



Inputs

Capitol Update

Budget Bill Passed in Special Session, Avoiding Shutdown

Minnesota lawmakers and Governor Dayton avoided a partial government shutdown in 2015. Although lawmakers needed parts of two calendar days to complete the one-day special session called by Dayton for June 12, the House and Senate passed six bills on to the governor before adjourning the session sine die in the early morning hours of June 13. The most controversial piece of legislation — the omnibus environment, natural resources and agriculture policy and finance bill — caused the most difficulty, but was ultimately passed with the language agreed to by Dayton and the legislative leaders before the session was called. Lawmakers also passed the \$17 billion omnibus K-12 education finance bill; the omnibus jobs and energy bill; the \$540 million omnibus legacy bill; a \$370 million capital investment bill; and a revisor’s bill that makes technical fixes to legislation where needed. Clearly, metro and environmental issue advocates have served notice that they intend to run Minnesota public policy but were held back by the thinnest of margins. The ballot box in 2016 will be the determining factor if rural interests will be able provide common sense leadership in Minnesota.

A major sticking point was a disagreement over a provision recently signed into law that would allow counties to outsource financial audits. Dayton initially refused to schedule a special session until Republican legislators agreed to repeal the new law. The legislators pointed out that the Governor already signed this provision into law earlier in the session and repeal of the law is difficult. Dayton and the State Auditor lost this political tussel.

The special session was required when the Governor vetoed three bills: 1) the education finance bill which contained funding early and K-12 education mandates, 2) the jobs and economic development funding bill, and 3) the omnibus agriculture, environment and natural resources bill even though he had signaled earlier that he would sign the compromise bill. Environmentalists opposed the

(continued on page 2)



Executive Director’s Report

Hello MCPR members,

The more things change, the more they stay the same. Politician’s fights have made predicting May/June schedules hard for legislators, lobbyists, and government workers in Minnesota. The public simply ignores the charade and writes the public policy process off as too bitter, too divisive, and possibly as an utter waste of time and goes on about their business. Death and taxes are the only certainty we can get out of this “free for all” we call state government.

Actually, a significant change has occurred at the Capitol. The emergence of the rural interests which at times was more influential than the expected Democrat/Republican divisions. Seems not only large and small business folks are concerned about the power the metro areas of Minnesota has over the rural interests, now many people in rural Minnesota want to stand against the metro bullying of past years. These differences have had a major bearing on the special session required after Governor’s Dayton’s veto of three bills. These three bills were compromised out between a Republican controlled House and a Democratic controlled Senate and passed in a bipartisan fashion.

Several bills which addressed environment issues were passed and led to the vetoes which forced the Special Session and also prevented a tax bill from passing at all. Maybe the rural

(continued on page 2)

Inside this Issue

Capitol Update	1&2
Executive Director’s Report	1&2
Reguletter	Insert
Golf Sign-Up	Insert
News & Notes	3
Craig’s View	4

Executive Director's Report *(continued from page 1)*

interests in jobs, agriculture, and less regulation have finally made a permanent imprint on Minnesota politics – right? Well, not so fast. When you look at the Minnesota election outcome of last year that gave Republicans taking a rural vs. city agenda a major win in the House of Representatives, one might be tempted to conclude that a shift in election outcomes is in the works. With the Senate now facing election in 2016, some have said that legislative control might flip in the Senate to give Republicans with a rural message and constituency a majority in both houses. This outcome would certainly provide some relief to the on-slaught of metro policies and interests.

Political professionals are warning against that expectation, however. This next election cycle will include a Presidential election. The federal election always pulls up more metro oriented politics and issues such as pollinators, environmental concerns, transit and bicycles over roads and bridges, and spending to stimulate the economy rather than throttling back regulations and laws that stifle private sector job development.

There are no guarantees in Government except one: the world is run by those who “show up.” MCPR members, you had better develop a strong stomach for getting into the trenches on local politics and state elections or we will be right back to square one when it relates to environmental activism.

