Institute of Ag Professionals

Proceedings of the

2015 Minnesota Crop Production Retailers
Plenary Session

Tuesday, December 8

www.extension.umn.edu/Ag-Professionals

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What Will Washington Dream Up Next?

Daren Coppock
December 8, 2015
Outline

- Macro Issues on fire
- ARA policy issues
  - PSM, WOTUS & others
- ResponsibleAg report
- Election speculation
Macro Political Issues
Macro Issues

• Highway bill
  – Attempt at pilot

• Immigration – EO/SCOTUS, Syrian refugees

• Omnibus appropriations
  – Tax Extenders & Policy Riders
Controversial Omnibus Provisions Could Cause Shutdown

Omnibus Appropriations Issues That Potentially Affect Final Passage

**Syrian Refugee Resettlement**
Although Republican lawmakers have drafted standalone refugee-related legislation, their bills are unlikely to pass the Senate or be signed by the president. Conservative lawmakers are considering attaching policy riders to the omnibus budget bills that would block refugee resettlement. Senator John Thune (R-SD) suggested there would be some Democratic support for such a measure, but attaching such a polarized issue to a must-pass budget is virtually guaranteed to generate controversy.

**New Spending Allocations**
The recent budget deal provides an additional $30 billion for fiscal year 2016, but does not specify how the funds should be divided among appropriations committees. Frustrated Democratic lawmakers, who are upset with the allocations chosen by Republicans, could provide additional votes against a final package.

**Environmental Regulations**
Republican lawmakers and leadership have pledged to use spending bills to block environmental regulations finalized by the Obama administration this year. The EPA’s Clean Power Plan and updated “Waters of the United States” rule are being targeted in particular, although Democrats managed to keep such provisions out of last year’s spending bill.

**Financial Regulations**
Republican lawmakers are expected to propose changes to Dodd-Frank that are supported by some moderate Democrats, such as a change that would decrease the number of banks subjected to increased scrutiny by the Federal Reserve. Liberal Democrats, led by Senator Elizabeth Warren, could oppose the spending package altogether if these reforms are seen as too far-reaching.

**Crop Insurance Subsidies**
The budget deal saved the government $3 billion via cuts to the crop insurance program. House leaders promised members from farm states that the omnibus bill would replace the cuts with other revenue sources, but Senate Minority Leader Harry Reid (D-NV) is opposed to reversing subsidy cuts.

Ag Retail Policy issues
PSM Timeline

- Safe Handling of AN Act - 2007
- West Fertilizer 4/17/13
- EO 13650 issued 8/1/13
- OSHA RFI Issued 12/9/13
- ARA on record to CSB – 11/26/13
- ARA Comments on RFI – 3/10/14
- Alliance formed 2/4/15
- ARA, TFI file suit 9/18/15
- OSHA extends deadline to 7/22/16 10/20/15
- Expected court resolution 8/2016
- ARA, TFI meet with OSHA 7/31/15
- ARA Letter to OSHA 8/3/15
- OSHA Policy change 7/22/15
PSM Problems

- Phase-in Time
- ResponsibleAg
- Matching the Action to the Problem
- Unknown Benefits
- Substantial and Underestimated Cost
- Rulemaking vs. Interpretation
- Violates EO 13563
- Bandwidth
- Alliance Partnership
What could go Wrong?

The Process

MOC

Training

Operating Procedures

MI

Hot Work Permits

Training

Contractors

Audits

PHA

Physical & More

PSI

Contractors

Em. Resp.

Incident Invest.

