

# **AG ISSUES UPDATE**

**Edited by Sara Hricko**

**December 2022-January 2023**

## **USApple updates**

### **RMA Announces Apple Crop Insurance Listening Sessions**

In April 2022, USApple submitted comments to USDA's Risk Management Agency (RMA) regarding proposed changes to the apple crop insurance program. In June 2022, RMA indicated that they would delay the announcement of a final rule until additional listening sessions were held – the dates and locations of those listening sessions has just been announced.

#### **RMA Apple Crop Insurance Listening Session Dates and Locations**

- Wednesday, March 8, 2023 Wenatchee, Washington
- Tuesday, March 14, 2023 Rochester, New York
- Wednesday, March 15, 2023 Highland, New York
- Thursday, March 16, 2023 Goffstown, New Hampshire
- Tuesday, March 28, 2023 Clarksville, Michigan
- Thursday, March 30, 2023 Hendersonville, North Carolina
- Tuesday, April 11, 2023 Virtual Session

USApple encourages industry-wide participation to ensure that your voices are heard and understood *before* RMA makes any final changes.

Select the following link to review the official RMA announcement: <https://usapple.org/wp-content/uploads/2022/12/RMA-Apple-Insurance-Listening-Sessions.pdf>

### **Statement by Jim Bair, President and CEO U.S. Apple Association Re: Unfinished Agriculture Labor Reform**

“This week (December 21<sup>st</sup>) the Senate will adjourn without finishing its work. The House twice passed bipartisan legislation to reform our broken agriculture labor system and the Senate failed to act. A good bill passed the House, and a better one was introduced in the Senate. To get right up to the finish line – but not cross it – is a bitter pill to swallow when the bill would have improved the ag workforce picture by every measure.

“The U.S. apple industry applauds the bipartisan efforts of Reps. Dan Newhouse (R-Wash.), Zoe Lofgren (D-Calif.) and others for their efforts in the House. We also are thankful to Rep. Mike Crapo (R-Idaho)

who worked for 18 months with Sen. Michael Bennet (D-Colo.) to craft bipartisan legislation, but in the end could not garner the level of support needed to get it across the finish line. Senator Bennet continued those efforts and worked tirelessly, and we are proud to have worked with him and thank him for his leadership. But in the end, it wasn't enough. Apple growers across the country are now left to fend for themselves as input costs rise, export markets decline and the cost of labor will increase January 1, by as much as 12 percent.

“As a new Congress will soon be sworn in, we will not give up seeking these important reforms. We hope that they can find it in themselves to roll up their sleeves, get to work and find a solution. Apple growers do this every day. They are making tough decisions to determine if they can continue producing America's favorite fruit for another year, or if what has been a livelihood for three, four or more generations stops with this one.”

*(Prior to this determination on December 21<sup>st</sup>, the following actions were taken to nudge these reforms along as much as possible)*

## **USApple Members Urge Senate Action on Ag Labor During Capitol Hill Fly-in – Nov. 18<sup>th</sup>**

This week, USApple teamed up with the American Business Immigration Coalition and other agriculture associations for a fly-in to urge the Senate to pass agricultural labor reform this year. The event kicked off with a press conference at the Capitol where USApple President & CEO Jim Bair joined House champions Dan Newhouse (R-WA), Zoe Lofgren (D-CA) and fellow agriculture CEOs to call on the Senate to Act. Meetings were held in more than 60 of the 100 Senate offices to press the case for action.

The clock is running out. The House passed the bipartisan Farm Workforce Modernization Act in March of 2021 but if the Senate does not act by year-end, that achievement will be erased, and efforts will have to start anew. New Speaker of the House Kevin McCarthy has made it clear that the Republican House will not consider any legislation that touches immigration on his watch. This reality has made action even more urgent, particularly as the Biden Administration rolls out unfriendly H-2A regulations and the Adverse Effect Wage Rate continues to climb.

Senators Mike Crapo (R-ID) and Mike Bennett (D-CO) have taken the lead and are getting close to a bipartisan proposal. When that happens, time will be of the essence. Please stay tuned for opportunities to contact your Senators and help finally solve this problem.

