

PABC Journal



South Carolina Farm Bureau will hold its annual Palmetto Palate July 23 from 6 pm to 9 pm at 701 Whaley Street in Columbia.

This event pairs some of the finest chefs in the area with local farmers to provide an evening of food, fun and entertainment.

For tickets, contact Beverly Sease - 803-936-4215.

Christy Hall Named Acting Secretary of SCDOT

Governor Nikki Haley has appointed Christy Hall as Acting Secretary of the SC Department of Transportation. Secretary Hall will serve in a dual role, still occupying the chair of Deputy Secretary for Engineering. A professional Engineer, she has been with SCDOT for more than two decades.

Budget Includes \$336 Million For Roads; Trespasser Responsibility Act Passes



PABC Chairman Ronnie Summers and Executive Director Cathy Novinger attended bill signing ceremonies as Governor Nikki Haley signed the Trespasser Responsibility Act.

Infrastructure Funding

Although a roads bill did not pass this session, legislators approved a budget with \$336 million for infrastructure funding.

A breakdown of the \$336 million includes \$216 million going to counties for road repairs; \$70 million will partially fund a new interchange and road for Volvo's new Berkeley County plant and \$50 million will remain in an account for future bonding, but it cannot be used until a long-term plan is passed by the General Assembly to fix the roads. The \$216 million is in addition to the \$71 million expected to be distributed to counties from their share of the state's 16-cent gas tax. The counties'

share, based on their population, land area and road miles— ranges from \$1.7 million for Allendale County to \$12.5 million for Greenville County.

This session, the House passed a road funding bill that would have raised \$400 million annually for highways through gas and sales taxes. The Senate road funding plan approved by the Senate Finance Committee provided \$800 million for roads through gas and sales taxes and fees. No vote was taken on the Senate bill before the session ended.

The bill will be on the Special Order slot in the Senate when legislators return in January.

Passed! Trespasser Responsibility Act

One of PABC's priority issues, the Trespasser Responsibility Act (H.3266), was passed by the General Assembly this session and signed into law by Governor Nikki Haley.

Along with PABC, SC Farm Bureau, SC Forestry Association, and SC Civil Justice Coalition promoted passage of this bill.

This legislation protects landowners from liability for injuries to trespassers. South Carolina's common law provides that landowners owe no duty of care to trespassers except in the very narrow exceptions of causing "willful or wanton injury" to trespassers. H.3266 codifies this common law doctrine of trespass liability.

Agency Budgets

The SC Department of Agriculture, Clemson PSA and the SC Forestry Commission budgets fared well in the final state budget approval. Several vetoes by Governor Haley of items in the SC Department of Agriculture and Clemson PSA budgets were overridden by legislators. Look for more details in the next issue of the *PABC Journal*.

Changes to Timber Taxes Would Hurt Jobs, Stifle Growth

**By Cam Crawford, President & CEO
South Carolina Forestry Association**

South Carolina's state tree is the distinctive Palmetto, but our pines and certain hardwoods have also had a proud history of providing jobs and significant economic contributions since the 1700s. Today, timber is the number one cash crop in our state. It is easy to take our forests for granted. They are often viewed as natural gifts – timeless and steadfast. But South Carolina's forests have not been here forever, and they don't take care of themselves. The majority of South Carolina's forests—88 percent—are privately owned. Of those, 64 percent are owned by families. Large or small, forest owners invest their resources to manage healthy forestlands that benefit every South Carolinian. Their forests provide air to breathe, clean water to drink, beauty and recreation to enjoy – along with billions of dollars to our state. These are South Carolina's *working* forests. But misguided public policy changes in Washington, D.C. could threaten these vital resources and the benefits they provide for all of South Carolina.

Working forests are planted, harvested and replanted to produce the raw materials for 5,000 products we use every day. These renewable resources on more than 11 million acres of privately owned working forestland are part of the state's largest manufactur-

ing industry in terms of wages and salaries. The forestry sector supports more than 90,000 jobs and provides an annual \$17 billion boost to the state's economy.

In local terms, working forests are vitally important in all 46 counties. Annually, every county provides timber valued at more than a million dollars to wood and paper products manufacturers.

The benefit of working forests extend well beyond the economy to the environment. These privately owned lands also filter the water and air, provide wildlife habitat, scenic beauty and plenty of hunting opportunities for sportsmen.

We enjoy the benefits largely thanks to a fair and reasonable land management. These provisions allow landowners to deduct the annual costs associated with growing healthy, sustainable timberlands, and they help maintain timberland's status as an attractive and accessible asset class for all types of investors, including those saving for retirement.

Despite clear indicators that these policies are working, a tax reform package introduced in Congress last year—the Tax Reform Act of 2014—proposed repealing all four of the tax provisions that sustain and promote investments in and sustainable management of timberlands. These proposals would raise taxes on private forestland and flatten our forest economy—perhaps to a devastating degree for many rural South

Carolina communities. We stand to lose the many public benefits that privately owned forests provide. It is alarming that a tax policy that is helping rural economies and the environment could end up on a congressional chopping block as lawmakers look to reform the nation's tax code.

If you agree that federal policy should support an industry that helps both the economy and the ecosystem, please contact your congressional representative to let them know. The current timber tax provisions are a great example of how Washington can help, not hinder, growth and prosperity. You can find your U.S. Congressman's contact information at: <http://www.contactingthecongress.org>

Farm Bureau Releases Detailed Analysis of Waters of the U.S. Rule

The American Farm Bureau Federation released documents outlining how the EPA's Waters of the U.S. rule will give the agency sweeping powers to regulate land use despite a body of law clearly prohibiting such overreach.

