

# **Regulatory and Environmental Challenges and Opportunities Facing the Industry**

Fluid Fertilizer Forum

Annual Meeting

February 17, 2015



**Donnie Taylor**  
**Member Services & Corp Relations**

**Son of Donald R Taylor**  
**W. S. Clark – Tarboro NC**  
**Active Member - National Fertilizer**  
**Solutions Association**

**Agricultural Retailers Association:**

**Dedicated To Your Success**

**Making a Difference in  
Politics & Regulatory Overreach**



# Key Political Issues Facing American Agriculture...

- ✓ Immigration
- ✓ WOTUS
- ✓ Pollinator Protection
- ✓ Lake Erie Algae
- ✓ NPDES fix
- ✓ Endangered Species
- ✓ Port Delays - West
- ✓ EPA Worker Protection
- ✓ Chem. Security
- ✓ Biotech labeling
- ✓ West Fertilizer
- ✓ Trade
- ✓ Tax Reform

# Where will we find enough food for 9 billion people?

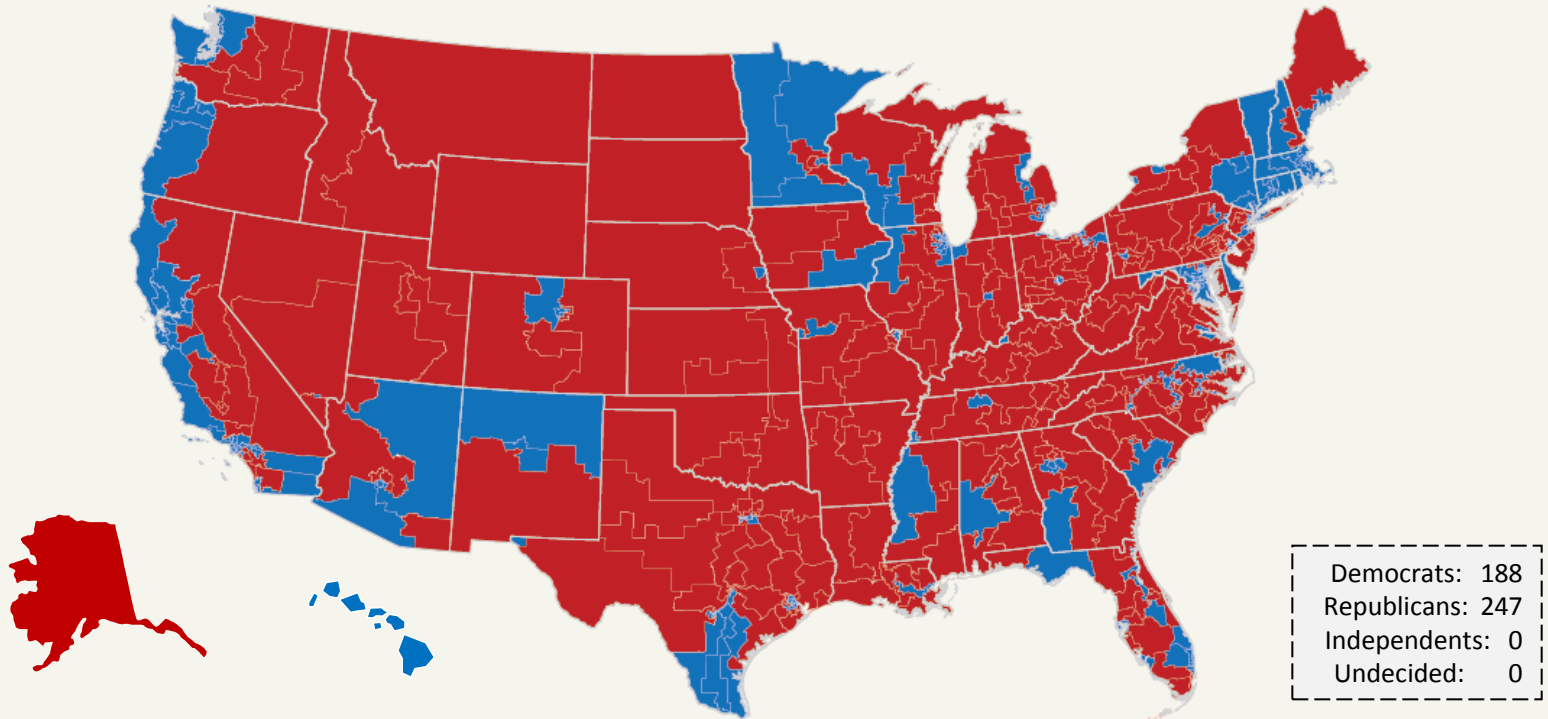


- **2014 Mid-Term Elections**
- **Waters Of The United States (WOTUS)**
- **Pollinator Health**
- **Genetically Modified Organisms**
- **Regulatory Agencies**
- **West Coast Port Delays**
- **Ag Image**

# Republicans Win Record Majority in House

Control of the 114<sup>th</sup> House (2015-2017)

