California Association of Wheat Growers

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Newsletter

April 30, 2010

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In This Issue

Agricultural Vehicle Labeling Deadline - May 1, 2010

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By May 1, 2010, fleet owners that reported vehicles that qualify for the agriculture vehicle provisions in the Truck & Bus regulation are required to affix labels to both doors of qualifying agricultural vehicles. Section 2025(m)(9) requires that within 30 days of the March 31, 2010 initial reporting date, fleet owners must permanently affix or paint an AG identification label on each low-mileage and limited-mileage agricultural vehicle reported to the Air Resources Board. The label must consist of the letters "AG" in white block letters at least three inches high and be placed on a black background five inches high by eight inches wide. Labels must be placed on the left and right door of each vehicle and must been in clear view at all times. The label must be maintained in a manner that retains is legibility while the vehicle continues to utilize the agricultural vehicle exemption.

Under the provisions of the Truck and Bus regulation, vehicles reported as specialty agricultural vehicles will undergo a selection process to ensure that the limitations of no more than 2,200 vehicles statewide and 1,100 in the San Joaquin Valley are exceeded. The selection process, as defined in the Truck & Bus regulation, will begin as soon as all reports are processed and will be completed some time this summer or fall. For more information, please see the Truck & Bus Regulation Agricultural Vehicle Provisions fact
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sheet at www.arb.ca.gov/msprog/onrdiesel/documents/tbagfs.pdf.

Because it is possible that some vehicles that were reported as eligible for the specialty vehicle exemption may not ultimately be approved for the exemption, an exception will be made regarding the labeling timeline requirement. Vehicles that were identified as eligible for the specialty vehicle status and were also reported as able to stay below the mileage thresholds will qualify for the agricultural vehicle provisions regardless of whether or not the vehicle is ultimately approved for the specialty vehicle exemption; therefore, these vehicles must be labeled within 30 days. However, a vehicle that was reported as eligible for the specialty vehicle exemption but cannot operate below the agricultural vehicle mileage thresholds (does not qualify for the low- or limited-use agricultural vehicle provisions) will not be required to be labeled until they have received confirmation from the Executive Officer that the vehicle has been approved for the specialty vehicle exemption. The Executive Officer will inform all applicants whether or not the vehicle has been approved for the exemption after any discrepancies in the reported information has been verified.

For more information about the regulation, please visit our website at:
http://www.arb.ca.gov/dieseltruck

USDA Releases Major Report On Agricultural Transportation

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WASHINGTON, April 27, 2010 -- The U.S. Department of Agriculture today released to Congress a comprehensive report on agricultural transportation in the United States, the first ever of this magnitude. The report, Study of Rural Transportation Issues, was mandated by the 2008 Farm Bill and covers the four major modes of transportation commonly used by agriculture in the United States-truck, rail, barge, and ocean vessel.

"Agriculture is the largest user of freight transportation in the United States, with 31 percent of all ton-miles recorded in 2007 being used in the movement of agricultural products," said Agriculture Secretary Tom Vilsack. "This report provides policy makers the vital information needed to make strategic infrastructure and policy decisions to meet rural America's transportation needs, now and in the future."

"We need a strong transportation infrastructure for our vast quantities of farm exports to be competitive in world markets," said Transportation Secretary LaHood. "That is why we devoted more than half of the total funding of our TIGER program (Transportation Investment Generating Economic Recovery) to improvements that benefit freight transportation, ports and rural communities. This report is timely, coming as we work to carry out President Obama's National Export Initiative of doubling of U.S. exports within five years."

The report examines some of the major issues facing agricultural transportation, including: the dramatic effect of deregulation on the rail industry, a growing gap for funding the inland waterways and highway systems, availability of containers and ocean vessel capacity, and the infrastructure that may be needed to support a projected increase in biofuel transportation.

The report also discusses the current approach to transportation policy in the United States, in which each mode of transportation is often considered separately without an overarching view of the flow of freight through all the modes.

Study of Rural Transportation Issues may be found on the Agricultural Marketing Service website at www.ams.usda.gov/RuralTransportationStudy.

Trade Agreements are Essential for the U.S. Economy

by Rebecca Bratter, USW Director of Policy

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A USW commissioned report on the impact of U.S. trade agreements on agricultural competitiveness concluded across the board that all current and pending agreements result in increased exports of wheat and can lead to a significant uptick in farm gate prices. The study presents quantifiable evidence that U.S. free trade agreements are a win-win for U.S. agriculture and for the U.S. economy. The study provides equally concrete data that non-U.S. trade agreements harm U.S. agricultural competitiveness and result in lost sales.

The study offers compelling data on the impact of sixteen non-U.S. agreements, eight current and/or pending U.S. agreements, and the Uruguay Round on U.S. agricultural competitiveness by modeling trade scenarios with and without the tariff reductions. For example, as a result of the Uruguay Round Agreement, world grain prices increased by six to eight percent and US. wheat exports over the 2009 to 2018 period will average 88 million bushels per year greater than with no agreement. The modeling exercise indicates that U.S. wheat farm gate prices in 2009 are approximately $5.27 per bushel with the agreement compared to $4.70 per bushel without the agreement. Wheat is the beneficiary of the largest price increase from the U.S./Morocco agreement with significantly higher exports to Morocco as a result of the treaty. The same model shows U.S. wheat prices in 2009 increase to $5.27 per bushel to Morocco compared to $4.84/bushel without the U.S./Morocco FTA. Most compelling, in the context of President Obama's new export initiative, is the cost of lost market share due to inactivity on pending FTAs. Wheat, corn, and all other feed grain prices would be higher under a Colombia FTA. According to the economic models used in the report, the farm price for wheat would be 10 to 11 cents per bushel higher with U.S. exports growing as a result of the duty free treatment provided under the FTA.

