

PABC Journal



► COLLABORATIVE STRATEGIES ◀

When PABC was formed in 1999, it was to become one voice for South Carolina's largest industry—agribusiness, with an economic impact of \$34 billion and providing 200,000 jobs. Becoming an effective voice was our task, and we knew that our strategy would be to orchestrate collaborative efforts to address issues.

PABC has worked with agribusiness groups, business associations and agencies including: SC Farm Bureau, SC Forestry Association, SC Chamber of Commerce, SC Alliance to Fix Our Roads, SC Manufacturers Alliance, SC Poultry Federation, SC Petroleum Council, SC Civil Justice Coalition, SC Trucking Association, SC Nursery & Landscape Association, SC Department of Agriculture, SC Forestry Commission, SC Department of Transportation, SC Ports Authority, and the SC Department of Commerce.

We believe our efforts have paid off in legislative successes and jump starting economic development initiatives, that have benefited not only our industry, but South Carolina's business community as well.

PABC IDENTIFYING PRIORITY ISSUES FOR THE 2015 LEGISLATIVE SESSION

The PABC Legislative and Regulatory Affairs Task Force (LART) met recently to recommend issues for the 2015 legislative session. Based on surveys of PABC members, the Task Force is recommending the following priority issues:

Infrastructure Funding— In 2013, the General Assembly approved \$600 million in infrastructure funding under Act 98. Act 98 will add approximately \$1 billion in funding over 10 years but this is less than 10% of the funding needed. PABC, along with the SC Alliance to Fix Our Roads and other organizations, will continue to encourage legislators to find sustainable, recur-

ring funding to meet South Carolina's infrastructure needs.

Highway Weight Limits— PABC, along with other organizations, is examining the non-competitive impact of highway weight limits in South Carolina on the agribusiness industry.

The highway weight limit in South Carolina is 80,000 lbs, compared to North Carolina at 84,000 lbs and Georgia at 90,000 lbs. In SC, it takes 12 trucks to move the same amount of product legally as 10 trucks in other states.

There is an exemption for

containers leaving the Port up to 90,000 lbs.

For the poultry and forestry industries, highway weight limits impact the cost of doing business. For the poultry industry, feed trucks must take specific routes for facility deliveries that add miles and cost to their operations. One of our poultry company members contends that they could remove 132 truckload trips a week if we could increase our weight limits from 80,000 to 90,000 gross pounds. This increase would reduce the number of truck trips annu-

(cont. on pg. 3, see Legislative)

COMMENTS NEEDED ON EPA PROPOSED RULE ON CLEAN WATER ACT

**By David Winkles,
President, SC Farm Bureau**

On April 21, 2014, the EPA and the Corps of Engineers released their long-awaited proposed rule to expand the Clean Water Act. Farm Bureau has carefully analyzed the proposal. Because of this proposed rule, farmers, ranchers and other landowners across the countryside will face a tremendous new roadblock to ordinary land-use activities. By increasing federal jurisdiction over lands (by calling them "navigable

waters"), the rule would establish federal power to regulate farming and other land uses. EPA claims it is granting farmers and ranchers exemptions – yet those exemptions are extremely narrow and already exist under current law. In fact, EPA is narrowing those exemptions by making them – for the first time – conditioned on compliance with specific federal standards. Please join us and other concerned industries by submitting your comments opposed to the rule today.

The deadline to comment on the proposed rule is October 20. <http://ditchtherule.fb.org/>

Rural Entrepreneur Initiative
In July, Farm Bureau announced the launch of a major initiative at the White House. Farm Bureau was invited to participate in the White House Rural Opportunity Investment Conference. AFBF President Bob Stallman was a panel speaker at an Education and Entrepreneurship session on the 24th, where he announced AFBF's Rural Entrepreneurship Initiative.

(cont. on pg. 3, see Farm Bureau)

As PABC continues its focus on agribusiness economic development, it is encouraging to see the latest statistics on agribusiness projects (see chart below) in South Carolina from the Department of Commerce. For 2014, closed agribusiness projects total investment is \$180,483,000 with 916 jobs created. Since 2011, total agribusiness project investments are over \$1 billion with over 4,000 jobs created.