■ Democratic  
■ Republican

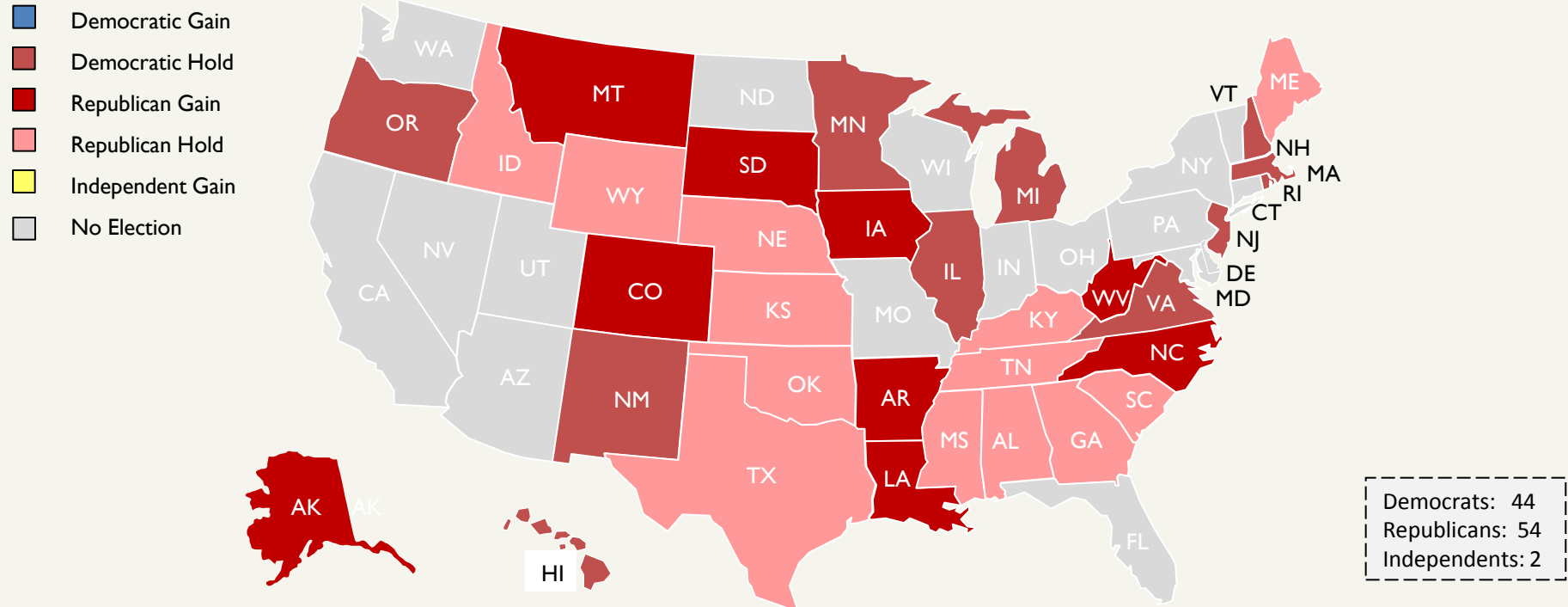


## Analysis

- Republicans won a total of 247 seats in the House, their largest majority since 1928
- An expanded GOP majority in the House means that Speaker Boehner will have an easier time passing legislation in the House without Democratic support, and Republicans will also have an easier time holding on to their majority in future elections

# Republicans Dominate Competitive Races to Win Senate

## Senate Seats Gained/Held in the 2014 Midterm Elections



### Analysis

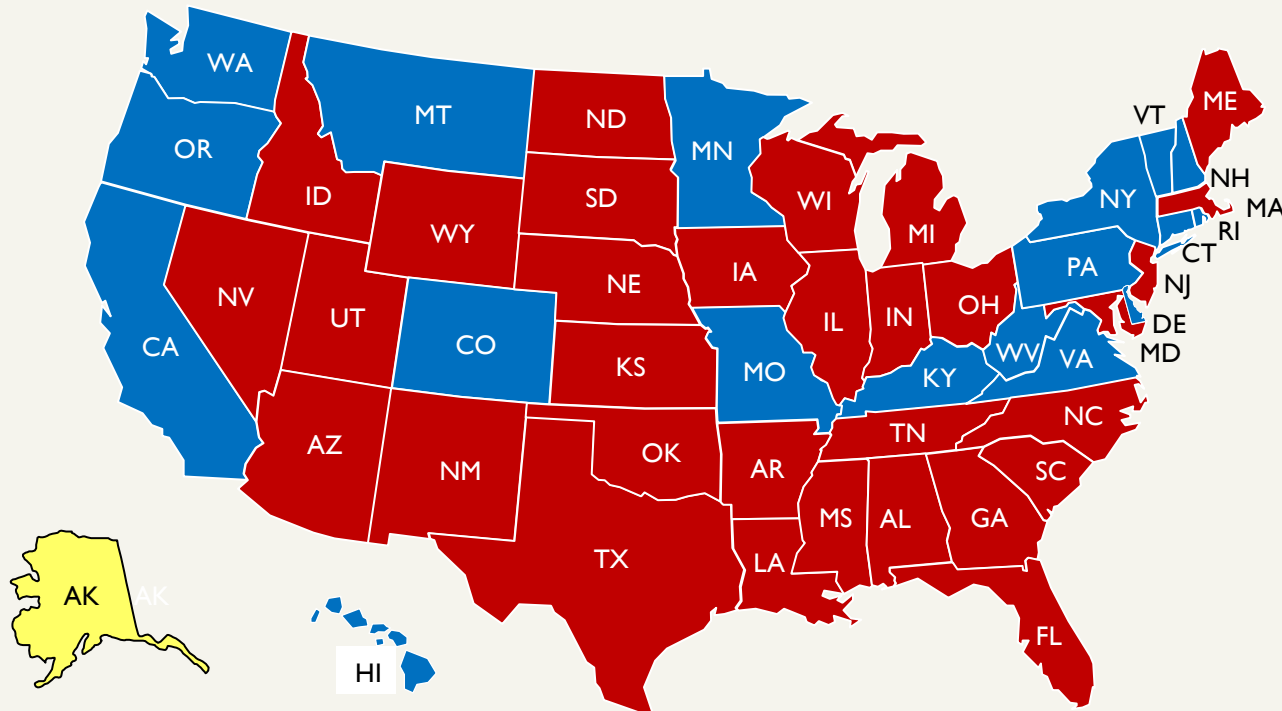
- Republicans won most of 2014's competitive Senate races, taking seats in Colorado, Arkansas, Georgia, Iowa, and—unexpectedly—North Carolina
- Republicans also won special elections this year in Oklahoma and South Carolina
- Republican Bill Cassidy won in Louisiana's runoff election on December 6, 2014, but Republicans had already secured enough seats to control the Senate regardless of that race's outcome



# Republicans Extend Gubernatorial Advantage

Map of State Governors by Party

■ Dem Governor  
■ GOP Governor  
■ Independent  
■ Undecided\*



Democrats: 18  
 Republicans: 31  
 Independents: 1

\*Race not called as of 1 PM 11/17

## Analysis

- While Republicans already controlled most governors' mansions prior to 2014 elections, gains in Arkansas, Illinois, Maryland, and Massachusetts added to the GOP's sizeable majority of governorships
- Legislative activity at the state level has taken on increased importance in recent years due to gridlock at the federal level; as such, increased GOP control of governorships nationwide could give Republicans additional leverage to achieve policy goals at the state level

- 2014 Mid-Term Elections
- **Waters Of The United States (WOTUS)**
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# Waters Of The United States (WOTUS)

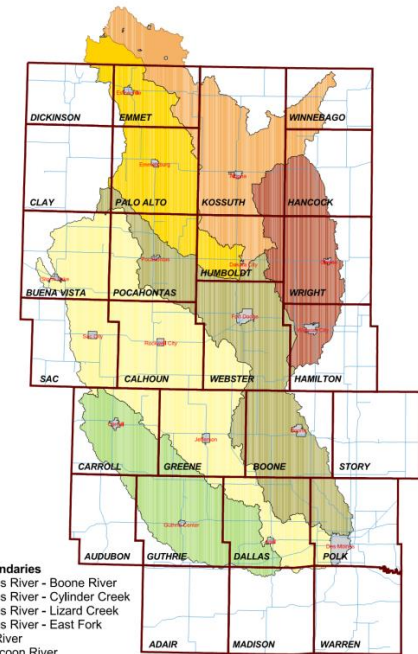
- Highest Amount of Comments
- Most Feel It is Over Reaching
- Congressional Meetings This Month
- EPA Has Communicated To The Hill
- More Positive Message
- Both Sides of the Aile
- Their Definition of Positive??????



# Agriculture Clean Water Alliance



## Raccoon and Des Moines River Watersheds



# Mission

- Reduce nutrient loss from farm fields; to keep the nutrients from entering the Raccoon and Des Moines river watersheds.
- Assist farmers to improve environmental performance with voluntary *BMP's*.
  - Bridge science to application on the land
- Engage with others to ensure the realities of production ag are considered in regulatory approach to nutrient mgt.