Thanks to these apple leaders who responded to our call to action and traveled to the nation's capitol this week:

**New York:**

John Teeple

John Bittner

**Virginia:**

Phil Glaize

**Washington:**

Kristin Snapp

Sean Gilbert

**Pennsylvania:**

Brenda Briggs

Craig Hinkle

Mark Boyer

Andy Figart

Michelle Laird

**West Virginia:**

Philip Bolyard

**USApple, Congressional Leaders Make One Last Push for Ag Labor Reform**

USApple President & CEO Jim Bair spoke at a press conference today on Capitol Hill regarding the introduction of the Affordable and Secure Food Act. Bair is pictured here with the bill's sponsor, Sen. Michael Bennet, and Rep. Dan Newhouse, who is speaking. USApple's press release is below.

**USApple, Congressional Leaders Make One Last Push for Ag Labor Reform**

Dec. 15, 2022 (Falls Church, Va.) — USApple President & CEO Jim Bair today joined Sen. Michael Bennet (D-Colo), Rep. Dan Newhouse (R-WA) and agriculture stakeholders in support of the Affordable and Secure Food Act (ASFA) introduced today by Senator Bennet.

Speaking at a press conference on Capitol Hill, Bair said, “Apple growers face an untenable future as input costs, particularly labor, continue to outpace even the high inflation of recent months. The Affordable and Secure Food Act would stabilize the domestic agriculture workforce and provide critical reforms to the H-2A program. The clock is ticking, and the Senate must act now to provide the certainty and predictability needed by the apple industry and others in labor intensive agriculture.”

The bill would:

- Provide earned legal status to experience workers who pay a fine, go through a background check and commit to working in agriculture in the future.
- Freeze the Adverse Effect Wage Rate (AEWR) for one year with a cap on future increases of 3 percent for most states.
- Help secure the border with E-Verify for agricultural employers after the workforce reforms have been enacted.

"Apple growers from coast-to-coast are hanging on by a thread as labor as input costs spiral out of control," continued Bair. "The reforms included in the Affordable and Secure Food Act would provide much needed stability and certainty for the agriculture workforce and predictability to the H-2A program. In short, it is good for both growers and workers. We thank Senator Bennet for bringing this proposal forward and urge the Senate to act swiftly."

## **2023 Adverse Effect Wage Rate Determined**

On November 23, USDA released the final agriculture labor survey used to determine the Adverse Effect Wage Rate (AEWR) for the H-2A program. The new wage rate will take effect in January. The average increase is nearly 7 percent. As always, there are winners and losers with apple states experiencing increases ranging from 6 percent to nearly 13 percent. Importantly, if agriculture labor reform legislation like the FWMA were to be signed into law before the end of the calendar year, these rates would not take effect. Instead, the 2022 wage rates would be frozen for a year with a limit on future increases.

## **Threat of Rail Shutdown Could Impact Availability and Cost of Trucks**

Stalled contract negotiations between unions and management are threatening a rail shutdown as soon as next week. A rail shutdown would freeze 30 percent of cargo shipments and cost the economy \$2 billion per day. The impact on the agricultural sector would be significant both for those commodities relying on rail but also those dependent on trucks which would likely see significant increases in demand and cost.

USApple joined a broad coalition of agriculture groups to call on Congress to intervene and prevent a strike. Today, Nov. 30, the House of Representatives did that, and now the Senate needs to pass the legislation and get it to the President's desk to be signed into law. USApple President & CEO Jim Bair is an active member of an agriculture CEO group which meets regularly to discuss interests of common concern, and those calls have affirmed contingency plans that many are making to switch from rail to truck if a strike ensues.

## **Trade with Mexico Potentially Threatened by Corn Dispute**

The U.S. is protesting Mexico's plan to ban imports of biotech corn by 2024. Mexico is the largest export customer for U.S. apples, with purchases of \$349 million in 2021, more than 38 percent of the \$909 million total.

The U.S. maintains Mexico has no authority to ban exports under the 2020 U.S.-Mexico-Canada trade agreement. USApple is active in coalitions of export-dependent ag commodity groups that are engaged with the U.S. Trade Representative on this issue. Our objective is to avoid U.S. apples being targeted by Mexico in retaliation to potential enforcement actions.

## **USApple Urges USTR to Consider Agriculture in Future WTO Plans**

Last month, USApple signed on to a letter to U.S. Trade Representative Ambassador Katherine Tai urging the U.S. government to consider input from the agriculture industry regarding the future of the World Trade Organization negotiations.

