



PABC Journal

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ADVOCATES FOR AGRICULTURE RECEPTION

SC Advocates for Agriculture will hold their Advocates of the Year Recognition Reception August 3, 5:30 pm at the SC State Farmers Market in West Columbia.

The event will honor 2017 Advocates of the Year recipients Rep. David R. Hiott and Jim Roquemore, CEO of SuperSod. Invitations have gone out to PABC members. We hope that you can attend this great event.

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RURAL ROADS PRIORITY FOR SCDOT

With the General Assembly approving sustainable infrastructure funding, the SC Department of Transportation (SCDOT) is rolling out plans on what roads will be a priority.

SCDOT Secretary Hall has unveiled their Rural Roads Safety Program to begin addressing the prevalence of highway fatalities. Approximately 58% of traffic fatalities in the state occur on rural roads. Secretary Hall said the program will target the "worst of the worst roads in our state."

The department ranked roadways by prevalence of fatal and serious injury, run-off-road crashes, and average daily traffic. Modifications will include engineering solutions to prevent vehicles from leaving the roadways, including rumble strips and wider shoulders.

SCDOT is providing public notification of the Off-interstate Rural Road Safety Program. The comprehensive project

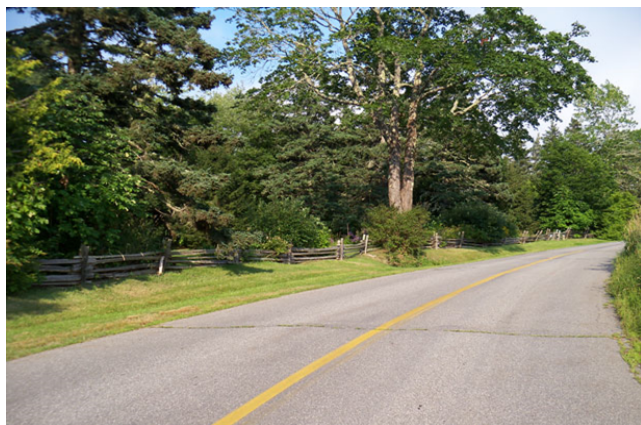
priority list provides details of 29 rural roads in 25 counties.

Phase I includes the first 500 miles of the 2000 miles of rural roads where five percent of the deadliest crashes occur. Improvement projects will be broken down into 10-mile segments, and Phase I is expected to be complete in three to four years. The entire 2,000-mile project is expected to be complete in 10 years.

The infrastructure funding in-

cludes a 12-cents increase in the state's gas tax, the first since 1987. South Carolina has the second largest state-maintained road system in the nation.

PABC CEO Ronnie Summers commended legislators for passing a comprehensive measure to fix South Carolina's roads. "We appreciate lawmakers realizing that it was time to invest in South Carolina's infrastructure, allowing all businesses access to a reliable and safe transportation network," he said.



SC STATE FORESTER LEAVING FORESTRY COMMISSION

South Carolina State Forester Gene Kodama has announced he will be "departing" the Forestry Commission in January 2018. He is only the 10th State Forester since the agency's inception in 1927, serving the third longest tenure of his predecessors. Mr. Kodama said he is not using the word "retire", since he plans to con-

tinue to work in either the public or private sector.

Upon his departure, he will have worked for 40 years as a professional forester, served 10 years as Forestry Commission director, saw through the completion of the 20/15 SC Forestry Project, which culminated in the achievement of forestry's eco-

(Cont. on pg. 3, see Forester)



Gene Kodama

2017 LEGISLATIVE UPDATE

TAX REFORM

A South Carolina House Tax Policy Review Committee was appointed last Fall to review all tax exemptions and met through the early part of the session to prepare their findings. With lawmakers examining current exemptions which include those for agribusiness, this continues to be an issue to watch to make sure we maintain these important sales tax exemptions and property tax assessments for the industry.

WATER WITHDRAWAL

Surface water and groundwater withdrawal regulations continue to be front and center, with the recent concentration of news stories from Aiken County. PABC and Farm Bureau have been engaged in meetings in that region for an exchange of information. PABC believes that no changes should be made to amend the Surface Water Permitting Act of 2010 until the completion of the Statewide Assessment of Water Resources and be based on sound science.

POULTRY PERMITTING

House members passed H.3929, which addresses the appeals process for DHEC permits for animal ag facilities as it relates to setbacks and property owners of adjacent properties. The Senate will take up the bill in the next session.

PABC worked with Farm Bureau, SC Dept. of Agriculture and the SC Poultry Federation in providing testimony at subcommittee hearings.

The concern is that this \$12 billion dollar industry in South Carolina cannot remain competitive if the uncertainty of the permitting process causes hurdles in building new poultry houses or expanding existing operations.