# 13 Participating Ag Retailers



## Founding Members:

Heartland Coop WDM	West Central Ralston	FC Coop Farnhamville	Ag Partners Albert City
Dedham Coop Dedham	First Coop Assoc Cherokee	NEW Coop Ft. Dodge	Pro Coop Gilmore City
CPS Wall Lake, IA	Van Diest Supply Webster City	Association Insight, ISA Roger Wolf, Exec. Director	

## Expansion Members:

Helena Chemical WDM	Key Cooperative Roland / Sully	Gold Eagle Coop Eagle Grove	
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## Key Partners:

Des Moines Water Works (DMWW)	Natl. Lab for Ag & Environment	IDNR IDALS	IA Soybean Iowa State Univ.
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# Des Moines Water Works Legal Action

Supervisors (collectively the “Drainage Districts”) for the discharge of pollutants into the Raccoon River in violation of the Clean Water Act, Iowa Code § 455B.186, and for other claims

- 1. DISCHARGE OF A POLLUTANT**
- 2. POINT SOURCE**
- 3. AGRICULTURAL STORMWATER DISCHARGE EXEMPTION**

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**COMMON LAW CLAIMS**

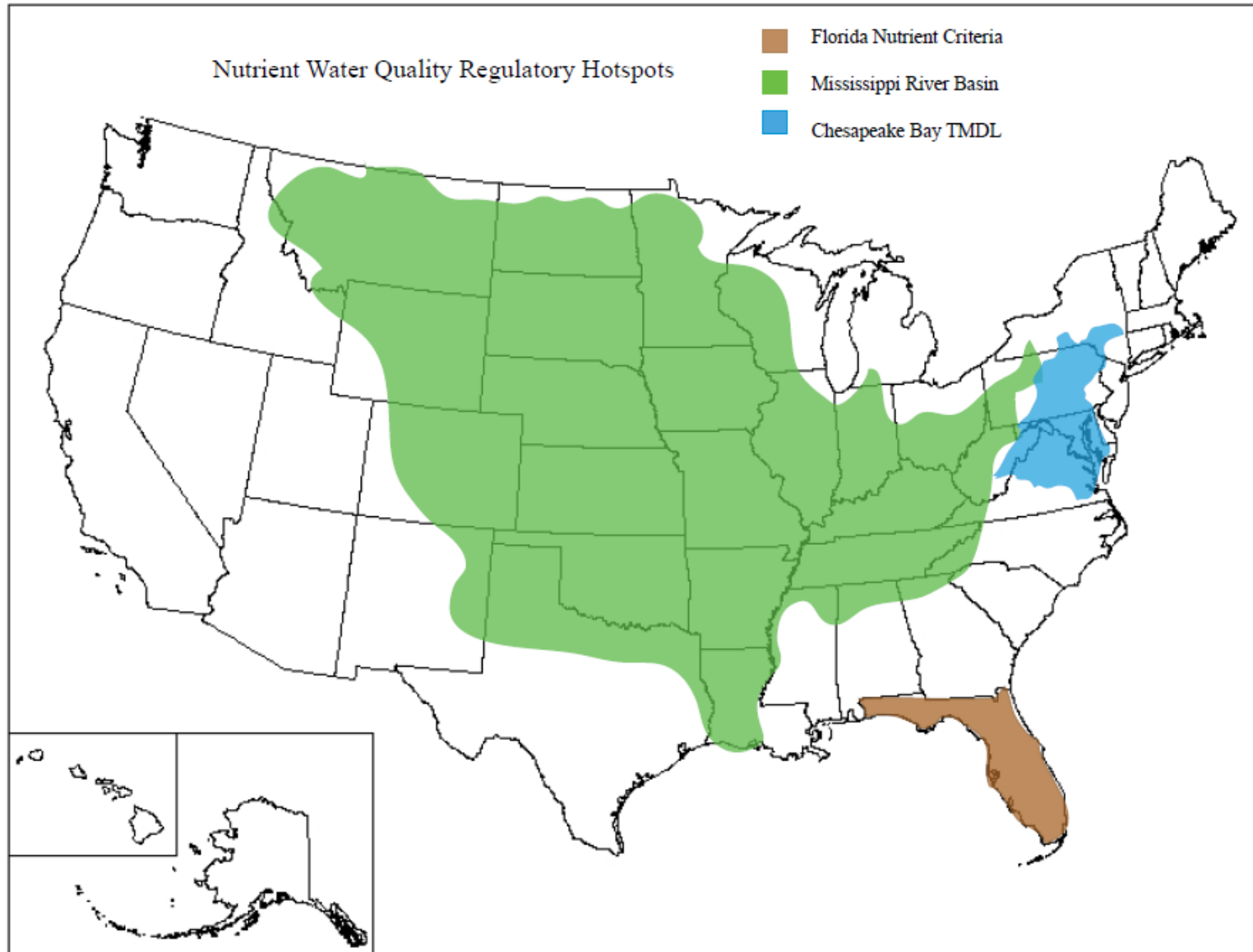
# Water Monitoring

- Certified Sampling
  - Nitrate and Bacteria
- Real-time Remote Monitoring
- Investigative Monitoring
  - Ammonia / Cyanobacteria
- Project Monitoring
  - Bioreactors
  - Event-triggered monitoring





# Federal Programs & Litigation



# HEADLINES

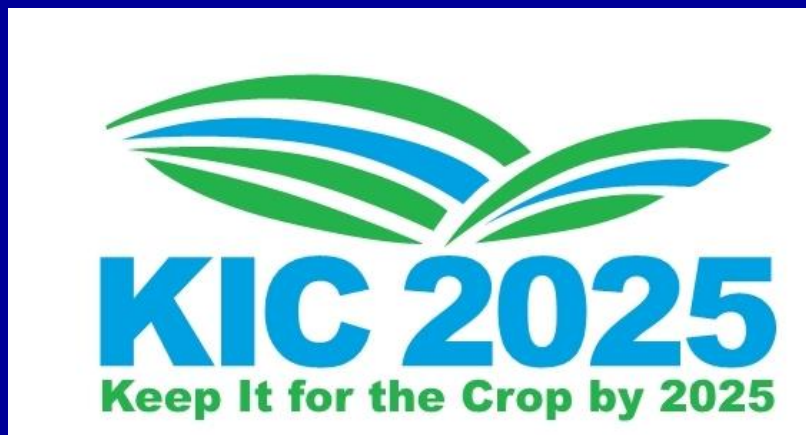
Minnesota Proposes Nutrient Use Regulations



Ohio Legislature Approves Licensing Regulations for Fertilizer Application; Ohio Retailers to Voluntarily Certify their Nutrient Application Programs, Maintain Records and be Audited by TNC