"Now more than ever, international agricultural trade and global food security depend on continued U.S. leadership at the WTO," said the letter. "We believe the negotiations are at a crossroads, and that the post-MC12 (12th Ministerial Conference) environment in Geneva is conducive to efforts – already under discussion among some Members – to make a fresh start. We would welcome the creation of a forum at the WTO that would facilitate a productive discussion at the WTO, not only of the traditional core issues – market access, domestic support and export competition – but also emerging trade-related issues, such as the contribution of trade liberalization and innovation-friendly regulatory approaches to agricultural sustainability and climate change mitigation. If the current structure of WTO talks does not allow for such blank-slate negotiations, we encourage you to develop alternatives to address these issues."

## **USApple Tracker**

According to the survey, the total number of apples in storage on December 1, 2022, was 134.2 million bushels, 7.1 percent less than last December's total of 144.4 million bushels and 11.5 percent less the 5-year average for that date.

Fresh apple holdings this December, totaled 93.4 million bushels, 6.8 percent less than the inventories reported for last December. Processing holdings totaled 40.8 million bushels, 7.7 percent less than last year on December 1.

This report captures more than 95% of the national storage capacity. We thank all the participants and welcome your suggestions and comments about how to improve it. If you have any questions or concerns, please do not hesitate to contact me at any time.

## **Farm Bureau Updates**

### **Hoffman Elected as PFB's Ninth President**

HERSHEY – Juniata County farmer Chris Hoffman has been elected as the ninth President of the Pennsylvania Farm Bureau (PFB) by voting delegates at the 72nd Annual Meeting of the state's largest farm organization. Hoffman served as the vice president for the past eight years.

Hoffman has been heavily involved with Farm Bureau over the past 28 years, serving on PFB's State Board of Directors for 11 years and as a member of the board's Executive Committee.

As Vice President, Hoffman was responsible for chairing PFB's policy development process, where farmers recommend solutions to benefit agriculture and rural communities.

He currently chairs the Pennsylvania Farm Bureau State Agriculture Promotion Committee, which focuses on raising money for the Pennsylvania Friends of Agriculture Foundation and encouraging county-level events that promote consumer awareness of agriculture. Hoffman also previously served for four years as chair of the American Farm Bureau Federation's Promotion and Education Committee. He was named America's Pig Farmer of the Year by the National Pork Board in 2019.

Hoffman also serves as a member of the Penn State Board of Trustees and is involved in other agricultural organizations.

Hundreds of farmers from across the state attended Pennsylvania Farm Bureau's 72nd Annual Meeting at the Hershey Lodge from November 14-16, to set policy for the statewide organization on issues affecting farm and rural families.

## **Nagle Elected as PFB Vice President**

CAMP HILL – Cambria County beef and crop farmer Tommy Nagle was elected as the Vice President of the Pennsylvania Farm Bureau (PFB) by the state board of directors on Wednesday after the position was vacated by Chris Hoffman, who is now serving as PFB President.

Nagle has been heavily involved with Farm Bureau for more than a decade, serving as a member of PFB's state board of directors, representing District 12, which consists of Cambria, Clearfield and Indiana counties for the last three years.

In 2013, Nagle and his wife Tracey won PFB's Young Farmer and Rancher Achievement Award. Nagle raises beef cattle and grows crops on his family farm in Patton, Cambria County.

As Vice President, Nagle is responsible for chairing PFB's policy development process, where farmers recommend solutions to benefit agriculture and rural communities. Nagle held numerous positions on the Cambria County Farm Bureau Board of Directors since 2011, including time as president, vice president, policy development chair, and Young Ag Professionals chair.

## **Pennsylvania's CHEMSWEEP to Provide Safe Pesticide Disposal in 18 Counties in 2023**

HARRISBURG – Agricultural businesses and pesticide applicators in 18 counties can dispose of unwanted pesticides safely and easily in 2023 through the Pennsylvania Department of Agriculture's CHEMSWEEP program.

New for 2023- inventory forms will be submitted digitally through on the PDA website at [www.agriculture.pa.gov/chemsweep](http://www.agriculture.pa.gov/chemsweep). Paper forms will still be available for those without internet access by calling (717) 772-5210.

The program is offered in different counties each year. In 2023 it will be available in Bucks, Crawford, Dauphin, Erie, Fayette, Greene, Huntingdon, Juniata, Lycoming, Mercer, Mifflin, Montgomery, Perry, Philadelphia, Susquehanna, Tioga, Wayne, and Westmoreland counties.

Over 3.0 million pounds of unwanted or unusable pesticides have been properly destroyed through the program since it was established in 1993.

