Customs and Border Protection \(CBP\)](#) the ability to hire additional inspectors to work at the different ports of entry throughout the nation. “Ensuring the safety and integrity of goods and products coming across our border is a priority, and this legislation would help alleviate the shortage of agricultural inspectors tasked with this important job,” Cornyn said. If passed, the act would authorize hiring 240 CBP agricultural specialists each year until a shortage is filled, and 200 agricultural technicians each year for administration and support. It also supports the training and use of 20 new canine teams each year that are used to detect flaws or hazards not detected on initial inspection. Barb Glenn, CEO of [National Association of State Departments of Agriculture \(NASDA\)](#), said, “NASDA strongly supports funding for additional staff and canine units to enhance and maintain a framework designed to protect our nation’s food and agriculture through education, research, prevention, monitoring and control.”

Fruits and vegetables are affordable way to meet dietary guidelines. The average American does not meet the fruit and vegetable dietary guidelines set forth by the [U.S. Department of Health and Human Services](#) because of several reasons. Cost, in particular, has been cited as a possible barrier to higher fruit and vegetable consumption, especially for low-income households, according to USDA's Economic Research Service. But a recent analysis shows that cost should not be a barrier. The [2015-2020 Dietary Guidelines for Americans](#) recommends an average American to need “2,000 calories per day, including 2 cups of fruit and 2.5 cups of vegetables.” According to USDA consumption studies however, most Americans do not even come close to that goal, “consuming only 0.9 cups of fruit and 1.4 cups of vegetables per day.” ERS researchers calculated average costs to consume 24 fresh fruits, 40 fresh vegetables, 38 processed fruits, and 52 processed vegetables (including legumes), measured in cup equivalents. In 2013 the cost to consume the recommended 2 cups of fruit and 2.5 cups of vegetables ranged from \$2.10 to \$2.60. Retail fruit and vegetable prices rose 2.2 percent from 2013 to 2016, and then a modest 0.4 percent during 2017 and 2018. Despite the small price increases, in 2016 ERS researchers found the price range was still the same. Eight out of 62 fresh and processed fruits cost less than 40 cents per cup equivalent in 2016, and another 21 fruits cost

less than 80 cents per cup equivalent. Fresh whole watermelon, at 20 cents per cup equivalent, and apple juice (made from concentrate), at 26 cents, were the lowest priced fruits, while fresh blackberries, fresh raspberries, and canned cherries were the most costly.

Mining merger in Nevada could affect surrounding ranches. A merger between Barrick Gold Corporation and Newmont Goldcorp Corporation in Nevada could displace and affect surrounding ranches and land owners. Newmont previously held large assets in the area have now been transferred to Barrick to form the Nevada Gold Mines LLC. Dr. J.J. Goicoechea, DVM and chairman of the Eureka County Commissioners told the Western Livestock Journal that there was, “shock in the area [when] the companies let several ranch managers go rather suddenly. He opined that the affected ranches will likely come under “one umbrella” and be leased out.” Multiple ranches of size were included in the merger, including Elko Land and Livestock which covers, “about 1.2 million acres across 19 BLM allotments in northeastern Nevada, and runs 11,500-15,000 head of cattle,” from a report by the Elko Daily Free Press. Other ranches include the Horseshoe Ranch, the IL Ranch, and others to equal over 2.5 million acres. George Fennemore, head of Nevada Gold Mine’s permitting, land and ranches said “As part of this agreement, Elko Land and Livestock Co. (ELCo.) remains its own entity, but all of ELCo.’s Nevada assets have become part of the joint venture.” Multiple rumors have circulated about the merger and who will ultimately end up managing the rangeland covered within the allotments now considered part of Nevada Gold Mines LLC. Barrick President and CEO told Globe Newswire “Its creation was driven by a compelling logic which had long been evident to all but had been elusive for two decades until we finally achieved a breakthrough this year.” The Nevada Gold Mines LLC. are said to be planning to review the operations and ranches currently running in the state and determine how to move forward regarding the management of the land, in the coming months.