H.3929 limits who is eligible to challenge a permit to property owners within one mile of the new or expanded agricultural operation. Often, opposition to the permitting of a poultry farm comes from people not residing in the area. Permits that are held up at DHEC, the ALJ and eventually the civil court

system can cause delays in building facilities for years.

PRIVATE PROPERTY RIGHTS- EMINENT DOMAIN

Bill S. 868, which prohibits private unregulated companies from having eminent domain authority, was passed by the General Assembly in 2016. A Petroleum Pipeline Study Committee was established to review the issue while a moratorium was put in place to prevent privately-owned pipeline companies from using eminent domain until the Committee makes a recommendation, which is due to the General Assembly no later than December 31, 2017. PABC member and Forestry Association of SC Chairman Mac Rhodes was appointed to the committee.

AGENCY FUNDING

The Senate provided Clemson PSA an additional \$1,200,000 for its extension program.

The SC Department of Agriculture received \$1.5 million for agribusiness development and \$1 million for marketing "Certified SC".

The SC Forestry Commission received \$2 million for firefighting equipment, plus \$979,000 in additional funding for firefighting capacity, Forest Inventory Analysis and Best Management Practice programs.

DAMS AND RESERVOIRS STANDARDS

After the flood of 2015 and Hurricane Matthew, legislators are reviewing regulations that govern dams and reservoirs in South

Carolina. The House passed bill 3218, the Dams & Reservoirs Act, which increases the number of dams that could be regulated by DHEC, pursuant to the Dams and Reservoirs Safety Act. The legislation is now in the Senate Agriculture and Natural Resources Committee. The Forestry Association of SC and SC Farm Bureau are working on a proposed amendment to provide dam owners a tax credit for any repairs they are required to make under the provisions of the legislation.

STAY BILL

S. 105 passed the Senate and is now in the House Judiciary Committee. This bill would limit the automatic stay in contested cases in the Administrative Law Court (ALC). Under current law, a person objecting to a permit can send a letter to the ALC to object to a project and receive an automatic stay for an indefinite period of time without offering any evidence that a permit should not be issued. With this legislation, the automatic stay procedure would still be available, but the person objecting to a permit would have to show good faith for legitimate grounds for objecting to a project. PABC, along with other businesses and associations, signed on to a letter to legislators in support of this bill.

SKILLED WORKFORCE DEVELOPMENT INITIATIVE

PABC, is in support of this initiative by the SC Trucking Association to promote careers in skilled trades for state funding of \$950,000 to be allocated to the State's Technical College System to be used to build

and deploy a mobile skilled professional jobs promotion workshop. This program would be modeled after Arkansas' Be Pro Be Proud program. This allocation was included in the Senate budget, but not included in the final budget version.

CDL LIABILITY INSURANCE STUDY COMMITTEE

The Senate adopted a State Budget proviso to create a study committee to review the state's laws regarding liability insurance for CDL drivers. This proviso was not included in the final budget.

This continues to be of a concern for agribusiness, especially for logging trucks, where obtaining liability insurance is becoming a critical issue. There are only a few insurance companies willing to write policies for logging trucks and premiums have tripled for many companies.

WILDFIRE SUPPRESSION FUNDING

PABC signed onto a letter with other organizations requesting Secretary of Agriculture Sonny Perdue's help in addressing the wildfire suppression funding issue by supporting a comprehensive fire funding solution that solves the borrowing issue and the erosion of budgets due to increasing wildfire suppression costs.

Secretary Perdue responded positively in a letter that the USDA is committed to finding a solution that addresses the growth of fire programs as a percent of the Agency's budget and also ends the

(Cont. on pg. 3, see Legislation)

PRESIDENT RESCINDS WATERS OF THE US (WOTUS) RULE

President Trump signed an Executive Order directing the EPA and the Army Corps of Engineers to begin the rulemaking process to rescind or revise the WOTUS Rule. The Executive Order also requires the agencies to notify the U.S. Attorney General of the rulemaking, so the Attorney General can inform the relevant courts of the review and take appropriate action including asking the courts to hold in abeyance the cases challenging the rule.

The Forestry Association of SC and the SC Forestry Commission requested that Governor Henry McMaster write a letter to the EPA in support of that agency reviewing congressional intent and judicial interpretations to craft a new definition of WOTUS and related terms. In the letter, the Governor emphasized that states need a clear rule that defines WOTUS based on objectively identifiable characteristics in order to reasonably administer the program within their borders.

Pamela Lackey Named Chair of SC Ports Authority Board



PABC Board member and SC AT&T President **Pamela Lackey** was named the first female Chair of the SC Ports

Authority Board. She was appointed to the Ports Board by Governor Haley in 2010.