Farm tiling called major cause of hypoxia

By freshwatersocietyblog



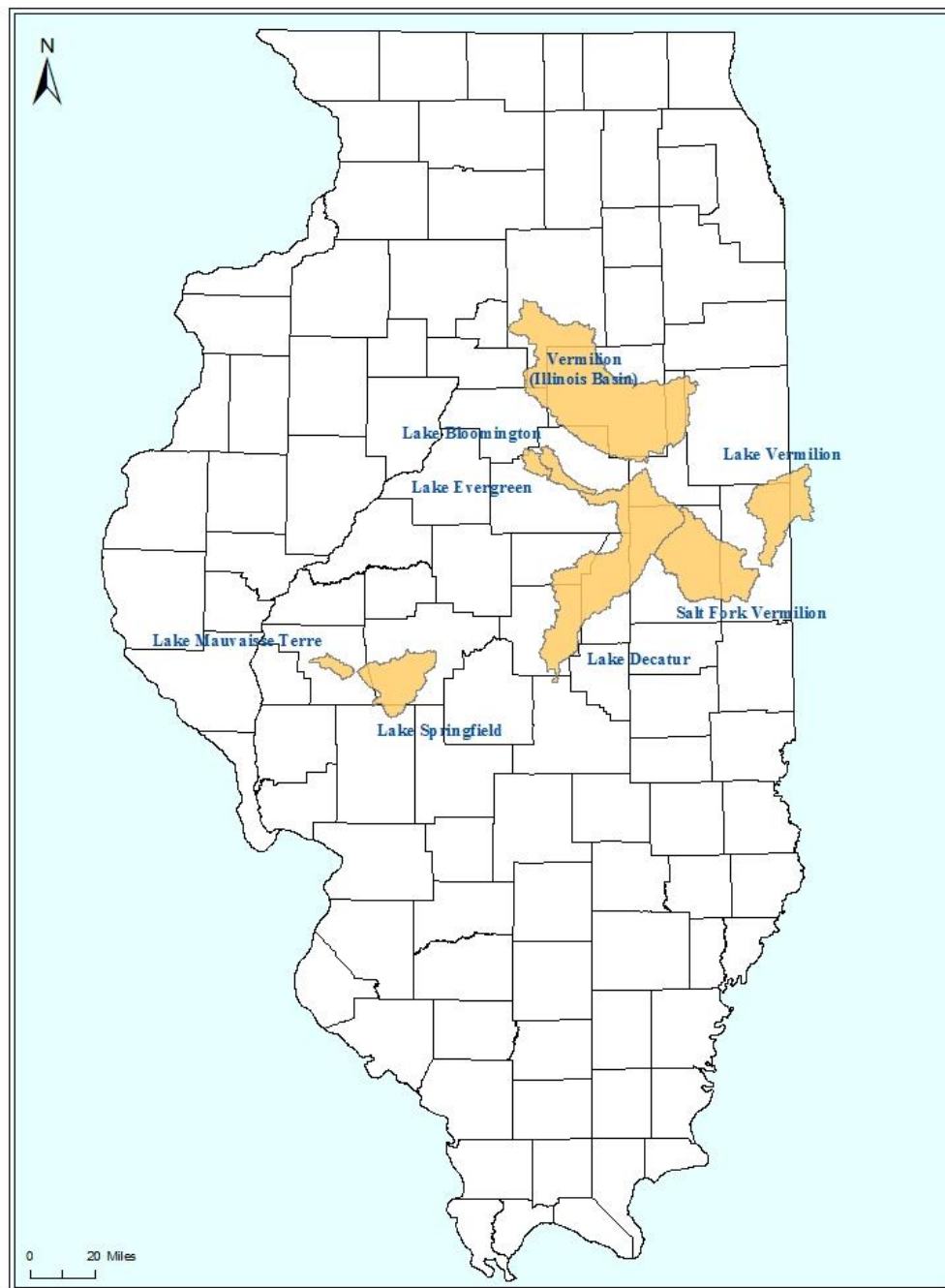
**Dan Schaefer**

Director of Nutrient Stewardship  
CCA, CPAg

# KIC Priority Watersheds

Listed by Illinois EPA as  
being impaired due to high  
levels of nitrogen,  
phosphorus or both

Serve as drinking  
water supplies for  
major Illinois  
communities



# 4R nutrient stewardship

- Framework to achieve
  - Cropping system goals
  - Increased production
  - Increased farmer profitability
  - Enhanced environmental protection
  - Improved sustainability
- The 4R concept incorporates the:
- Right fertilizer source at the
- Right rate, at the
- Right time and in the
- Right place



AUGUST 19, 2013

Zakaria: The new al-Qaeda threat / Ted Cruz / Foroohar: Yellen over Summers for Fed chief / Low Rolling in Vegas

# TIME

## A WORLD WITHOUT BEEES



THE PRICE WE'LL  
PAY IF WE DON'T  
FIGURE OUT  
WHAT'S KILLING  
THE HONEYBEE

BY BRYAN WALSH

time.com



# Bees can't wait 5 more years.



## And neither can we.

Honey bees, native bees and other pollinators are responsible for 1 out of every 3 bites of food we eat. Bees pollinate 71 of the 100 crops that make up 90% of the world's food supply. Many fruits and vegetables, including apples, blueberries, strawberries, carrots and broccoli, as well as almonds and coffee, rely on bees. These beneficial insects are critical to maintaining our diverse food supply.

Honey bee populations have been in alarming decline since 2006. Widespread use of a new class of toxic pesticides, neonicotinoids, is a significant contributing factor. In addition to killing bees outright, research has shown that even low levels of these dangerous pesticides impair bees' ability to learn, to find their way back to the hive, to collect food, to produce new queens, and to mount an effective immune response.

This week, 15 countries are imposing a two-year restriction on the use of several of these chemicals. Meanwhile, the United States is **stalling**.

The U.S. Environmental Protection Agency estimates it will be **2018, 5 years from now**, before it makes a decision on this deadly class of pesticides.

Bees can't wait 5 more years - they are dying now. The U.S. Environmental Protection Agency has the power and responsibility to protect our pollinators. Our nation's food system depends on it.

HELP PROTECT FOOD CHOICES

**Save-Bees.org**



The following are in support of the U.S. EPA joining with 15 other countries in imposing an immediate moratorium on the use of neonicotinoids.

<p>American Bird Conservancy Amy's Kitchen Applegate for Change Arista Aveda Beyond Basics California for Pesticide Reform California State Grange Carnegie Investments Center for Biological Diversity Center for Environmental Health CIB Inc. CIRCO CJUSA Defenders of Wildlife Dr. Brenner's Magic Beans Echopix</p>	<p>Equal Exchange EcoLogic Ecological Services Farm &amp; Garden Pesticide Alliance Farmerworker Association of Florida Food &amp; Water Watch Food Democracy Network Foodchain Action Network Frog Village Friends Committee on National Legislation Friends of the Earth - USA Good Green Green Century Capital Management Institute for Agriculture and Trade Policy Native Organic Farmers and Gardeners Association National Office for Social Concerns Maryland Pesticide Network Midwest Organic Sustainable Education Service</p>	<p>Missionary Oblates of Mary Immaculate National Family Farm Coalition National Organic Coalition National Organic Valley Producers Alliance National Organic Farming Association - Interstate Council Natural Grocers Natural Path New Evangelical Partnership for the Common Good Northwest Center for Alternatives to Pesticides Natural Resources Defense Council Nutra Nutra Organics Oregon 10th Organic Consumers Association Organic Seed Alliance Organic Valley Oxiban Organics</p>	<p>Reel Carbon Council Rural Advancement Fund International - USA Rural Coalition Rural COOP Slow Food USA Stonyfield SunOrla The Conscious Institute The Endocrine Disruption Exchange The Sustainability Group Living, Working &amp; Cooking Trust, LLC Tribal Asset Management, LLC United Methodist Center for Social Change United Natural Foods, Inc. Verde, Food and Agriculture Network</p>
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## PROTECTION OF POLLINATORS



**APPLICATION RESTRICTIONS** EXIST FOR PRODUCT BECAUSE OF RISK TO BEES AND OTHER INSECT POLLINATORS. FOR APPLICATION RESTRICTIONS FOUND IN THE DIRECTIONS FOR USE TO PROTECT POLLINATORS.



