

AG ISSUES UPDATE

Edited by Sara Hricko

March 2022

USApple Updates

USApple Weighs in On Proposed H-2A Wage Changes

In December, the Department of Labor proposed regulatory changes to the H-2A wage calculation which, if enacted, would add cost and administrative burdens for employers. USApple submitted comments to the Department of Labor outlining our concerns and suggested alternatives. In those comments, we also argued for broader reforms to the H-2A program including allowing packing houses to utilize the program. USApple continues to work with our coalition partners and congressional allies to seek reforms to the H-2A program through legislation and regulation. Comments can be viewed at the following link: <https://usapple.org/wp-content/uploads/2022/02/Final-USApple-Comments-AEWR.pdf>

USApple Works with Congressional Allies to Advocate Flexibility on Vaccinations for H-2A Workers

On January 21, the Department of Homeland Security (DHS) announced that starting the next day (January 22) all non-citizens crossing the U.S. border at land entry points would have to show proof of a Centers for Disease Control/World Health Organization approved vaccination. This presented immediate challenges for H-2A employers, particularly those whose workers were due to arrive in late January and February.

The apple industry and others using the H-2A program had great success in vaccinating employees last year but due to normal attrition, not all of those workers are returning. Many workers new to the program were vaccinated in Mexico with a Chinese or Russian vaccine which are not on the approved list. In addition, some returning workers did not keep their vaccination card. USApple and the Northwest Horticultural Council worked closely with Congressman Dan Newhouse's office to draft a letter to DHS outlining the challenges and encouraging flexibility in allowing workers to receive their vaccination after crossing the border into the U.S. as so many did last year. We then worked to gain bipartisan support for the letter. USApple has since participated in calls with DHS and we are hopeful a resolution will be found soon.

USDA Announces Funding for Clean Plant Network

USDA has announced it is allocating more than \$70 million to fund projects under the Plant Protection Act, including 28 projects supporting the National Clean Plant Network (NCPN). The goal of the NCPN is to strengthen the nation's infrastructure for pest detection and surveillance, identification, and threat mitigation; to safeguard the nursery production system; and to respond to plant pest emergencies.

USApple is a founding member of the Specialty Crop Farm Bill Alliance, which in 2006 began pushing for USDA plant sanitation programs. As a result of that industry effort, Congress added language creating the NCPN to the 2008 Farm Bill, and it was made a permanent part of the Farm Bill in 2014. Nurseries and a wide range of plant propagators rely on the NCPN to prevent the importation of apple diseases and insects on imported plant materials and plant materials moving through commerce. USApple has been a strong supporter of this program since its inception.

Information on this program can be found here: https://www.aphis.usda.gov/aphis/resources/ppa-projects/lut/p/z1/04_iUIDgAgL9CCADyIQSuGj9qLzEssz0xJLM_LzEHP0I_cg0s3gffxNnQ6dgAyDt6mTg6Bpk7uvq6mnk7myq76UfhV9BQXaglgC_PzP8/

Agriculture Urges Senate Ocean Shipping Legislation

The Agriculture Transportation Coalition (AgTC), comprised of more than 100 agriculture associations including USApple and companies delivered a letter to U.S. Senate Democratic and Republican Leaders Senators Chuck Schumer and Mitch McConnell concerning the urgency of advancing supply chain legislation. A survey recently conducted by AgTC found that, on average, 22 percent of U.S. agriculture foreign sales could not be completed due to ocean carrier practices including exorbitant freight rates, declined booking requests, unreasonable freight and demurrage/detention charges and failure to communicate schedules in a timely manner.

The letter can be found here: https://640q92ead86zzcx32uoxzyzz-wpengine.netdna-ssl.com/wp-content/uploads/2022/01/US-Agriculture-Urges-Senate-Ocean-Shipping-Legislation_1_27_22.pdf

USApple Announces 2022 Next Gen Apple Fellowship Class

USApple today announced the 2022 class of its new emerging leader program, the NextGen Apple Fellowship. Six fellows from across the country were chosen to participate in the 2022 class. The

program will focus on providing fellows annually with career development, one-on-one mentoring, hands-on advocacy experience, community service work and many other leadership opportunities.

The 2022 NextGen Apple Fellows include:

- Marcus Albinder, Operations Manager/Marketing Leader, Hudson River Fruit Distributors, Milton, N.Y.
- John Cary, Director of Planning and Analytics, Stemilt Growers, LLC, Wenatchee, Wash.
- Tim Cote, Projects Analyst and Director of Orchard Safety, AgriMACS, Inc., Yakima, Wash.
- Ethan Holmes, Founder & CEO, Holmes Mouthwatering Applesauce, Cleveland, Ohio
- Syrah Linsley, Project Manager, Old Orchard Brands, Grand Rapid, Mich.
- James Nysson, Pacific Northwest Regional Sales Manager, Sev-Rend Packaging, Moxee, Wash./Collinsville, Ill.