The Farm Bureau analysis, now available online, makes available to the public details the EPA has refused to address in public meetings over the past year.

"Our analysis shows yet again how unwise, extreme and unlawful this rule is," American Farm Bureau Federation President Bob Stallman said. "Our public affairs specialists and

Cont. on pg. 3, see Waters of the U.S.

COLLABORATION STRENGTHENS ISSUE STRATEGY

As another legislative session closes, PABC continues to bring agribusiness and business representatives together to work collaboratively on issues.

This year we brought together groups to address: Infrastructure Funding, Highway Weight Limits and Surface Water Withdrawal.

The Infrastructure Group includes: Gary Spires & Michael Wright, SC Farm Bureau; Cam Crawford & Patty Pierce, SC Forestry Association; Bill Ross, SC Alliance to Fix Our Roads; Ted Pitts & Mark Harmon, SC Chamber of Commerce; Lesley Hope, Carolinas AGC; Rick

Todd, SC Trucking Association, Lee Bussell & Rick Silver, Chernoff Newman; Lewis Gossett & Sara Hazard, SC Manufacturers Alliance.

The Highway Weight Limits Task Force includes: Fred West, Amick Farms; Mickey Baugher, Pilgrim's; Randy Brown, Perdue Farms; Gary Spires & Michael Wright, SC Farm Bureau; Connie Smith & Charleston Laffin, SC Poultry Federation; Cam Crawford, SC Forestry Association.

The Surface Water Withdrawal Group includes: Chuck Claunch, Duke Energy; Henry Barton, SCANA;

Cam Crawford, South Carolina Forestry Association; Jennifer Robinson, Santee Cooper; Reggie Hall, Gary Spires & Michael Wright, South Carolina Farm Bureau;

Buddy Jennings; Clint Leach & Commissioner Hugh Weathers, SC Department of Agriculture; and Sara Hazard, SC Manufacturers Alliance.

TRADE PROMOTION AUTHORITY PASSES

Trade Promotion Authority (TPA) legislation recently passed the U.S. Senate with bipartisan support. TPA would fast-track negotiations and allow Congress to have a final yes-or no-vote on trade agreements. The legislation contains specific trade objectives that the President must follow and requires congressional oversight throughout the trade negotiation process.

TPA will help SC farmers remain competitive in the global market, create jobs, boost farm incomes and expand farming operations. The agricultural export sector is a vibrant and important sector of SC's business community. Agribusiness exports contributed \$913 million in 2013 to the state's economy and support over 6,900 jobs.

Gene Kodama Honored for Commitment and Contributions to Forestry

South Carolina State Forester **Gene Kodama** has been selected to receive the Society of American Foresters' Gifford Pinchot Medal. Mr. Kodama is a Palmetto Agribusiness Council Board member.

One of the most esteemed forestry awards in the nation, the medal is presented every two years



Gene Kodama

to a forestry professional in recognition of exceptional contributions to the administration, practice and development of forestry in North America.

Nominees for the Gifford Pinchot Medal must have demonstrated exemplary actions that further the field of forestry by making an indelible mark on the profession and being a person of action.

Endorsements for Mr. Kodama's nomination came from multiple state, national and international leaders in forestry and the forest products industries who pointed out a variety of contributions.

Kathy Abusow, President and CEO of the Sustainable Forestry Initiative, wrote in her testimonial, "Gene led the South Forestry Commission to third-party certification of its five state forests to both the SFI Standard and the American Tree Farm Standard, highlighting that state forests are responsibly managed. By advancing the cause of forest certification, Gene has added South Carolina's reputation as a sustainability leader in the global marketplace."

SAF will present the Gifford Pinchot Medal to Mr. Kodama at its national convention in Baton Rouge, Louisiana, on November 4, 2015.

Waters of the U.S.

(cont. from pg. 2)

legal team have assembled the best analysis available anywhere, and their conclusions are sobering: Despite months of comments and innumerable complaints, the Waters of the U.S. proposal is even worse than before."

The WOTUS rule, first released in draft form in April 2014, has garnered fierce opposition from farmers, ranchers and landowners of all kinds. Dozens of states and countless municipalities oppose the measure since it would federalize regulation already handled at the local level. Just as important is the rule's radical view of "water" which, in its view, should encompass the vast majority of land in the U.S. Alarmed by the agency's actions, the House of Representatives recently voted to prohibit the EPA from enacting the rule. A similar bill is moving through the Senate and could come to a floor vote within weeks.

PABC Journal



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Randy Brown, Vice-Chairman
Fred West, Secretary-Treasurer

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Cathy B. Novinger, Executive Director

CEO Joins PABC as Ag Advocate



Lou Kennedy, President, CEO and Owner of Nephron Pharmaceuticals Corporation, has joined PABC as a CEO Advocate for Agribusiness.

Mrs. Kennedy joined Nephron Pharmaceuticals in 2001. Having held a variety of marketing and operational roles during her career; one notable achievement at Nephron was creating a national sales force from the ground up, a rarity in the pharmaceutical industry. In the years following, this helped Nephron Pharmaceuticals grow by 300% and increased shipped product to one billion doses each of the last five years.

Mrs. Kennedy is a graduate of the University of South Carolina's College of Journalism with a BA degree. Along with her husband, Bill, she helped establish the Kennedy Pharmacy Innovation Center in conjunction with the USC School of Pharmacy. She serves on the Palmetto Conservation Foundation Board, the Garnet Way Campaign and the Central Florida Cystic Fibrosis Foundation Advisory Board. In addition, she holds the Pharmacy Chair of the USC Carolinas Promise Campaign. Mr. and Mrs. Kennedy were named Ambassadors of the Year by the Greater Columbia Chamber of Commerce in 2013.



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