

PABC 2025 LEGISLATIVE & REGULATORY PRIORITIES

WATER AND ENVIRONMENT

Surface Water & Ground Water Withdrawal

Surface and groundwater withdrawal legislation and regulations remain a significant issue for agribusiness. Despite the recent creation of the SC Department of Environmental Services (SCDES), significant issues continue to exist relative to SC AgriBusiness' use of both groundwater and surface water. For example, immediately upon the formation of SCDES on July 1, 2024, litigation was filed against SCDES relative to South Carolina's "safe yield" policy alleging that SCDES is improperly applying the rule. PABC continues to support water legislation and regulations based upon a Statewide Assessment of Water Resources, and the use of sound science to make withdrawal decisions.

Dams and Reservoirs Standards

Given flood issues that occur periodically within our state, such as Tropical Storm Debby and Hurricane Helene in 2024, landowners continue to be challenged relating to the need to repair or upgrade dams and reservoirs on their properties due to potential risks. These actions can be quite costly and are often driven by new landowners near the properties that were not there when dams or reservoirs were initially constructed. PABC supports much needed financial assistance, through direct payments, tax credits or grants, for these landowners who have to expend funds to repair these land improvements. Additionally, PABC supports repairs being required on only high hazard dams and/or reservoirs.

Waters of the U.S. aka "WOTUS" / Navigable Waters Protection Rule (State/Federal)

As a result of a 2023 Supreme Court decision, EPA proposed a final rule amending the 2023 definition of WOTUS "waters of the United States" to conform with the recent Supreme Court ruling. The amended rule does provide some additional clarity, but the rule is being legally challenged on numerous fronts by both non-governmental entities and several states including South Carolina to further define navigable waters. On a state level, efforts will likely be made to consider regulations on isolated wetlands to fill the WOTUS gap. PABC supports rules which provide as much flexibility to our agribusinesses and landowners as possible.

Clean Air Legislation and Regulations

SC agribusinesses in both the agriculture and forestry sectors remain concerned relative to enforcement of air regulations and any potential future legislation and/or regulations regarding air emissions. PABC opposes regulations and legislation which are overly burdensome on agribusinesses.

Climate Impact (Federal)

The debate as to changes in the climate impacted by all businesses including agribusiness has increased dramatically during the past several years. Agribusiness groups have been generally supportive of legislation that does not place an inappropriate burden on agribusiness. PABC supports efforts that do not create operational burdens for agribusiness.

TAXES AND FEES

SC Tax Reform - Maintain Agribusiness Sales Tax Exemptions/Property Tax Assessments

Tax treatment for agribusiness continues to be a major issue requiring close monitoring in an effort to assure we maintain all present agribusiness sales tax exemptions and favorable ag use property tax assessments.

Federal Tax Reform

As 2025 approaches, tax laws presently in effect are nearing expiration. PABC opposes legislation which would effectively increase the tax burden of agribusinesses and strongly supports policy considerations that lower taxes on agribusinesses.

Agribusiness Trade (State/Federal)

The trade of agribusiness commodities is being affected currently by many state, federal and even international policies. Issues include, but are not limited to, EU deforestation, transportation of commodities/products (shipping, trucking, and rail) and the use of beneficial chemical products (fumigants, herbicides, pesticides) that can effectively reduce the use of SC produced products and the profitability of SC agribusiness producers. PABC supports working with the agribusinesses impacted in these areas to find solutions. Efforts to expand agribusiness markets, encourage use of SC commodities, and effectively manage costs impacting the agribusiness community should be a priority. Trade negotiations should be monitored closely as to the effects upon SC agribusiness revenues and expenses.

Death Tax and Stepped-up Basis

Support exists to retain the highest level of estate tax exemptions possible and to retain stepped up basis at the death of an ag or forestry landowner. These issues are integral to retaining land assets within family farms, which includes both agricultural and timberland operations. PABC supports appropriate tax policy which allows for retention of family farm assets integral to agricultural and forestry operations.

LEGAL

Nuisance “Safe Harbor” Consideration

As nuisance lawsuits and policy changes relating to agribusiness operations occurring in other states continue to negatively impact the agribusiness industry as a whole, “safe harbor” solutions should be considered within SC either by strengthening the SC Right to Farm statutory provisions or through other available legislative considerations for SC agriculture and forestry. PABC will support efforts in this regard proposed by our member organizations to protect ongoing agribusiness operations.