Dealing with Change

Employee Participation

Maintaining it

Running it
## PSM Elements

<table>
<thead>
<tr>
<th>RMP-2</th>
<th>Changes to</th>
<th>Added</th>
</tr>
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<tbody>
<tr>
<td>Safety Information</td>
<td>Process Safety Info.</td>
<td>Employee Participation</td>
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<tr>
<td>Hazard Review</td>
<td>Process Hazards Analysis</td>
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<td>Operating Procedures</td>
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<td>Pre-startup safety review</td>
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<td>Training</td>
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<td>Compliance Audit</td>
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<tr>
<td>Emergency Response</td>
<td>Formal plans beyond just coordination</td>
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</table>
PSM Actions

- ARA/TFI Court Challenge
- Legislative
- Compliance assistance to come
Other Policy Issues
Other ARA Issues

- EPA Rulemaking proposals
  - Worker Protection Standards
  - Applicator Certification
  - RMP revisions and program level changes
  - WOTUS
Outlined area is the farm property in question.
~200 Acres
The Corps’ map of the property that identifies all of the features that the Corps’ considers streams and wetlands.
WOTUS

This image of the property marks the “jurisdictional” streams as they were identified in the Corps’ maps.
WOTUS

• The application from a mechanical applicator - sprayer, spreader, or nozzle - of any “pollutant” in any amount into a WOTUS requires a section 402 NPDES permit.

• A permit is required even if the WOTUS is dry at the time of application.

• Pollutants include, among other things:
  – chemical or biological pesticides (herbicides, insecticides, fungicides and coated seeds)
  – fertilizers (nitrogen, phosphorus, potassium and micro nutrient)
  – manure and manure products (including compost)
Other EPA actions

• ESA and Pollinator court challenges
  – New active ingredients challenged under ESA
  – Chlorpyrifos – revoke all food tolerances

“EPA is currently performing additional analysis related to its hazard determination in order to make certain that any final decision protects infants and children. Once completed, this hazard assessment, if warranted, would inform a final tolerance revocation rule.”

• Product cancellations – new precedent
  – sulfoxaflor
Other Public Policy Highlights

- Des Moines Water Works
- Nutrient Management
- GMO Labeling
- Positive Train Control
- Chemical Site Security
Power of Association
• 1545 Retail Sites
• 225 unmanned satellites
  – 68 total of both in MN
• 12 manufacturers
• 3 importers
• 8 wholesale/distributors
• 81 terminal/warehouse
• 80 credentialed auditors (+ 8 pending)
• 437 assessments completed (+ 525 scheduled)
• 77 certified facilities (2 in MN)
Advocacy

Take Action

- Pre-populated, editable letters
- Legislators pre-selected
- Quick
- www.aradc.org
17 Republicans and Democrats Are Still in the Presidential Race

Democrat and Republican Candidates for the 2016 Presidential Election

- Clinton
- Sanders
- O’Malley
- Trump
- Paul
- Santorum
- Kasich
-侉ve
- Graham
- Gilmore
- Huckabee
- Kasich
- Pataki
- Rubio
- Santorum
- Trump

Notes
- Scott Walker and Rick Perry both dropped out of the Republican race in September
- Webb and Chafee decided to drop out of the Democratic race in October; Webb may run as an independent
- Vice President Joe Biden decided on October 21st to not run for president in 2016
- Lawrence Lessig dropped out of the Democratic race on November 2nd
- Bobby Jindal dropped out of the Republican race on November 17th

### What Leading GOP Candidates Have Promised on “Day One”

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<td>Immigration</td>
<td>Trump promises to begin deporting the nation’s 11 million undocumented immigrants, beginning with those who have criminal records or are otherwise dangerous. He has also promised to declare China a “currency manipulator.”</td>
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GOP Tax Plans Add Trillions in Red Ink

Rand Paul: $1.8 Trillion
Rick Santorum: $3.2 Trillion
Jeb Bush: $3.7 Trillion
Ted Cruz: $3.7 Trillion
Marco Rubio*: $6.1 Trillion
Bobby Jindal: $11.4 Trillion
Donald Trump: $12 Trillion

*Rubio’s score is for the plan that he released as a Senator in March 2015. The new plan that his presidential campaign recently released has not yet been scored.

Source: Tax Foundation.
Candidates Carson, Christie, Fiorina, Huckabee, and Kasich have not had plans scored by the Tax Foundation.
17 Republicans and Democrats Are Still in the Presidential Race

Democrat and Republican Candidates for the 2016 Presidential Election

Republican semifinalists

Former Governors

Nice guy outsider

Blow it up

Fresh New Face
Thank you!

Daren Coppock
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