The study provides U.S. agriculture and the U.S. government with airtight evidence that trade works. U.S. agriculture has remained vibrant throughout the economic downturn and is a consistently competitive sector of the U.S. economy. The U.S. agricultural sector needs trade agreements and eventual a balanced Doha round agreement to remain competitive and to continue to generate the jobs and the billions of dollars that contribute to the engine of the U.S. economy. This report provides the data necessary to break the inertia of the current trade cycle and to motivate the Obama administration to move forward on pending and new trade deal within a definitive and short-term time frame.

Karnal Bunt - Removal and Addition of Quarantine Areas in Arizona, California, and Texas

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Effective immediately, the Animal and Plant Health Inspection Service (APHIS) is amending the Karnal bunt quarantine areas in Arizona, California, and Texas.

Following completion of the 2009 Karnal Bunt National Survey, it was determined that certain areas in Arizona, California, and Texas meet all requirements of the APHIS Karnal bunt eradication program. Accordingly, restrictions on the interstate movement of Karnal bunt regulated articles from these areas are no longer required. In Arizona, three counties are affected by this change-- 5,094 acres in La Paz County; 13,237 acres in the Chandler/Gilbert area of Maricopa County; and 76 acres in Pinal County have been removed from the list of regulated areas in Arizona. The area in California that has been removed from the list of regulated areas includes 14,287 acres in Riverside County. In Texas, 5,919 acres in Throckmorton County and 11,836 acres in Young County are no longer regulated. Following this action, there will be no remaining Karnal bunt quarantine areas in Texas.

APHIS is restricting the interstate movement of regulated articles from select fields in the Buckeye/Pretoria area of Maricopa County, Arizona. These actions are necessary to prevent the spread of Karnal bunt to non-infested areas. Karnal bunt is considered to be actionable and under eradication in the United States. During the 2009 survey of Karnal bunt regulated areas in Arizona, one sample was found to be positive for Karnal bunt. The sample was collected from a field that is adjacent to the current regulated area. As a result, the quarantine area in the Buckeye/Pretoria area of Maricopa County was expanded by 4,553 acres.

The attached Federal Order details the specific changes to the quarantine areas and documented on the following website:
http://www.aphis.usda.gov/plant_health/plant_pest_info/kb/index.shtml
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APHIS will follow this emergency action with the publication of an Interim Rule in the Federal Register. For additional information, you may contact Lynn Evans-Goldner, National Program Manager at (301) 734-7228.

House Agriculture Sets More Farm Bill Field Hearings

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In addition to today's Des Moines hearing on the 2012 Farm Bill, House Agriculture Committee Chair Collin Peterson (D, MN) announced the next round of full committee field hearings: May 1 - Northwest Nazarene University, Old Science Lecture Hall, 1 p.m. MDT, Nampa, Idaho; May 3 - Fresno City Hall Council Chambers, 9 a.m. PDT, Fresno, California; May 4 - Laramie County Community College Center for Conferences & Institutes, Centennial Room 130, 8 a.m. MDT, Laramie, Wyoming; May 14 - National Archives Southeast Region, Morrow, Georgia, 1:30 p.m. EDT; May 15 - Cattlemen's Park, Pike County Cattlemen's Assn., Troy, Alabama, 1 p.m. EDT; May 17 - Texas Tech Museum, Texas Tech University, Lubbock, Texas, 1 p.m. CDT, and May 18 - Edith Mortenson Center, 2nd floor theater, Augustana College, Sioux Falls, South Dakota, 8 a.m. CDT.

Climate Bill Back on Track, but EPA Must Analyze; Agriculture Exempt from Carbon Cap

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Sens. John Kerry (D, MA) and Joe Lieberman (I, CT) welcomed back to the fold Sen. Lindsey Graham (R,SC) this week after Graham's successful showdown with Senate Majority Leader Harry Reid (D, NV) over whether climate change legislation would be deferred to allow action on immigration reform. The three circulated an 11-page synopsis of their legislation effort, but did not release bill language. At the same time, Reid said he will not take up the legislation until an EPA review is completed, an effort expected to take at least six to eight weeks. That review will concentrate on the cost impact of the bill's new programs on households.

EPA, however, said it may take longer to analyze the bill as it's not been provided specific legislation, but rather a "description" of the bill. The new programs envisioned by the three Senators would take effect in 2013, aiming to reduce greenhouse gas (GHG) emissions by 17% from 2005 levels by 2020, and 80% by 2050; agriculture would be exempt from carbon emissions caps; EPA's C02 emissions regulations would be overridden; high energy and trade-sensitive industries would get an additional four years to comply before subjected to GHG permitting and emissions limits; concentrating on utilities paying permits, two-thirds of the income from those permits would be rebated to consumers; dumping a direct tax on fuel at the pump, oil companies would now be subject to "pollution allowances" with CBO saying "allowances do not constitute a tax" to head off critics; all income from the sale of allowances would be dedicated to the Highway Trust Fund; the bill would preempt all state and local GHG laws; loan guarantees and liability protections would be available for construction of up to 12 nuclear facilities; there would be a $10-billion fund for carbon capture and sequestration at coal plants with incentives for "early deployment" of the technology; a "hard price collar" set on carbon emissions allowances and price, and mandate an increase in renewable electrical generation and allow for more off-shore drilling.

I Love Farmers; They Feed my Soul

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"I Love Farmers" is a nonprofit group of young agriculture students and farmers dedicated to their involvement in the next generation of farming and agricultural business. They have given farming a fresh and exciting look and are engaged in social media communication and overall promotion of the importance of farmers.

To make donations and or find out more about their mission check out their website at:

ilovefarmers.org
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