Until next time,



Bill Bond

Capitol Update *(continued from page 1)*

elimination of a citizens' board that oversees some decisions at the Minnesota Pollution Control Agency but in doing so he vetoed the buffer compromise and the bird flu proposals. MCPR was instrumental in limiting the amount that the MDA may use from the pesticide regulatory account to enforce pollinator-friendly labeling restrictions to \$20,000 per year. Also the bill addresses the Agricultural Fertilizer Research and Education Account (AFREC) administration issues by moving the additional 40 cents per ton fee on fertilizer that is dedicated for research and education into a separate account and limiting the MDA administrative charges to \$80,000 annually. Section 9 also increases the regular fertilizer fee by nine cents per ton.

Negotiations were all behind closed doors which left little chance for input on the final decision by lobbyists.

Governor Dayton did sign the Ag policy bill which addressed a concern about liability for honey bee loses from illegally applied pesticides which added the requirement that bee lose claims could only be pursued by those posting their colony sites on a public register. The MDA named Driftwatch (www.driftwatch.org) as the logical comprehensive web site with site specific locations for specialty crops and apiaries across the USA. Bee keepers started posting their hive locations immediately after they became aware this provision would become law. MCPR urges members to regularly consult the Driftwatch website for beehive locations.

The Senate Omnibus Tax bill contained a provision which repealed the property tax exemption for Minnesota ag chemical containment facilities effective for taxes payable next year, a provision that had been in law since 1992. The law states that “ for agricultural containment facilities, containment tanks, cache basins, and that portion of the structure needed for the containment facility used to confine agricultural chemicals as defined in section 18D.01, subdivision 3, as required by the commissioner of agriculture under chapter 18B or 18C, are exempt from property taxes.” The House and Senate could not agree on a tax bill so the provision died when the tax bill failed to pass. While this issue is dead for this legislative session, MCPR will be working with the Minnesota Department of Revenue as they notify county assessors of this provision in state law. MCPR learned that not all county assessors are aware of this property tax exemption which should reduce the assessed value of dealer facilities and possible property tax reductions might be realized.

Because of Capitol building construction, the Special session was not be held in the Capitol building but rather hearing rooms in the State Office Building (SOB). The Capitol construction is partially responsible for the 2016 legislative session official starting date March 8, so a short but intense session is anticipated.

News & Notes

CLA Says Final WOTUS Rule Lacks Clarity, Provides Definitions that Conflict with Intent - CropLife

America (CLA) is concerned that the final Waters of the United States (WOTUS) rule, renamed the Clean Water Rule, creates onerous, inconsistent standards that will reduce farmers' ability to produce and will not advance clean water goals. Signed into law by President Obama on May 27, 2015, the final rule largely maintains the structure and framework of the proposed rule and does not reflect comments submitted by the agriculture and crop protection industries. Multiple definitions in the Clean Water Rule conflict with the intent of the Clean Water Act (CWA), making it difficult for growers to discern whether their fields contain jurisdictional areas and are subject to National Pollutant Discharge Elimination System (NPDES) permitting requirements.

Jay Vroom, president and CEO of CLA, stated, "The rule extends federal oversight into areas not noted before such as 'prairie potholes', increasing regulation while failing to make a real contribution to the protection of our water supply. We urge the U.S. Environmental Protection Agency (EPA) and the Army Corps of Engineers to engage in a genuine dialogue with all stakeholders, big and small, to develop a clean water strategy that benefits our nation."

While the rule underwent some changes during the Office of Management and Budget (OMB) review process, it still does not relieve the issues that the original rule created between agricultural practices and clean water policy.

For example, the final rule creates conflicting guidelines under the modified "adjacent waters" category that exempt areas and, at the same time, state that they are jurisdictional on a case-by-case basis. The "adjacent waters" definition provides that waters being used for "established normal farming, ranching, and silviculture activities (33 U.S.C. 1344(f) are not adjacent," yet the preamble notes that waters in which normal farming, ranching and silviculture activities occur may still be determined to have a significant nexus on a case-specific basis.

