

AG ISSUES UPDATE

Edited by Sara Hricko

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USApple Updates

USApple Launches New In-Depth Apple Outlook Report

During the Outlook Conference, USApple launched "Industry Outlook 2021," which provides the most up-to-date data and analysis on U.S. and global apple production, utilization and trade. Authored by USApple Director of Industry Analytics Chris Gerlach, the report takes an in-depth look at the many trends and forces--from H-2A labor issues to online grocery shopping--helping to shape the U.S. apple industry.

According to a USApple analysis of Agriculture Department data, total U.S. apple production for the 2021-22 crop year will exceed 11.1 billion pounds or 265.4 million bushels. This represents a 2.7 percent increase compared to 2020-21 crop year production of 258.6 million bushels and is 1.3 percent less than the five-year production average. It is important to note that USDA's production forecast differs from that of USApple members who caucused during Outlook to estimate production by region (see chart).

PRODUCTION	2021/2022 (F)		USApple (F) vs. USDA (F)		New Percent Change	
	USApple	USDA	Difference	% Change	YOY	YO5Y
New York	30,000,000	32,142,857	(2,142,857)	-6.7%	-9.0%	-6.0%
Pennsylvania	10,500,000	10,952,381	(452,381)	-4.1%	5.8%	-8.4%
Virginia	4,750,000	4,285,714	464,286	10.8%	22.4%	3.7%
Michigan	18,250,000	18,095,238	154,762	0.9%	-17.3%	-26.3%
California	4,404,762	4,404,762	-	0.0%	-31.7%	-26.8%
Oregon	4,166,667	4,523,810	(357,143)	-7.9%	0.0%	1.1%
Washington	157,250,000	176,190,476	(18,940,476)	-10.8%	-4.5%	-8.4%
Other States	14,445,907	14,829,140	(383,233)	-2.6%	0.0%	-1.1%
United States	243,767,336	265,424,378	(21,657,042)	-8.2%	-5.7%	-9.4%

Sources: USApple; USDA, National Agricultural Statistics Service
Note: Production levels are in 42-pound bushels.



At the varietal level, Gala is expected to retain the top spot with almost 49.3 million bushels produced, accounting for around 19 percent of the U.S. apple market. Rounding out the top five are Red Delicious (35.7 m bu), Honeycrisp (31 m bu), Fuji (29.1 m bu) and Granny Smith (27.2 m bu). To read more about the report, [click here](#).

Gerlach also gave attendees a sneak peek at Newton, the powerful USApple data search dashboard with information never before available--a value-added resource for our members--which will be available later this year.

USApple Names New Board Chair

USApple has elected Michigan grower Chris Alpers chair of the Board of Directors for the 2021-22 term. A third-generation grower, Alpers is the operations manager of RedPath Orchards and Alpers Farms and

a partner in Alpers Tree Sales in Lake Leelanau, Mich., where he grows apples, as well as sweet and tart cherries. His leadership in USApple began when he was selected as a Young Apple Leader in 2014 and has since continued, including three years of service as a USApple officer. His immediate past role was vice chair of the USApple Board of Directors and chair of the organization's government affairs committee. He has also served as chair of the communications committee.

Federal Motor Carrier Safety Administration Extends Exemptions for Emergency Relief Efforts

The Federal Motor Carrier Safety Administration (FMCSA) is extending exemptions from maximum driving time for commercial motor vehicle operations providing direct assistance in support of emergency relief efforts related to COVID-19. The exemptions were set to expire at midnight on August 31, 2021, but will now remain in effect until November 30, 2021.

The exemption includes the transport of "food, paper products and other groceries for emergency restocking of distribution centers or stores." However, the exemption does not include "non-emergency transportation of qualifying commodities or routine commercial deliveries."

The FMCSA also extended waivers for commercial driver's licenses (CDLs) and commercial learner's permits (CLPs). FMCSA permits, but does not require, states to extend the validity of CDLs and CLPs and to waive the 14-day waiting period and grants other waivers from certain regulations applicable to interstate and intrastate CDL and CLP holders and to other interstate drivers operating commercial motor vehicles (CMVs). This waiver will expire on November 30, 2021.

USDA COVID Relief Update

Late last month, USDA amended the Corona virus Food Assistance Program (CFAP 2) to allow producers to substitute their 2018 sales data for the 2019 data. This change was made to provide flexibility to producers who had reduced sales in 2019. Producers wishing to amend their applications should contact their local Farm Services Agency (FSA) office.

Earlier this week, USDA announced the creation of a competitive grant program to help farmworkers and meatpacking workers with pandemic-related health and safety costs. This is separate from the program targeting growers which USApple has been advocating for since the beginning of the pandemic. USDA is reporting that program will soon be announced with "a separate \$700 million suite of pandemic safety and response grants for producers, processors, farmers markets, distributors and seafood processors and vessels." We are in communication with USDA and key congressional offices regarding the significant financial impact that safety protocols have had on the apple industry and the importance of making this assistance available in a timely and efficient manner.