Look for the bee hazard icon in the Directions for Use application site for specific use restrictions and instructions to protect other insect pollinators.

**This product can kill bees and other insect pollinators.**  
Bees and other insect pollinators will forage on plants when they flower, so



To protect bees, Congressmen John Conyers and Earl Blumenauer introduced the **Saving America's Pollinators Act (H.R. 2692)**. Co-sponsors are:

<p>Rep. Wasserman (D, Florida) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada)</p>	<p>Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada)</p>	<p>Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada)</p>	<p>Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada)</p>	<p>Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada)</p>	<p>Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada)</p>	<p>Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada) Rep. Amodeo (R, Nevada)</p>
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# Presidential Pollinator Health Task Force

## June 20, 2014







## **THE HONEY BEE HEALTH COALITION**

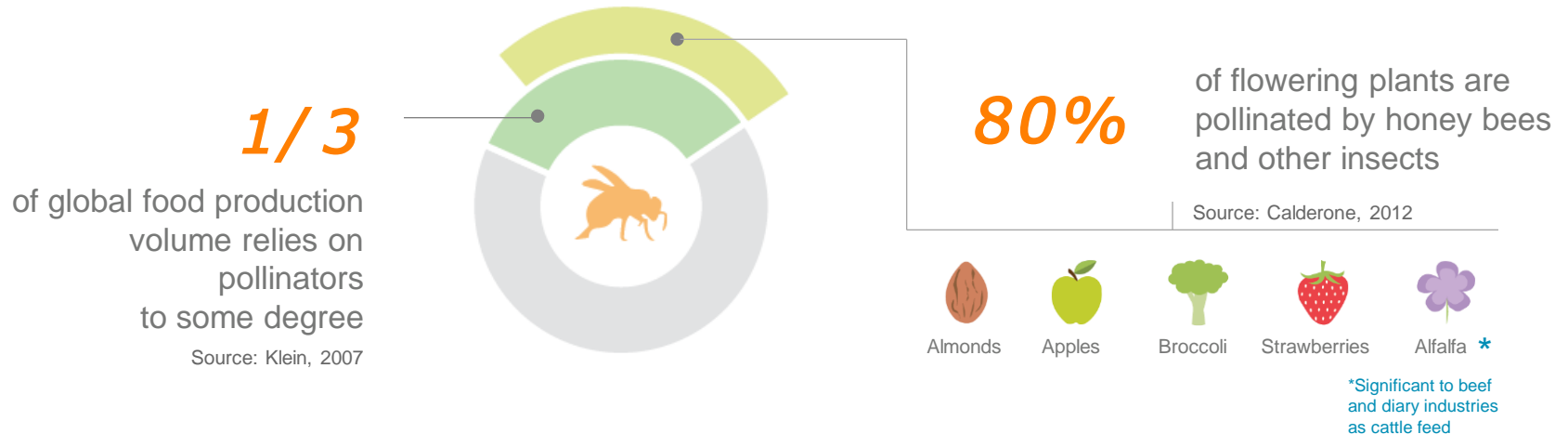
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Improving Bee Health and the  
Security of Our Food Supply

# THE WORLD RELIES ON THE HONEY BEE

Honey Bees Are a Key Component to Sustainable Agriculture, Healthy Diets, the Global Food Supply, and the Economy

## A Healthy Diet



## U.S. Agriculture

**\$18** Billion Per year

The amount of dollars of U.S. agricultural production supported by honey bee pollination

Source: USDA

## U.S. Economy and Global Food Supply

**\$11.68** Billion

The value of pollinated crops in the U.S. directly attributed to honey bees in 2009 alone

Source: Calderone, 2012

“ The future security of America's food supply depends on healthy honey bees Tom Vilsack, Agriculture Secretary ”

# HONEY BEE HEALTH COALITION INITIATIVES

**The Coalition is focusing** on accelerating collective impact to improve honey bee health in four key areas.



## **Nutrition & Forage**

We are looking at ways to improve honey bee nutrition to provide diversity in honey bee forage



## **Hive Management**

We are making investments to understand and suppress varroa mite and virus susceptibility and developing best management practices (BMPs) for beekeepers



## **Crop Pest Management**

We are developing crop- and product-specific best management practices and messaging



## **Cross Industry Collaboration**

We are working across the public and private sector to coordinate on solutions that work