“Following an extensive interview process with applicants from across the country, we are excited to name the inaugural class of the NextGen Apple Fellowship,” said USApple Board Member and Chair of the NextGen Selection Committee Elizabeth Pauls. “Each of the fellows were chosen because of their distinguished work in the apple sector, as well as their tremendous potential. USApple is excited for this class of individuals who come from diverse careers in the apple industry and balance one another with a vast collection of strengths and expertise.”

Like its predecessor, the Young Apple Leader program, NextGen will continue USApple’s legacy of providing up-and-coming apple leaders with critical government affairs and advocacy training, as well as the program’s annual trip to Washington, D.C., for USApple’s Capitol Hill Day. In addition, the NextGen Apple Fellowship will take a more concentrated approach to career development with a professional development/teamwork retreat, media training, industry learning webinars and forums, as well as the opportunity for fellows to attend USApple’s annual Outlook conference. In addition, fellows will be provided an ongoing and unique one-on-one mentorship with an established industry leader to provide guidance and networking opportunities.

Inventor of 1-MCP Inducted into National Inventors Hall of Fame

Sylvia Blankenship was recently inducted into the National Inventors Hall of Fame for her co-discovery of 1-MCP, the compound that blocks ethylene perception in plant cells and stalls the ripening process. She is Emerita Professor and Senior Associate Dean of Horticultural Science at North Carolina State University.

Blankenship started working with apple growers and learning about quality problems when she took a teaching and research position at the university in 1983. 1-MCP was patented in 1999 for fruits and vegetables. Licensing fees for 1-MCP have also brought in more than \$25 million for the university, still the record for royalty revenues at NCSU.

In her induction Blankenship said “One of the biggest pleasures that I have is when an apple grower or somebody walks up to me and says, ‘You helped my business. You saved my business. You changed the way I do business.’ It's so heartwarming, and I am so glad that they benefited from it because that's what I wanted to do.”

At USApple’s 2019 Outlook Conference Sylvia received the Apple Champion Award, the first and only recipient from outside the apple industry. In presenting her with the award, USApple President & CEO Jim Bair said “This Apple Champion dramatically changed the industry for the better, and you probably don’t even know her name. Today, we’re fixing that.”

Farm Bureau updates

Pennsylvania Farm Bureau Reacts Favorably to Governor’s Budget Proposal for 2022-23

CAMP HILL – Pennsylvania Farm Bureau (PFB) is pleased that Gov. Tom Wolf’s 2022-2023 budget proposal prioritizes key areas for agriculture. It presents an overall positive plan for delivering the tools Pennsylvania farmers need to continue to grow the state’s economy and continue producing food for their communities, state and beyond.

The plan proposes an increase in funding for many key agriculture programs, including to Penn State University’s agricultural research and Cooperative Extension services, as well as increases for University of Pennsylvania veterinary school. The plan also calls for increasing funding for the Pennsylvania Agricultural Surplus System (PASS), which assists with getting excess food from Pennsylvania farms and food processors into the charitable food system. The proposal maintains or increases funding for most programs, with a proposed increase of \$12 million – or 7% – over last year.

While not reflected in Gov Wolf’s budget address Tuesday, the Governor has previously stated his intention to allocate federal dollars given to Pennsylvania as part of the American Rescue Plan, on new conservation initiatives, including the Agriculture Conservation Assistance Program (ACAP). This

program would give a yearly allocation to county Conservation Districts to help farmers with projects that focus on water quality.

USDA Announces Heidi Secord as Pa.'s FSA State Executive Director

USDA announced that Heidi Secord has been appointed as Farm Service Agency (FSA) State Executive Director for Pennsylvania. The news came as part of an announcement that introduced a total of eight new appointees to regional USDA positions around the country.

Heidi Secord has over 26 years of farming and regenerative agriculture experience as the owner of the Josie Porter Farm in northeastern Pennsylvania. She currently serves as a farmer member on the Pennsylvania State Conservation Commission, which she was appointed to by Governor Tom Wolf. Secord previously served as the State President for the Pennsylvania Farmers Union and sat on the National Farmers Union Board of Directors. She has engaged in agricultural policy committee work with multiple organizations, including PASA Sustainable Agriculture Board, Pennsylvania State Council of Farm Organizations (PSCFO), All Together Now Pennsylvania, and the Monroe County Conservation District. Earlier in her career, Secord served as a Peace Corps volunteer for three years in Mali and Lesotho. She graduated with a degree in Business Management from the University of Rhode Island.