Announced Projects

Agriculture / Food

Announced Date	Company Name	County	Investment	Jobs
Wed., July 2, 2014	Rogers Brothers Peanuts	Darlington	\$6,000,000	30
Wed., June 4, 2014	Sopakco Packaging	Marion	\$3,400,000	120
Tue., June 3, 2014	Ruiz Food Products, Inc.	Florence	\$55,000,000	500
Wed., March 19, 2014	Birdsong Peanuts	Darlington	\$47,300,000	55
Thu., December 12, 2013	McCall Farms, Inc.	Florence	\$19,300,000	140
Fri., November 15, 2013	Sweet Street Desserts, Inc.	Greenville		80
Thu., June 6, 2013	Fancy Pokket Corporation	Lancaster	\$13,000,000	68
Thu., May 2, 2013	Aqua City Inc.	Marion	\$1,500,000	50
Thu., April 4, 2013	Sunny Z Foods Inc	Saluda	\$12,000,000	150
Wed., December 19, 2012	Millard Refrigerated Services, Inc.	Charleston	\$42,000,000	87
Tue., December 11, 2012	amFog Farms LLC	Jasper	\$1,000,000	7
Wed., November 28, 2012	Southeast Frozen Foods	Calhoun	\$4,500,000	10
Wed., November 21, 2012	Haddon House Food Products, Inc.	Chester	\$3,100,000	100
Thu., November 8, 2012	W. Lee Flowers and Company, Inc.	Florence	\$6,500,000	15
Fri., October 12, 2012	Crescent Dairy & Beverages, LLC	Colleton	\$30,000,000	60
Tue., September 25, 2012	McEntire Produce, Inc.	Richland	\$5,000,000	85
Thu., July 26, 2012	ACE Bakery, LLC	Cherokee	\$18,400,000	51
Thu., July 19, 2012	McCall Farms, Inc.	Florence	\$10,600,000	80
Wed., May 2, 2012	Carolina Cannery, Inc.	Chesterfield	\$20,800,000	10
Tue., April 17, 2012	Duke Sandwich Productions	Anderson	\$5,000,000	45
Tue., March 27, 2012	Starbucks Coffee Company	Calhoun	\$7,000,000	6
Thu., February 2, 2012	Highland Baking Company, Inc.	Spartanburg	\$9,480,000	196
Wed., January 26, 2011	Atlantic Beverage, Inc.	Spartanburg	\$10,000,000	300

Forestry

Announced Date	Company Name	County	Investment	Jobs
Fri., May 30, 2014	Green Link Wood Industries, Inc.	Bamberg	\$1,200,000	44
Fri., May 30, 2014	Kronotex USA Holdings, Inc.	Barnwell	\$29,500,000	28
Wed., May 21, 2014	Comact Equipment US, Inc.	Dorchester	\$1,800,000	60
Wed., December 18, 2013	New South Companies, Inc. (Canfor)	Darlington	\$8,000,000	50
Fri., September 13, 2013	Associated Hardwoods	Cherokee	\$9,800,000	28
Wed., July 17, 2013	Comact Equipment US, Inc.	Dorchester	\$3,000,000	40
Wed., January 9, 2013	New South Companies, Inc. (Canfor)	Horry	\$3,600,000	56
Tue., November 20, 2012	EnviraCarbon, Inc.	Hampton	\$10,400,000	30
Wed., August 1, 2012	Chester Wood Products LLC	Chester	\$10,000,000	20
Wed., March 28, 2012	LowCountry Biomass, LLC	Jasper	\$16,000,000	26

LEGISLATIVE SESSION (cont. from pg. 1)

ally by 6,864 trips and save 20,523 gallons of fuel per year, resulting in fewer trucks on secondary roads and improved safety. For the forestry industry, timber tracts are cut and then trucks go to the next tract. For example, a bridge was weight limited in the Charleston area and trucks delivering chip and saw products to a paper company had to take an alternate route, adding \$1 million annually in costs to the company.

