



California Association of Wheat Growers

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## Newsletter

March 29, 2010

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Annual Meeting of the California Association of Wheat Growers

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The 2010 Annual Meeting of the California Association of Wheat Growers will be held at 9:00am on April 15, 2010, at the CAWG office, 1521 I Street, Sacramento, CA. All CAWG members are encouraged to attend. If you have questions, or to RSVP, please call CAWG at 916/492-7066.

### California Air Resources Board Deadline for on road Diesel Is Approaching

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Agricultural Vehicle reporting forms available - Due March 31, 2010

By March 31, 2010, fleets utilizing the agricultural vehicles provision must report information on the fleet as it existed on January 1, 2009, and report by January 31 each year thereafter. This includes all low, limited, and specialty vehicles. The [2010 Agricultural Vehicle Reporting Forms](#) are available for downloading. Agricultural fleets reporting on March 31, 2010 should provide the odometer reading of their vehicles as of January 1, 2010. You must indicate on the form which type or mileage threshold fits your needs and stay at or below that mileage threshold until December 31. Specialty agricultural vehicles have no mileage limits but what can be included in this category is very limited.

Labeling Required for Agricultural Vehicles by April 30, 2010

Within 30 days of the March 31, 2010 reporting date, fleet owners must permanently affix

or paint an **AG** identification label on each low-mileage, limited-mileage, and specialty agricultural vehicle in the fleet according to the following specification:

1. The letters **AG** shall be white block lettering on a black background. Both letters shall be at least three inches high on a five by eight inch background.
2. The label shall be located in clear view on the left and right door of the vehicle and be in clear view at all times.

How does the regulation define an agricultural vehicle?

An agricultural vehicle is one that meets one of the following definitions:

- A vehicle used exclusively to deliver fertilizer or pesticides to a farm. It must display the legally required hazardous material placard and be owned by a business with a pesticide or fertilizer license.
- A vehicle owned by a farming business that is used exclusively in agricultural operations or by a beekeeping business used exclusively to transport its own bees. Examples include farm trucks used to pick up supplies, mend fences, move cattle, and other farming operations, but excludes vehicles that do not directly support farming operations such as personal use vehicles, vehicles rented or leased out, or vehicles used in a transportation business.
- A truck that is designed for in-field operations that is used exclusively in agricultural operations on the farm. Examples include truck configurations designed to spread manure, dispense hay, and dispense freestall bedding, feed mixers, and bale processors. It also includes water trucks and trucks designed or modified to be used exclusively for the dusting, spraying, fertilizing, or seeding of crops
- A truck used exclusively to transport unprocessed agricultural products to the first point of processing. Examples include trucks transporting crops from the farm to a packing shed, cotton to a cotton gin, or logs from the forest to the saw mill. Also included are trucks that are used to harvest crops for silage and trucks that transport unprocessed agricultural materials from forest or farm to a biomass facility.

What is a farming business?

A farming business is a business that operates or manages a farm for profit, either as owner or tenant. A farming business does not include businesses that derive their principal source of income from providing agricultural services such as, landscape services, veterinary, farm labor, or management for a fee or on a contract basis, or are engaged in the business of artificial insemination, raising, and caring for dogs, cats, or other pet animals.

What are agricultural operations?

Agricultural operations include the activity of growing or harvesting crops for the primary purpose of making a profit including horticultural, viticultural, aquacultural, forestry, dairy, livestock, bee, or farm product. It also includes the cutting or removing of timber, solid wood products, and biomass from forestlands for commercial purposes.

What are the provisions that apply to agricultural vehicles?

Limited-Mileage Agricultural Vehicles

Vehicles qualifying as agricultural vehicles must not exceed the annual mileage limits. Starting January 1, 2010, agricultural vehicles that operate below the annual mileage thresholds indicated based on engine model year, may delay the PM filter and replacement requirements until January 1, 2017. By January 1, 2017, these vehicles must

comply with the regulation like non agricultural vehicles unless they replace a low-mileage vehicle in the fleet. All qualifying agricultural vehicles must report and be labeled.

25,000 miles/year: 2006 or newer engines

20,000 miles/year: 1996 - 2005 engines

15,000 miles per year: 1995 or older engines

Low-Mileage Agricultural Vehicles

Starting January 1, 2010, agricultural vehicles that drive fewer than 10,000 miles each year may delay the PM filter and replacement requirements until January 1, 2023.

Each year, the number of agricultural vehicles qualifying for the lower mileage exemptions may not increase. However, agricultural vehicles may be replaced if the following conditions are met:

- The replacement vehicle is at least one year newer than the one being replaced,
- The total mileage for the replacement vehicle and the one being replaced continues to meet the mileage limits, and
- The number of vehicles that qualify for the provisions does not increase.

What are the provisions for specialty agricultural vehicles?