# Coalition Membership

**Coalition members** work across the full food value chain.

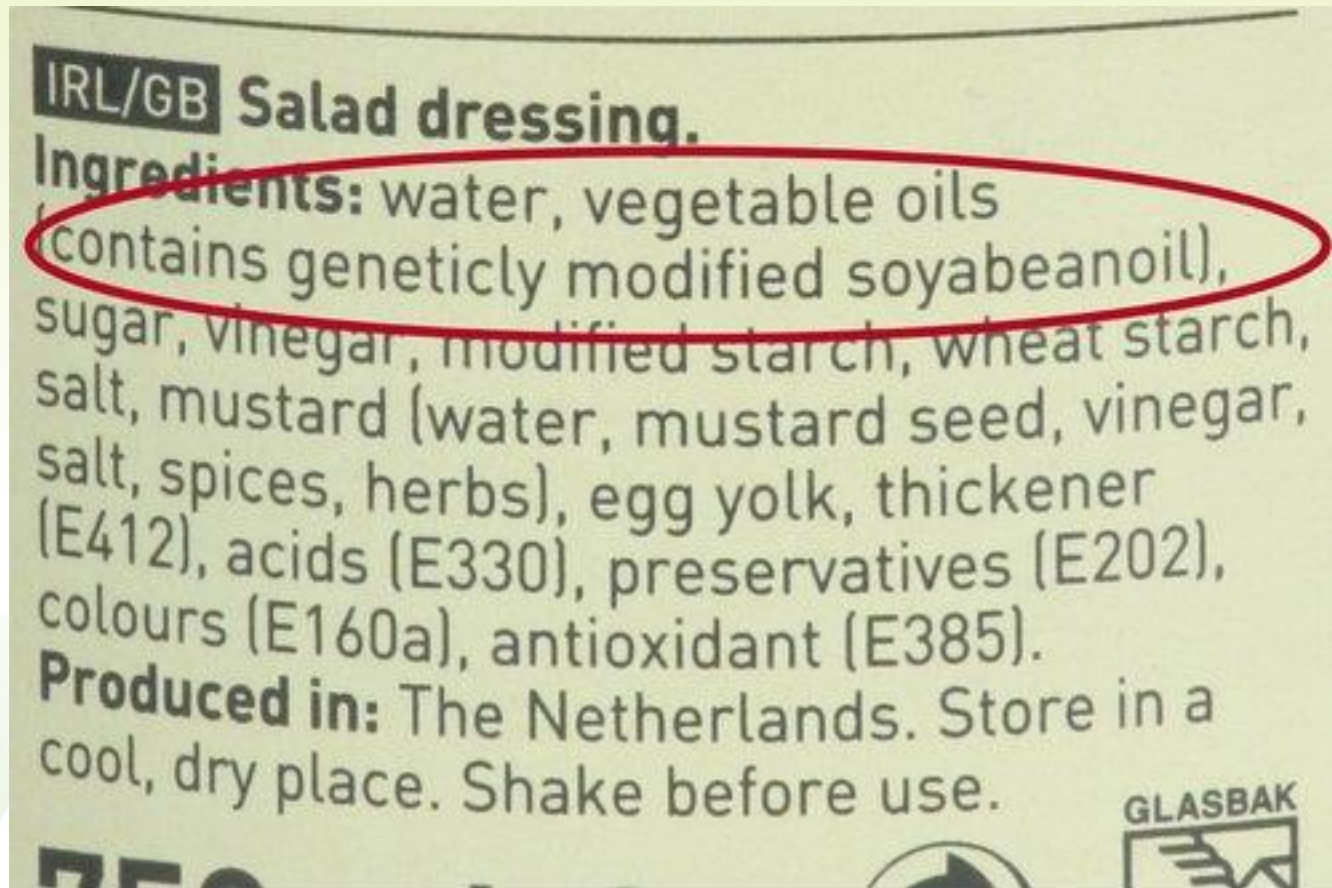


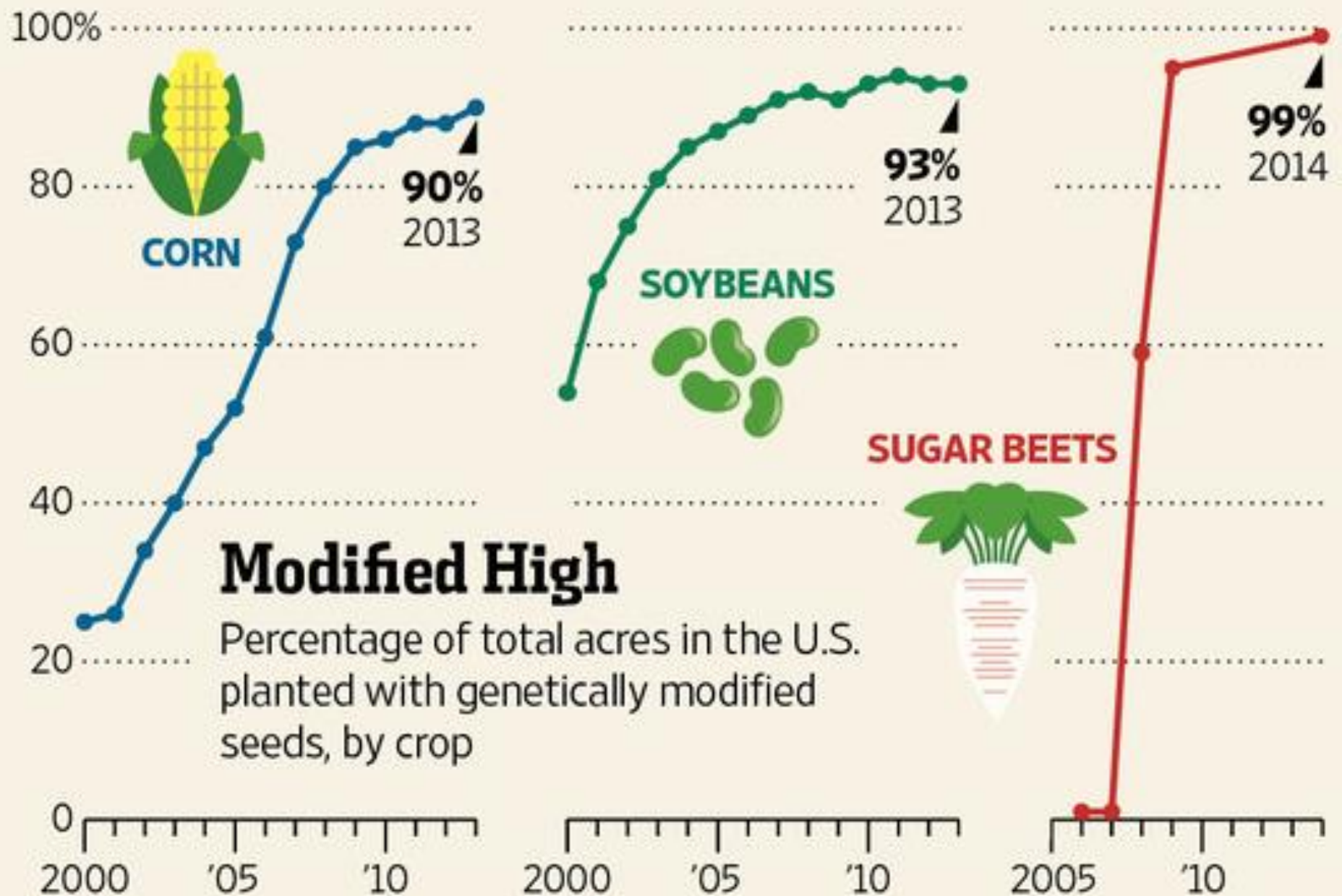
AGRICULTURAL RETAILERS ASSOCIATION  
ALMOND BOARD OF CALIFORNIA  
AMERICAN BEEKEEPING FEDERATION  
AMERICAN HONEY PRODUCERS ASSOCIATION  
AMERICAN SEED TRADE ASSOCIATION  
BAYER CROPSOURCE  
BROWNING HONEY COMPANY  
CANADIAN HONEY COUNCIL  
CROPLIFE AMERICA  
CROPLIFE CANADA  
DUCKS UNLIMITED  
DUPONT  
EASTERN MISSOURI BEEKEEPERS ASSOCIATION  
FLORIDA FRUIT AND VEGETABLE ASSOCIATION  
LAND O'LAKE, INC.  
MONSANTO COMPANY

NATIONAL ASSOCIATION OF STATE DEPARTMENTS  
OF AGRICULTURE  
PHEASANTS FOREVER  
POLLINATOR STEWARDSHIP COUNCIL  
PROJECT APIS M.  
SAINT LOUIS ZOO'S WILDCARE INSTITUTE  
CENTER FOR NATIVE POLLINATOR CONSERVATION  
SYNGENTA  
UNILEVER  
UNITED SOYBEAN BOARD  
UNIVERSITY OF MARYLAND'S DEPARTMENT OF  
ENTOMOLOGY  
U.S. CANOLA ASSOCIATION.  
U.S. ENVIRONMENTAL PROTECTION AGENCY\*  
U.S. DEPARTMENT OF AGRICULTURE\*