USApple: Many Apple Businesses Will be Left Out of COVID-19 Assistance Program

Falls Church, Va. (Sept. 9, 2021)- Many U.S. apple businesses won't qualify for Critical COVID-relief assistance that was announced today by the Agriculture Department, said the U.S. Apple Association. The \$700 million Pandemic Response and Safety (PRS) Grant program is intended to support businesses that incurred worker housing and transportation costs, as well as personal protective equipment, testing and other related expenses. But, says USApple, the program's focus on small producers means many U.S. apple businesses won't be eligible.

From the onset of the pandemic, apple growers, packers and processors have been on the front lines working to ensure the safety of their workers while continuing to deliver America's favorite fruit to consumers. This came at significant cost to apple businesses—from adhering to social distancing through retro-fitting packing and processing facilities, to securing additional transportation and housing. In addition, growers purchased personal protective equipment for their workers, secured tests and in some cases hired additional workers to step in for those in quarantine. Portions of the crop went unharvested due to COVID-related worker shortages.

Farm Bureau updates

EPA Takes Action to Ban Chlorpyrifos on Food Crops

The U.S. Environmental Protection Agency is revoking all tolerances for the pesticide chlorpyrifos, effectively banning its use in food crops.

The new rule, which will take effect in six months, comes as EPA is reviewing the registration for the pesticide and soliciting public comments. Through that process, EPA will continue to review non-food uses of chlorpyrifos and said it “may consider additional measures to reduce human health and ecological risks.”

EPA Will Continue to Allow Paraquat Application, Expand Safety Measures

The U.S. Environmental Protection Agency has finalized an interim decision on the herbicide paraquat, allowing the product to remain on the market for another 15 years but putting new safety restrictions in place.

The agency walked back a proposal to ban aerial application but will limit pilots to spraying 350 acres per day and impose residential buffers during aerial applications. The new rules also require enclosed tractor cabs for farmers or farmworkers applying paraquat to more than 80 acres per day, banned use of paraquat in backpack sprayers, and prohibited workers from entering a field until 48 hours after paraquat is applied.

Paraquat is applied annually to control invasive weeds and grasses in certain crops, including corn and soybeans. It's a Restricted Use Product, meaning it can only be used by certified pesticide applicators.

Organic Certification Cost Sharing Available

Organic producers and handlers can now apply for funds to assist with the cost of receiving or maintaining organic certification. Applications for the U.S. Department of Agriculture's Organic Certification Cost Share Program are open through Nov. 1.

The program provides cost-share assistance to producers and handlers of agricultural products for the costs of obtaining or maintaining organic certification under the USDA's National Organic Program.

Eligible producers include any certified producers or handlers who have paid organic certification fees to a USDA-accredited certifying agent during 2021 and any subsequent program year.

Producers can be reimbursed for expenses made between Oct. 1, 2020, and Sept. 30, 2021, including application fees, inspection costs, fees related to equivalency agreement and arrangement requirements, travel expenses for inspectors, user fees, sales assessments and postage.

For 2021, the program will reimburse 50 percent of a certified operation's allowable certification costs, up to a maximum of \$500 for each of the following categories:

Crops

Wild crops

Livestock

Processing/handling

State organic program fees

Farmers may apply through their local Farm Service Agency county office.

Changes to Red Tag Program Preliminarily Approved By Game Commission

At the recent meeting in July, the Board of Game Commissioners granted preliminary approval to some big changes to the Deer Depredation Program, or “Red Tag.”

The proposed changes come after a review in response to stakeholder requests for modifications, including advocacy from Pennsylvania Farm Bureau.

The commission held meetings and open discussions with various organizations, including PFB, to collect recommendations to attempt to improve the program.

Some of the changes include removing the public access requirement and signage requirements; allowing four permits per person to be consistent with DMAP; changing valid permit dates to Aug. 1 through Sept. 15, and Feb. 1 through April 15; allowing hunters to keep all deer harvested; and removing the landowner reporting requirement, as well as opening participation to non-Pennsylvania residents.

If approved at the upcoming meeting in September, the changes would take effect in July of 2022.

Ag Law updates

Brook Duer—Staff Attorney

Audry Thompson—Research Assistant

COVID-19: USDA Announces \$650 Million in Pandemic Response and Safety Grants for Small Business Producers

On September 9, 2021, the U.S. Department of Agriculture (USDA) announced that the application period for \$650 million in Pandemic Response and Safety (PRS) Grants will open September 23, 2021 and close November 8, 2021. PRS grants provide funds for farmers markets and specialty crop producers, food processors, manufacturers, and distributors qualifying as small businesses under U.S. Small Business Administration standards for coronavirus response expenditures. Eligible expenses include workplace modifications to protect against COVID-19, personal protective equipment, online platform development, and worker transportation, housing, and medical costs associated with COVID-19 prevention and treatment. USDA expects to issue 200,000 grants directly to small businesses, ranging from \$1,500 to \$20,000. Additionally, USDA announced \$50 million for the Seafood Processors Pandemic Response and Safety (SPRS) Block Grant Program available to state agencies.