Mrs. Lackey has served as a former Chair of PABC and also on the Executive Committee. She will be coming off the PABC Board and has named Jane Sosebee, AT&T Director of Governmental Affairs to succeed her as

that company's PABC representative on the Board.



Jane Sosebee

STATE FORESTER

(cont. from pg. 2)

nomic impact reaching \$21 billion, and presided over the agency's year-long 90th anniversary celebration. He will be best remembered for championing funding for enclosed-cab bulldozers, which now make up about half of the Commission's fleet, for the safety of agency firefighters.

Mr. Kodama earned a bachelor's and master's degree from Clemson University. He worked for Westvaco Corporation and Mead-Westvaco Corporation after their merger in a variety of leadership roles for 29 years. He has chaired the SC Forestry Association, a Forest Resources Association Division, and the USDA's Forestry Research Advisory Council, as well as numerous other industry and association leadership roles.

LEGISLATION

(cont. from pg. 2)

practice of transferring funds from non-fire programs when suppression funds fall short before the end of the fiscal year.

COTTON INDUSTRY SUPPORT

PABC also signed on to a letter to President Trump in support of the National Cotton Council's efforts to achieve economic assistance for cotton producers. America's cotton farmers continue to face financial hardships with falling prices and the dramatic changes to cotton producers' safety net under the current farm bill. The letter asked for assistance to stabilize the industry.

WELCOME NEW MEMBERS

Palmetto Rural Telephone Cooperative (PRTC) has joined PABC at the Board level.

Jason Dandridge, CEO, will serve as their representative. PRTC is a member-owned cooperative providing a complete telecommunications solution to the homes and businesses of Colleton County, SC.

Scoular has joined PABC at the Board level.

John Gill, Senior Manager, will be their Board representative.

Located in Charleston, Scoular provides diverse chain solutions for end-users and suppliers of grain, feed ingredients and food ingredients around the globe.



Wayne Vermullen, the new General Manager for **Dominion**, succeeding **Keith Windle**, will represent them on the PABC Board.

SCDA Prepares for Implementation of Industrial Hemp Pilot Program

Governor Henry McMaster signed Bill 3559 into law in May, making it legal for industrial hemp to be grown for research purposes in South Carolina in accordance with the 2014 Farm Bill. The SC Department of Agriculture (SCDA) will administer the application and permitting process.

The legislation allows for up to 20 farmers to receive permits to grow industrial hemp. The

farmers who receive permits will each be allowed to grow up to 20 acres of the crop. Farmers selected will represent all growing areas of the state.

"The industrial hemp bill adds another opportunity for South Carolina farmers to increase crop diversity," said Hugh Weathers, SC Commissioner of Agriculture. "SCDA is working closely with allied agencies and interested parties to ensure timely implementation of

the law."

To qualify for a permit:

You must be a SC resident,

And pass a state and federal background check administered by SLED,

Have a signed contract with an industrial hemp manufacturer/processor, and

Submit GPS coordinates for the land where the industrial hemp will be grown.



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CEO MESSAGE FROM RONNIE SUMMERS

A fast paced but productive quarter is how your staff would characterize the second quarter of 2017. One of the biggest challenges was moving our headquarters. With the support of so many, the move was not as difficult as it could have been. Sandy and I are still working through some minor details, but the "heavy lifting" is essentially behind us. Please come by for a visit and recognize our conference room is available for member use.

Legislatively, getting the Roads Bill approved was a huge accomplishment. At the present time, indications exist that our rural roads, which have been a concern, will get appropriate attention. Our team of PABC members worked hard on this matter, and those efforts appear to be paying off. The Poultry Bill was approved by the House and now will be considered by the Senate during the next session. This bill has a ways to go, but efforts are in place to work toward collective approval. Various efforts to improve labor issues, such as skilled trade roles and commercial driver issues, fell short at the statehouse due to budget considerations, but are likely to remain on the table for future consideration. Water, taxes, and many other critical matters will likely require attention within the coming quarters, so consideration of our 2018 legislative priorities will be a very important task for the third quarter and all membership will be asked to provide insight.

Your CEO has thoroughly enjoyed visiting and meeting so many of our members over the past 6 months, and the intent is to continue this process in an effort to meet essentially all our members. Our organization is so diversified and well respected due to past leadership and the quality of our membership. Your PABC staff recognizes this fact and our efforts to advocate, promote, educate and support legislative efforts which are beneficial to SC Agri-Business are in place to retain the respect earned over the 17 years of our existence. Please advise as to how we can support your organization as a member of the Palmetto AgriBusiness Council in an effort to provide the value your business deserves. THANK YOU for supporting SC AgriBusiness!



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