\* Denotes *ex officio* members

# GMO Labeling Debate

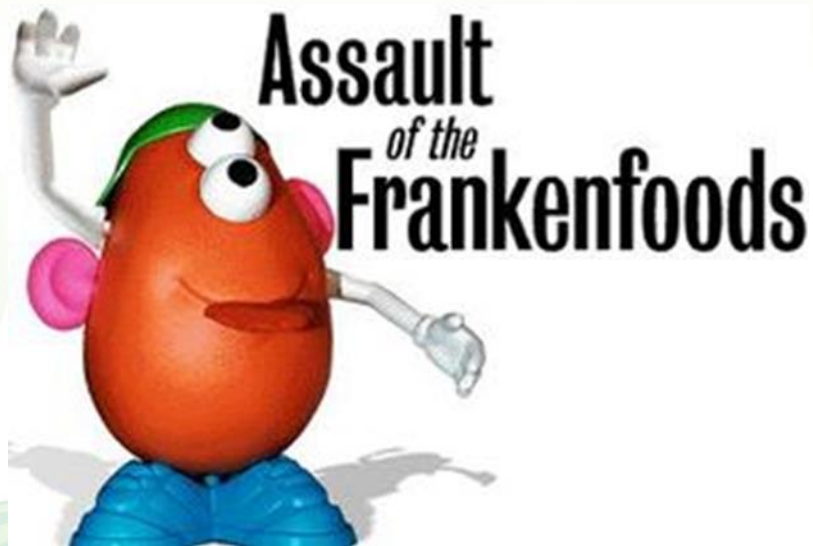
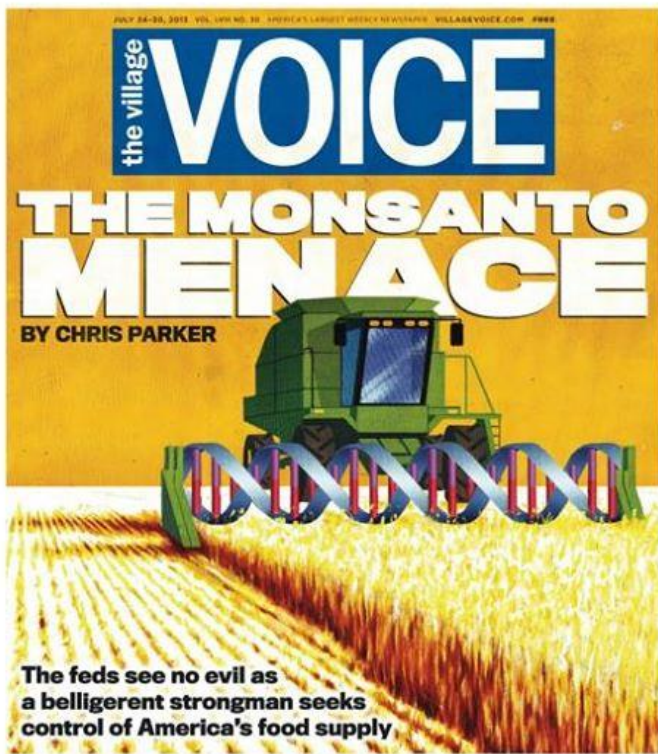




Sources: USDA; American Sugarbeet Growers Association




The Wall Street Journal

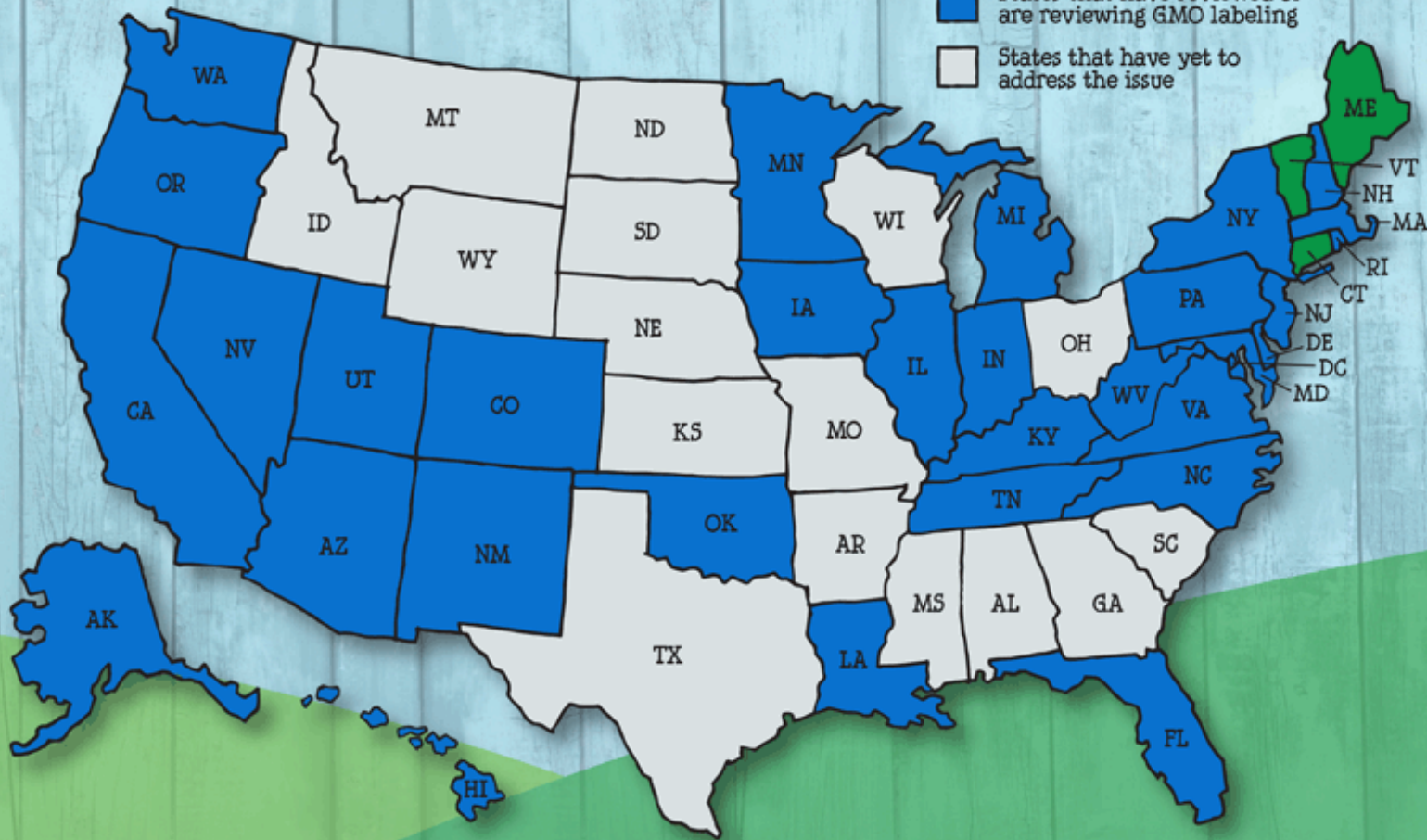




# Join the Movement in Your Home State!

Click to Get the Scoop Near You!