Vehicles approved as specialty agricultural vehicles may delay the retrofit and engine replacement requirements until January 1, 2023. These vehicles have no mileage restrictions, but are limited to 1,100 vehicles in the San Joaquin Valley and 2,200 statewide. Once the limits are reached no more vehicles will qualify as specialty agricultural vehicles. These vehicles must be reported and labeled.

Specialty agricultural vehicles are limited to the following body types and uses:

- trucks used to transport cotton modules
- farmer owned water trucks
- feed or mixer trucks used to dispense feed at beef calf and cattle feedlots (not dairies)
- trucks used exclusively to resupply airplanes or helicopters

Fact sheets, compliance tools, and regulatory documents are available at

www.arb.ca.gov/dieseltruck or by calling the ARB's diesel hotline at (866) 6DIESEL (634-3735).

Truck and Bus Regulation Compliance Options fact sheets are on the ARB Web site at

www.arb.ca.gov/msprog/onrdiesel/documents.htm.

Ag Appropriations Subcommittee Meets on Farm, Trade Programs

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The House Appropriations Committee's agriculture subcommittee held a hearing Thursday to get information about funding proposals for USDA's Farm and Foreign Agricultural Services mission area.

The hearing featured testimony from Under Secretary for Farm and Foreign Agricultural Services Jim Miller, Farm Service Agency (FSA) Administrator Jonathan Coppess, Foreign Agricultural Service (FAS) Administrator John Brewer and Risk Management Agency (RMA) Administrator Bill Murphy.

Miller gave an overview of the mission area's funding requests, which cover everything from farm program implementation to overseas market promotion efforts and crop insurance. He touched specifically on the status of information technology infrastructure improvements, which have been ongoing for some years and received \$117 million through the Recovery Act and 2010 annual appropriations. He described the systems supporting delivery of key programs as "stabilized and set up to transition to a 21st century IT environment," but urged additional funding in FY2011.

In his testimony, Coppess said FSA had by early in the 2010 fiscal year distributed more than \$318 million through the new SURE Program and livestock disaster assistance programs; almost \$6 billion in direct and counter-cyclical payments; \$1.7 billion in Conservation Reserve Program (CRP) payments; and more than \$40 million to individuals delivering biomass to renewable energy facilities.

He also touched on ongoing IT issues, saying a contract worth \$500 million over a seven-year period was awarded in December 2009 to help tackle the issue. Additionally, he outlined an agreement FSA and the Natural Resources Conservation Service entered into with the Internal Revenue Service to share data to confirm that farm and conservation programs are meeting adjusted gross income requirements.

Brewer reported to Members that in FY2009, U.S. agricultural exports reached \$96.6 billion despite the global economic downturn, and USDA expects FY2010 numbers to hit \$100 billion, the second highest level ever. He also detailed Administration proposals related to the new National Export Initiative, which aims to increase overall exports, including ag exports.

In his testimony, Murphy provided some interesting numbers relating to usage of crop insurance programs, saying that in the 2009 crop year more than 1.1 million policies were written for \$8.9 billion in premiums. Roughly 265 million acres of land were insured and \$83.9 billion in risk protection was provided. A participation rate of nearly 81 percent was maintained for ten principal crops.

The full written statements from all four witnesses are online at [http://appropriations.house.gov/Subcommittees/sub\\_ardf.shtml](http://appropriations.house.gov/Subcommittees/sub_ardf.shtml).

## **Committee Okays Nutrition Bill; Conservation Tapped for Offsets**

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A child nutrition reauthorization bill approved unanimously by the Senate Agriculture Committee this week would increase spending on child nutrition programs by \$4.5 billion over ten years.

The bill, known formally as the Healthy, Hunger-Free Kids Act of 2010, would provide a significant amount of new money compared to the previous increase of \$500 million over ten years, but less than half of the \$10 billion over ten years called for in the Obama Administration budget.

Nationwide, over 30 million children participate in the National School Lunch Program each day and more than 10 million children participate in the National School Breakfast Program.

The bill approved this week would raise the reimbursement rate to schools for meals and includes a provision to create national school nutrition standards for all foods sold on school campuses during the school day.

As passed by the Committee, the new spending would be offset in part by a \$2.2 billion decrease in authorization for the Environmental Quality Incentives Program (EQIP). However, at the hearing, Committee Ranking Member Saxby Chambliss (R-Ga.) offered an amendment to instead offset the new spending through a decrease in funding for the Conservation Stewardship Program (CSP). The amendment was defeated, but Chambliss said he intends to offer it again during floor debate.

Though the timeline for floor action remains unclear, potential amendments have already been rumored and may include redirecting farm program payments, including direct payments, to nutrition spending.

Feinstein to Introduce an Estate Tax Bill

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Senator Feinstein is planning to introduce a companion bill to Rep. Mike Thompson's estate tax relief bill, HR 3524. Senator Feinstein worked closely with Rep. Thompson to modify the bill in order to bring down its overall cost. Senator Feinstein's office is currently drafting language for the bill and we will soon have more information.