Tort Reform

Within SC, there remains a need for tort reform with specific attention directed at modifying “joint and several liability” in civil litigation and moving toward limiting liability to the level of responsibility proven during litigation and assigned to a given individual or entity. Policy addressing specific punitive damage considerations need to be considered. PABC supports changing South Carolina law so that each person/entity should pay damages based upon that person/entities actual share of fault. PABC also supports consideration of policy changes addressing punitive damages in litigation which changes would provide for fair and equitable legal awards.

Supply Chain Litigation

Concerns have increased relative to lawsuits regarding essential supply chain input needs such as, but not limited to, seed, fertilizer, herbicides, insecticides and pesticides which litigation is considered frivolous or unmerited. PABC supports policy considerations which limit such litigation.

Private Property Rights

PABC supports the private property rights of agricultural and timberland owners.

LABOR ISSUES

Immigration (Federal)

For agribusiness to remain profitable and viable for the long-term, we must have federal immigration reform that allows access to a stable and legal workforce. Immigration reform can affect both relocated full-time employees and seasonal labor. Not only is favorable access to needed labor a necessity, but the labor needed must be affordable. PABC's strategy is to monitor closely and continuously consult with member organizations which are vulnerable to an available workforce.

Guestworker Programs (Federal)

Guest work programs such as H-2A and H-2B are essential for our agribusinesses to remain viable. PABC supports all efforts to make these programs as user friendly and cost effective as possible for agriculture and forestry while providing for the necessary labor needs within SC agribusiness.

Agribusiness Labor (State/Federal)

PABC opposes unionization of agribusiness labor and along with other organizations, will continue to review/study labor legislation enacted in other states or which could be proposed in SC. A shortage of agribusiness workers has been obvious over the past several years, and PABC remains supportive of programs and efforts to stimulate more individuals joining the agribusiness workforce.

Limited Liability Business Protection Related to Unforeseen Crisis (State/Federal)

PABC supports legislation at both the federal and state level providing limited liability business protection to SC businesses impacted by a future significant unforeseen crisis considered beyond the control of business entities when businesses have appropriately followed approved governmental agency guidelines.

TRANSPORTATION

CDL Liability Insurance and Driver Shortage

PABC supports efforts to lower costly insurance premiums associated with the trucking industry in our state. As PABC member organizations determine measures which could be used to decrease insurance costs, PABC will work in a collaborative effort to support such measures. Efforts to attract commercial truck drivers, including potential changes in driver requirements such as age, within South Carolina to offset the current shortage that exists will also be supported.

Highway Infrastructure (State/Federal)

PABC is in support of efforts to secure both state and federal funding for South Carolina's highway and bridge infrastructure and will continue to monitor the progress of the infrastructure funding bill approved in 2017. Despite progress, PABC is concerned with the state of all road systems in SC including our rural roads where commodities and products are transported. Load restricted bridges are a concern

as these are adding cost to transportation of commodities throughout the state and repair of these bridges should remain a priority.

Vehicle Weight Limits (State/Federal)

PABC will continue to support the increase of trucking weight limits for agriculture and forestry which compares favorably with the surrounding southeastern states. An annual permitting process regarding commercial vehicle weight limits has proven beneficial, and PABC supports proposed improvements to the weight limits permitting process that would benefit agriculture and forestry.

AGRIBUSINESS AND RURAL DEVELOPMENT

Farm Bill

Retaining a current and strong Farm Bill is a necessity for SC AgriBusiness. With the new Farm Bill overdue, PABC supports a new Farm Bill that benefits agriculture, forestry and rural South Carolina. The Farm Bill is broad in relation to impacting agribusiness and addresses so many industry operational matters along with aspects of living in rural communities. An example of an issue within a new Farm Bill that will be monitored closely is keeping crop insurance programs in place that are equal to or improved compared to programs presently in place leading up to consideration of the next Farm Bill.

Commodity Checkoff Programs

PABC supports maintaining Commodity Checkoff programs that provide funding for research and promotion of agricultural commodities as they are currently structured.