-  States that have passed GMO labeling
-  States that have reviewed or are reviewing GMO labeling
-  States that have yet to address the issue



Source: Ben & Jerry's





☒ **YES**  
on your  
RIGHT TO  
KNOW

# PROP 37

**LABEL  
GMOs**

[www.befoodsmart.com](http://www.befoodsmart.com)





Chobani uses milk from cows fed GMOs.  
How “natural” is THAT?



CULTURAL  
ILLERS  
CIATION





**ASK**  
YOUR QUESTIONS

**EXPLORE**  
THE BASICS

**STUDIES**  
AND ARTICLES

**PUBLIC**  
REVIEW

# SKEPTICAL ABOUT GMOS? WE UNDERSTAND.

WE WANT TO DO A BETTER JOB  
ANSWERING YOUR QUESTIONS.

# THE WALL STREET JOURNAL.

November 6, 2014

“We can see why voters didn’t buy it...  
The proposals were rife with exemptions  
and vague enforcement language  
that would have harmed  
local farmers and manufacturers  
while raising grocery bills.”

*-The Wall Street Journal Editorial Board*



# Challenges

- Shift from federal to local
- No emotional/graphic way to make the point
- NGOs have a financial incentive to sue
- Downstream food company purchasing requirements
- Polarized Congress results in...
  - No check and balance on agencies
  - No progress in major strategic and competitive challenges

# **THE NEED FOR A FEDERAL LABELING STANDARD**

- Scientific and health organization has concluded GMOs are safe for humans and the environment.
- GMOs provide the best chance to increase food production with few sources of land and water.
- A patchwork of state and local GMO labeling mandates will increase grocery prices
- Grocery costs for a family increase by \$500 year Cornell University Study.
- Consumers expect consistent food labeling no matter where they are in the United States.

April 17, 2014



# Regulatory Agencies

- EPA
- OSHA
- DOT
- Department Homeland Security (DHS)
- USDA
- President Executive Orders – Directing Agencies
  - Current Fight House-Funding DHS (Immigration)



# ARA – Compliance Services

- **Training**
  - ARA Management Academy (Purdue)
  - Leadership At Its Best
  - Professional Applicator Training
  - Crisis Communication
  - Custom Application Safety Video
- **General Information Services**
  - Background Check
  - Drug / Alcohol Testing Policy Plans
  - DOT
    - Physicals
    - Records



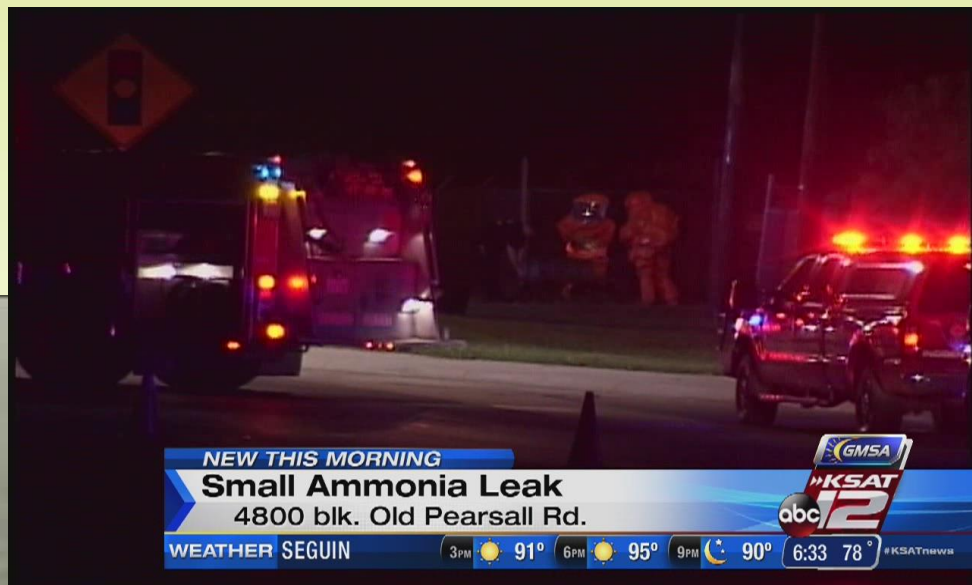
# West Coast Port Delays

- Dock Workers
- Negotiating a New Contract
- Contract Expired June 30, 2014
- Ill Will (lack of negotiations)
  - Worker Slow Down
  - Sick Outs
- Delaying Exports as well as Imports
- Total Shutdown \$2 Billion/Day

# Ag Image

- What does Ag Image Mean to You?
- Who is Responsible For Ag Image?
- How Did We Get Here?





# Who Is Influencing Ag Image?





# Committed. Compliant. Safe.

Regulatory compliance is the responsible thing to do  
for our employees, customers and neighbors.



# What Is ResponsibleAg?

- Nonprofit organization, governed by a board of volunteer leaders.
- Participation open to Fertilizer manufacturers, distributors and retailers.
- Participation is voluntary.
- Registered facilities agree to an assessment conducted by a ResponsibleAg-credentialed auditor every three years.





# What Is ResponsibleAg?

- Technical Committee:
  - Alicia Duke, Chair, J.R. Simplot Company
  - Paul Baute, Grammer Industries
  - Clark Capwell, The McGregor Company
  - Anne Cook, The Andersons
  - Randy Crowell, Tennessee Farmers Cooperative
  - Vance Dann, Southern States Cooperative
  - Paul Derig, J.R. Simplot Company
  - Shawn Lambert, Co-Alliance
  - Alan Mahoney, MFA
  - Joe Register, RW Griffin Feed Seed & Fertilizer
  - Gary Vogen, Yara North America
  - Allen Summers, Asmark Institute

# Important Dates

- **October 27:** Grand Opening of Ford B. West Center for Responsible Agriculture.
- **4-day Auditor Training Classes:**
  - **October 28-31**
  - **November 18**
  - **December 2**
- Five courses planned 2015
- Program registration begins **December 1.**
- Audits begin First Quarter 2015.

# Why it's Needed

- Demonstrate proactive industry response to public opinion and regulatory challenges.
- News coverage and public interest elevated questions. Are we safe?
- Broadened the scope of focus on AN storage and handling practices.
- With heightened interest, Congress and regulatory officials became engaged.
- Doing nothing is not an option.
- [www.ResponsibleAg.org](http://www.ResponsibleAg.org)



# Who Is Influencing Ag Image?



# What Can You Do?

- Locally
  - Schools
  - Churches
  - Organizations
  - Parks, Local Teams, etc.
  - Open House
- 
- Objective- Build a Community Bank of Good Will





# CHANGE

POLITICIANS ARE LIKE DIAPERS. THEY NEED TO BE CHANGED OFTEN  
AND FOR THE SAME REASON.



**ARA Member – Thank You!**

**Please Join ARA for a United Voice  
for the American Retailer!**



*Greetings*  
FROM  
**CALIFORNIA**

★ **ARA Conference & Expo** ★  
December 1-3, 2015

**SAVE** *The* **DATE**



**J.W. Marriott | Palm Desert, Calif.**

Donnie Taylor  
Agricultural Retailers Association  
[www.aradc.org](http://www.aradc.org)