Corteva to sponsor Farming Simulator esports league. A global agribusiness is throwing its support behind a competitive farming esports league for its upcoming 2019-2020 season. Corteva Agriscience will be the lead sponsor of the Farming Simulator League and all 14 of its tournament events for the coming year. The move also allows players of the game to use branded products such as Pioneer seed and Corteva crop protection products on their virtual farms. In a statement, GIANTS Software CEO Christian Ammann said inclusion of the products “will enhance the experience and excitement for players.” Corteva, he noted, is the first company with branded product seeds and herbicide in the game. Corteva Global Brand Manager Steve Betz said the company was “eager to join the vibrant Farming Simulator Community and offer the opportunity to experience our products in the game.” In an email to *Agri-Pulse*, a Corteva spokesman declined to note the financial commitment of the sponsorship. The league runs in Europe from July 2019 to the summer of 2020 as teams of gamers will face off for the title of “Farming Simulator Champion” in 3 vs 3 competitive game modes. According to GIANTS, 250,000 euros in cash and prizes are up for grabs across the entire tournament.

Farm Hands: Changes at EPA, United Fresh

Peter Wright was confirmed by the Senate 52-38 to serve as the assistant administrator of the Environmental Protection Agency for the Office of Land and Emergency Management. Wright has been serving as special counsel at the EPA, and previously in his career worked for nearly 20 years as managing counsel at Dow Chemical.



Amanda Griffin

The United Fresh Produce Association promoted **Amanda Griffin** to vice president of education and program management. Griffin previously worked to support the organization’s meetings and member programs. She joined United Fresh in 2013, and continues to manage its Produce Industry Leadership Program.

San Miguel Produce Inc. has tapped **John Killeen** to serve as vice president and general manager. Killeen most recently worked at Mastronardi Produce-West where he was director of business development. He

began his career at Dole Fresh Fruit and then went Tanimura & Antle where he focused on the Canadian market. He has also worked for New Star Fresh Foods LLC as vice president of marketing and sales, and Muranaka Farm Inc. before joining Mastronardi’s West Coast location in 2017.

Organically Grown Co. has promoted **Mike Boyle** to vice president of sales and sourcing and Bryce White has been hired to serve as vice president of business operations. Boyle joined the company in 2013 and most recently served as director of sales and business development. Previously in his career, Boyle worked for Whole Foods Market and was the director of produce for Andronico’s Community Markets in San Francisco.

Western Growers Insurance Services hired **Jodi Martin** as director of employee benefits account management. Martin brings over 30 years of experience in the insurance industry with an emphasis in agriculture. She most recently worked at Barkley Risk Management & Insurance as the director of benefit services and previously served as the senior vice president of strategic planning and development at United Agricultural Benefit Trust.

Alex Noffsinger is the new legislative assistant for The Russell Group. Noffsinger previously worked for the National Association of State Departments of Agriculture, where he focused on international trade policy issues and domestic marketing issues.



Alex Noffsinger

Mike DeFilippis moves to the office of Rep. **Liz Cheney**, R-Wyo., to serve as a legislative assistant covering the agriculture and food, energy, foreign trade, and public lands and natural resources portfolios. DeFilippis previously served in the office of Rep. **Don Young**, R-Alaska, as his senior policy adviser.

Isabelle Bock is Rep. **Nanette Diaz Barragán**’s, D-Calif., newest staff assistant. Bock previously served as an intern for Rep. **Ro Khanna**, D-Calif., and Rep. **Paul Tonko**, D-N.Y.

AgBiome Innovations hired **Adam Burnhams** to serve as the new vice president of market and customer strategy. Burnhams previously served 10 years at Sipcam Agro USA, most recently as vice president of marketing and sales. Before Sipcam Agro, Burnhams worked for BASF Agricultural Products and American Cyanamid in the U.S., Germany and the UK.

The USA Rice Farmers have appointed **Nicole Montna Van Vleck**, a California rice farmer, as the new chair of the organization and **Kirk Satterfield**, a Mississippi rice farmer, as vice chair. Van Vleck succeeds **Joe Mencer**. There also was a change in leadership for the USA Rice Council with Arkansas rice farmer **Byron Holmes** named the new chair, succeeding Mississippi rice farmer **Marvin Cochran**. Each new appointee will serve a two-year term that begins August 1, 2019.



Left: USA Rice Farmers, Joe Mencer and Nicole Van Vleck. Right: The Rice Council, Marvin Cochran and Byron Holmes.

Best regards,

Sara Wyant

Editor

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