"The crop protection industry, along with farmers and ranchers, recognizes the necessity of ensuring clean water and other natural resources," Vroom added. "However, the current solution offered by EPA is not a realistic or appropriate step forward. All of agriculture must be a part of this conversation. Through true collaboration, we can better protect our water supply for future generations." CLA.

MCPR Adds Our Name to U.S. CHAMBER OF COMMERCE COALITION LED LETTER IN SUPPORT OF S. 1140, THE FEDERAL WATER QUALITY PROTECTION ACT -

The U.S. Chamber of Commerce is circulating a letter outside the beltway for signature. The letter supports S. 1140, the "Federal Water Quality Protection Act", which would remedy the shortcuts taken by the EPA and US Army Corps of Engineers in the development of the "Waters of the United States" regulations. The letter points out the following short comings of the EPA's rule:

Finalized on May 27th, the proposed "WOTUS" rule asserts new federal jurisdiction over state-regulated waters and land use planning in local, state and tribal jurisdictions. The final rule will have a profoundly negative impact on a large portion of the U.S. economy, as it slows, or brings to a complete halt, numerous projects major and minor across the nation.

EPA and the Corps have not adequately addressed the significant and negative impacts the definition will have on numerous land uses, or the fact that it will undermine and complicate state, tribal and local regulatory programs. Nor have the agencies adequately demonstrated that their massive new regulatory regime will materially improve water quality or accomplish overarching policy goals in a manner consistent with prior Supreme Court decisions.

Equally important, the agencies finalized the rule without conducting sufficient regulatory impact analyses or adequately consulting with state, local and tribal governments or interested stakeholders. S. 1140 would address the significant shortcomings of the process which resulted in the WOTUS rule by requiring EPA and the Corps to redo the rulemaking without skipping the steps in process and consideration that should have occurred. US Chamber of Commerce.

New Information Changes Few Opinions on GMOs -

First impressions are important. So much so that even armed with new information, many people won't change their minds about genetically modified foods, a new University of Florida study shows. In fact, some grow even more stubborn in their beliefs that GMOs are unsafe, says Brandon McFadden, an assistant professor in food and resource economics in the UF Institute of Food and Agricultural Sciences.

After they read scientific information stating that genetically modified foods are safe, 12 percent of the study's participants said they felt such foods were less safe — not more, much to McFadden's astonishment. That's partly because people form beliefs and often never let go of them, he said. "Possibly, the best indicator for whether a person will adopt scientific information is simply what a person believes before receiving the information." Seed World.



MINNESOTA CROP PRODUCTION RETAILERS

15490 101st Ave. N., Ste. 100
Maple Grove, MN 55369

Phone 763-235-6466

Fax 763-235-6461

www.mcpr-cca.org

FIRST-CLASS MAIL
U.S. POSTAGE
PAID
TWIN CITIES, MN
PERMIT NO. 27334

MCPR Board

Craig Maurer,
Board Chair

Jeff Arnold
Doug Becher
Matt Benda
Brad Englund
Perry Estabo
Dale Johnson
Sean Ness
T.J. Phillips
Arnie Sinclair
Bryan Strickler
Rick Walker
Tristan Wilmes

Staff

Bill Bond
Executive Director

Jessica Brunelle,
Vice President

Craig's View

Hello MCPR members,

We are all busy these summer days providing the products and services upon which Minnesota farmers depend. I hope you are as proud as I am of the expertise and precision which we supply...I sure am. While our professional detractors put down the efficiency and effective products and services our industry utilizes, we need to stay proud of how much we have accomplished and continue to improve every year. Our challenge is that we are a small (but important part) of the producer grower market place, but our impact is vast. The public is asking agriculture to take responsibility for the environmental impact agriculture has throughout the USA by entering into their public dialogue. Test your responsiveness to the public's demand by describing the precision environmental impact you are having the next time you discuss the nitrogen efficiency and productivity your services are having...because that is what the public is asking your customers for.

And as always, stay safe out there.

Board Chair,
Craig Maurer