Skilled Workforce Development Initiative

The Associated Industries of SC formally took the lead on Be Pro Be Proud SC in 2020 working along side SC DEW, and this effort has led to improved recruitment of high school students into much needed skilled trade careers. As future funding considerations are made to sustain Be Pro Be Proud SC, PABC supports efforts to assure this program's success. This program benefits SC agribusiness in many ways, and PABC remains supportive of this program within our state.

Right to Repair

As technological advances continue to occur relative to both agricultural and forestry equipment, it is important that the agribusiness operator retain the right to work on their equipment and/or choose who will do so in order to appropriately manage operating costs.

Supply Chain Issues

Since 2020, our state and country have dealt with major supply chain issues relating to agriculture and forestry. Admittedly, other industry sectors are also impacted by this issue. Relative to agribusiness, PABC supports all efforts to assure all needed, affordable supply chain products and services are available to support agribusiness.

Energy Sources

Energy is a major operational investment for agribusinesses. A high priority need is affordable access to fuel to operate trucks and equipment essential to agribusiness operations. Recently, SC initiated a debate regarding additional access to various energy sources within the state. As this debate continues, PABC supports reliable, affordable, and sustainable energy sources for all aspects of agriculture, forestry, and our SC rural communities. PABC encourages the continued use of energy produced within

the SC agribusiness sector such as biomass provided by the state's forestry industry. PABC does not support mandated percentages being applied to any specific source of energy or policy that places a significant burden on the private property rights of rural landowners such as eminent domain issues regarding rights of way.

Rural Utilities and Telecommunications Infrastructure

Broadband access has improved in SC, but access to broadband continues to be an issue in some areas of SC and especially in the rural areas of the state. As ag and forestry businesses utilize technology more in the future, improved broadband access will be essential. Additionally, the need to improve both access to telemedicine and educational processes is obvious in many rural areas. PABC continues to support affordable access to broadband within all areas of South Carolina.

Lab Grown Protein

With the increase of "lab-grown protein" products available in the marketplace, there is a concern as to the impact upon traditional animal agricultural grown products. PABC supports requirements to specifically identify "lab-grown protein" products and to prohibit these items from being labeled for marketing and display as meat or poultry.

AGENCY REFORM AND FUNDING

Agency Funding

Support funding for the budget requests of the SC Department of Agriculture, SC Forestry Commission, SC State University PSA and College of Agriculture, and Clemson PSA, CAFLS and the new College of Veterinary Medicine.

Conservation Funding

PABC will support state financial aid to the conservation districts established within the state. Additionally, PABC supports efforts throughout the state to retain agricultural and forestry landholdings, which represent existing farms and timberland utilized for timber production, as "ongoing working operations." PABC supported the Working Ag Lands Preservation Act, which is now law in SC, and serves as a positive example of protection of working SC agricultural lands and timberlands. PABC will consider support for similar programs.

Agribusiness Education

There is an obvious need to educate students and stakeholders at all age levels as to the facts surrounding agriculture and forestry. PABC supports funding utilized to provide such educational and information sharing efforts and to supply the necessary tools needed to accomplish such efforts. Through such investments, the goal would be a better understanding of agribusiness and to encourage consideration of agribusiness careers as individuals enter the workplace.

DMV Motor Carrier Services

PABC supports future funding relating to the improvement of services offered by the SC Department of Motor Vehicles.

Disaster Relief Relative to Uncontrollable Circumstances

As a result of natural disasters experienced in the past adversely affecting South Carolina agriculture and forestry, PABC supports programs and relief efforts which will assist SC agribusiness in replacing assets and loss of income through financial assistance.

Food is Medicine (State/Federal)

Given there is a need to address health issues both on a federal and state level through healthy dietary programs and products made from wholesome ag products, PABC supports access to nutritious, healthy foods being made available from all ag commodities.

Health Related Challenges Similar to COVID-19

PABC continues to support programs which provide an opportunity for SC agribusinesses and associated enterprises to survive in a financial environment impacted by unexpected operational health challenges such as the COVID-19 pandemic. Programs such as the Payroll Protection Program and Coronavirus Food Assistance Program are examples of such programs supported by PABC when circumstances are apparent which impact the ultimate survival of businesses. PABC also supports programs assisting with employee and consumer safety. These efforts would include assuring adequate PPE is available during any identified future health crisis.