FSA State Executive Directors oversee Farm Service Agency operations and agricultural policy implementation in the state. Each State Executive Director works with the State Committee to administer FSA programs and County office operations, develops and maintains stakeholder relationships with customers and other agencies and governments.

USDA Introduces Micro Farm Policy for Farmers Who Sell Locally

The USDA is rolling out a new Micro Farm policy designed specifically for agriculture producers with small farms who sell locally.

The new policy, which will be available beginning with the 2022 crop year, will simplify record keeping and cover post-production costs like washing and packaging commodities and value-added products. The Micro Farm policy is available to producers who have a farm operation that earns an average

allowable revenue of \$100,000 or less, or for carryover insureds, an average allowable revenue of \$125,000 or less.

The Micro Farm policy builds on other RMA efforts to better serve specialty and organic crop growers, which includes Whole-Farm Revenue Protection (WFRP) that provides coverage for producers with larger operations that may not be eligible for the Micro Farm policy.

The Federal Crop Insurance Corporation approved the Micro Farm policy in September.

Other Source Updates

USDA Head: US Farmers to help if Ukraine Exports Threatened

DUBAI, United Arab Emirates (AP) — American wheat farmers will boost production and prevent supply chain problems in the event that a possible Russian invasion of Ukraine chokes off agricultural exports from the global grains powerhouse, the U.S. secretary of agriculture said on Saturday.

During a trade mission to the United Arab Emirates, U.S. Secretary of Agriculture Tom Vilsack told The Associated Press that a conflict in Ukraine would present an “opportunity, obviously, for us to step in and help our partners, help them through a difficult time and situation.”

“We’ll obviously continue to look for opportunities to expand those (export) markets,” Vilsack said from a sprawling fruit and vegetable market in Dubai, which he toured with a delegation of American business owners. “That’s the beauty of our system now.”

U.S. President Joe Biden said late Friday he was now “convinced” that Russian President Vladimir Putin had decided to invade Ukraine in the coming days.

A Russian invasion and blockade of Ukraine could jeopardize the country’s crucial wheat exports, which account for 12% of the world’s total, according to the U.S. Department of Agriculture. Ukraine is also estimated to supply 16% of the world’s corn exports this year. Its grain production has boomed over the last decade. Last year, the state harvested nearly 33 million metric tons of wheat, the USDA reported, a stark increase from the previous year.

The mounting tensions and militarization along the Russia-Ukraine border, along with pandemic-induced supply chain backlogs and spikes in fertilizer and farm equipment costs, helped push wheat prices to their highest level in nearly a decade last year.

A bushel of wheat was trading in Chicago at over \$8 on Saturday — just below the multi-year high hit last year. The price of a bushel of corn climbed 0.5% on Saturday to exceed \$6.50.

The disruption in commodity markets wrought by an invasion would most directly impact the biggest buyers of Ukrainian wheat in South Asia, Europe, Africa and the Middle East. Many countries, like Egypt, depend on wheat imports to provide subsidized bread to impoverished populations. That raises the risk of political and economic turmoil if those countries have to pay more to ship in wheat from the U.S. or farther afield.

“We certainly hope that doesn’t happen,” Vilsack said of a potential conflict driving up wheat prices. “I wouldn’t expect and anticipate that American consumers are necessarily going to see a direct impact, but European consumers, I think that’s a different story.”

On the U.S. decision Friday to lift a ban on inspections of Mexican avocados, Vilsack said there had been “a commitment by Mexican officials to do what needed to be done, which was to investigate the threats” against U.S. safety inspectors.

“Once we see those concerns are being addressed, then we see a safer environment in which our inspectors can return to work,” he said, paving the way for Mexican avocado exports to resume imminently.

Vilsack was in Dubai to advance an agriculture sustainability initiative and promote American agricultural exports to the UAE, a federation of seven desert sheikhdoms that imports up to 90% of its food.

After surveying the range of American produce in stock at the local market, including Red Delicious apples, Vilsack praised the U.S. relationship with the Emirates and stressed the importance of rebuilding trust with trade partners after years of turbulence under former President Donald Trump.

“I don’t see us reverting back to the approach of the previous administration,” Vilsack said, referring to Trump’s trade wars with China, Mexico and Canada that clobbered agricultural markets. “That caused a lot of disruption ... it obviously cost us export opportunities.”—By ISABEL DEBRE Associated Press (via *Morning Ag Clips February 20, 2022*)