TORT REFORM

Trespasser Responsibility Act— PABC will continue to work with the SC Civil Justice Coali-

tion to pass this legislation which codifies the common law doctrine of trespass liability. Courts in SC have long held that a landowner owes no duty to a trespasser except in a very narrow set of instances to include not causing a willful or wanton injury. This concept was the original intent of the legislation.

CDL Protection Act—Another tort reform issue concerns commercial driver's licenses (CDL). PABC supports this legislation which would address companies employing or contracting with CDL holders who may be liable for the tortious actions of the license holder.

REGULATORY/ ENVIRONMENTAL

Surface Water Withdrawal—

PABC continues to work this issue since legislation was introduced last session which amends the Surface Water Act that was passed by the General Assembly in 2010 and implemented in 2011. This bill would require an agricultural user who applies for a new surface water withdrawal over 5% of safe yield and 425 million gallons in any one month have to go through the same permitting process a business or industry goes through. PABC opposed this legislation and believes we should rely on

sound science to guide us in water use. We also want to review the results of a statewide surface water assessment that will be conducted by DNR and DHEC, with Clemson bringing stakeholders together.

AGENCY BUDGETS

PABC will continue to support the SC Department of Agriculture, the SC Forestry Commission and Clemson PSA budget requests.

Tax Exemptions/Property Tax Assessments

PABC will work to maintain agribusiness sales tax exemptions and property tax assessments, which are key to keeping our industry competitive.

FEDERAL ISSUES

Energy—(Offshore Drilling)

The BOEM recently announced initial approval for seismic testing to move ahead off the Atlantic States. While this is an important step forward in the process of developing offshore natural resources, in order for the Atlantic states of VA, NC, SC or GA to be able to see a lease sale and eventual "exploration off SC" the Mid Atlantic and South Atlantic Regions must be included in the 2017-2022 Five Year Program. Seismic testing is of little or no value without the assurances that updated results could be utilized by the energy companies for possible development as a result of inclusion in the 2017 plan.

Ag Labor/Guest Worker Reform

PABC will continue to support federal immigration reform that allows agribusiness access to a stable and legal workforce.

FARM BUREAU (cont. from pg. 1)

AFBF has partnered with Georgetown University's McDonough School of Business—Global Social Enterprise Initiative—to encourage and foster entrepreneurship in rural communities. Farm Bureau has been working on the Rural Entrepreneurship Initiative for a while, and now things are starting to happen! On July 24, three elements of the initiative were announced:

- AFBF and Georgetown University are hosting five business training webinars for rural entrepreneurs and Farm Bureau members. The first webinar, held on July 29, was an overview of the Rural Entrepreneurship Initiative. The remaining four webinars—each of the next four months—will get into the details on issues such as ways to secure financing and how to market your business.
- On Oct. 14, AFBF and Georgetown University will co-host a National Summit on Rural Entrepreneurship, Agriculture Secretary Vilsack has confirmed that USDA will partner with AFBF on this summit. The event will bring together thought-leaders in rural development and business to discuss the unique challenges that entrepreneurs face in rural areas. This will be a news making event and will further establish Farm Bureau as a rural development leader.
- The marquee event in January is the Rural Innovation Challenge—a competition for rural entrepreneurs to pitch their business strategies to a panel of business experts serving as judges. Winners will receive cash prizes and in-kind support in the form of mentorship and consultations with advisors on topics such as tax management and marketing. If you've seen the television show "Shark Tank," then you have an idea of what the challenge will look like. The challenge will be held during the AFBF Annual Convention in San Diego, and I'm sure it will be a popular event. All Farm Bureau members are encouraged to apply for the challenge. Applications will be accepted through September 15.

To learn more about the educational webinars and the Rural Innovation Challenge, go to: www.strongruralamerica.com

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WELCOME NEW PABC MEMBERS



Randy Halfacre, President and CEO of the Greater Lexington Chamber of Commerce.



James McGinnis, Complex Manager with Pilgrim's, Inc. in Sumter.



Rick Todd, President and CEO of the SC Trucking Association.



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