Every year, many pesticide products are discontinued, phased out or become unusable, leaving growers, commercial establishments and applicators with potentially dangerous and toxic materials that cannot be placed in landfills. The unwanted pesticides often become a safety hazard and an environmental concern through long-term storage in garages, barns, or other areas.

Farmers, licensed pesticide applicators, pesticide dealers and commercial pesticide application businesses from the designated counties are eligible to participate by completing the CHEMSWEEP registration/inventory form online through our website. The registration period ends March 31.

An independent contractor hired by the state agriculture department collects and packages all waste pesticides at each participating location, primarily for incineration at facilities approved by the U.S. Environmental Protection Agency. CHEMSWEEP covers the disposal cost for the first 2,000 pounds per participant. Above that level, participants are billed at the agriculture department's contracted price.

The program is funded through annual registration fees paid by pesticide manufacturers and applicators.

## **Additional Source Updates**

### **Thompson Elected Chairman of the House Committee on Agriculture**

WASHINGTON — The House Republican Steering Committee has elected Congressman Glenn “GT” Thompson (PA-15) as Chairman of the House Committee on Agriculture for the 118th Congress. Mr. Thompson will be the first Chairman from Pennsylvania in nearly 170 years. After the vote, Mr. Thompson issued the following statement:

*“I am honored to lead the Committee on Agriculture and build on the accomplishments of the past two years as Ranking Member. The political landscape in Washington may be fractured, but as Chairman, I will prioritize the needs of our producers and rural communities—the backbone of this country. We will keep our foot on the gas to deliver principled solutions, robust oversight, and a Farm Bill that is responsive to the needs of the country’s farmers, ranchers, and foresters.”*

House Agriculture Committee Chairman David Scott issued the following statement congratulating Congressman Glenn “GT” Thompson on his selection to serve as next Chairman of House Agriculture Committee:

“I want to congratulate my friend Congressman Glenn “GT” Thompson on his selection by House Republicans to serve as Chairman of our great House Agriculture Committee,” said Chairman David Scott.

“It has been the honor of a lifetime for me to serve as the chairman of the House Agriculture Committee, and I am deeply appreciative of the support and friendships of each Member of the House Agriculture Committee. As I prepare to hand the gavel over to Mr. Thompson, I wish him the best in this role. I am encouraged by the bipartisan work we have accomplished together, particularly around our shared interest in broadband and access to USDA programs for our new and small producers. Heading into the 2023 Farm Bill, I am hopeful and prayerful that the collegial spirit will continue and that the

Agriculture Committee will be able to deliver a farm bill with strong Republican and Democratic bipartisan support,” Chairman David Scott continued. -*Morning Ag Clips December 11<sup>th</sup>, 2022*

*NOTE: With the Changes in the H-2A Program, AEWR, etc. I wanted to include the following links to FAQ pages and the Federal Register, which were sent out by the National Council of Agricultural Employers (NCAE) – Sara*

1. **2022 H-2A Final Rule FAQs (Nov. 21<sup>st</sup>.)**  
[https://www.dol.gov/sites/dolgov/files/ETA/oflc/pdfs/2022%20H-2A%20FR\\_SWA%20FAQs\\_PW%20surveys%20Nov%202017.pdf](https://www.dol.gov/sites/dolgov/files/ETA/oflc/pdfs/2022%20H-2A%20FR_SWA%20FAQs_PW%20surveys%20Nov%202017.pdf)
2. **2022 H-2A Final Rule FAQs (Dec. 7<sup>th</sup>)**  
[https://www.dol.gov/sites/dolgov/files/ETA/oflc/pdfs/2022%20H-2A%20FR\\_FAQs%20Round%203\\_Job%20Offers%20Assurances%20Obligations\\_wages.pdf](https://www.dol.gov/sites/dolgov/files/ETA/oflc/pdfs/2022%20H-2A%20FR_FAQs%20Round%203_Job%20Offers%20Assurances%20Obligations_wages.pdf)
3. **Federal Register : Temporary Agricultural Employment of H-2A Nonimmigrants in the United States** <https://www.federalregister.gov/documents/2022/10/12/2022-20506/temporary-agricultural-employment-of-h-2a-nonimmigrants-in-the-united-states>
4. **U.S. Department of Labor: H-2A – Temporary Agricultural Employment of Foreign Workers**  
<https://www.dol.gov/agencies/whd/agriculture/h2a>