

A Conversation about Food Safety's New Way Forward: Joseph Oddo

The Food Safety Modernization Act (FSMA) and Produce Safety Rule (PSR) Grant Manager at the Arizona Department of Agriculture, Joseph T. Oddo, was hired by the Department after a 30-career with Eagle Produce LLC. Dba Martori Farms. During his tenure at Martori Farms, Oddo was responsible for Food Safety and Human Resources and developing and maintaining the Food Safety Program utilizing third-party auditors under the Primus GFS scheme. With over 60 audits performed (9 annually) achieving scores over 90% during that time, Oddo was also recruited to train workers thru the H2-A guest worker program.

His current responsibilities include the training, education and outreach regarding the Produce Safety Rule. As stakeholders become compliant trained and educated his responsibility will include inspection.

Mr. Oddo's insights highlight the high points of Senate Bill 1063: Produce

Safety Rule; State Administration. The bill will allow the Arizona Department of Agriculture to assume primary enforcement of the Produce Safety Rule. As of this writing, the bill has passed the Senate and is awaiting hearing in the House of Representatives.

Arizona Agriculture: What impact will SB 1063, the Produce Safety Rule, have on the fresh fruit and vegetable industry here in Arizona and California?

Oddo: Currently many of the large growers in Arizona and California have food safety plans in place and are audited through either 3rd party audits or the Leafy Greens Marketing Agreement (LGMA). Compliance with the Produce Safety Rule is now fed-

By Julie Murphree, Arizona Farm Bureau Outreach Director



Produce Safety Rule requirements can be applied to the "backyard grower" as well as large producers. Key requirements include the testing of the water used in operations, whether soil amendments are applied, animal intrusion, worker training, cleaning and sanitation. These requirements can be applied across all farm sizes and types.

late." This is evidenced through the initial steps of determining a farm inventory and offering the voluntary On Farm Readiness Review. Arizona will be one of the first states to offer the training required to deliver this non-regulatory review of a farms readiness for inspection, which has been delayed until mid-2019. Additionally, AZDA has delivered the Produce Safety Alliance "Grower Training Class," a stakeholder requirement, to over 150 people and Produce Safety Rule training to over 200. These programs are all proactive approaches to complying with the Produce Safety Rule.

borne illness?

See ODDO Page 2

eral law which establish minimum food

safety standards nationwide. This imposes

and equitably places all required grow-

ers, harvesters, packers and holders on the

same minimal standard for food safety.

Consumers will be able to have confidence

that whether they buy from a small or large

producer that the minimal standards for

food safety are being met. Those stake-

holders who currently do not have food safety plans in place will need to invest the

time and expense to adapt their companies

to the new standards. The Arizona Depart-

ment of Agriculture (AZDA) can and will

provide the education and training neces-

sary to insure all companies who request

these services can come into compliance

duce Safety Rule take a proactive ap-

proach to food safety? Are you pleased

with FDA's effort in trying to reduce food

the approach to "educate before you regu-

Arizona Agriculture: Does the Pro-

Oddo: The Produce Safety Rule takes

with the new Produce Safety Rule.

Surprises, Twists and Turns of the 53rd Legislature

By Chelsea McGuire, Arizona Farm Bureau Government Relations Director

o legislative session is ever predictable, but so far, the second regular session of the 53rd Arizona Legislature has been particularly full of surprising twists and turns. If you need proof of just how crazy the last few weeks have been, consider this: in the span of six weeks, two members of the Arizona Farm Bureau were sworn in as sitting Arizona legislators, and we didn't see so much as one election ad for either!

On February 12, 2018, Arizona Farm Bureau member Tim Dunn was sworn in as Arizona's newest Representative from LD13, and joins fellow Arizona Farm Bureau member and agriculturalist Sine Kerr, who was appointed in January to fill the empty LD13 Senate seat. Tim is a familiar face to Farm Bureau members, having served as the state's First Vice President for more than a decade. Dunn hails from Yuma, where he and his wife Eileen own and operate the Dunn Grain Company. The Dunns were recently given the "Farmer of the Year" award at the Arizona Farm Bureau annual meeting, in recognition of their distinguished contributions to the Arizona Agricultural industry. We are thrilled to have Representative Dunn's expertise and sound judgment to represent our interests in the State Legislature.

So what are Representative Dunn, Senator Kerr, and the rest of our Arizona delegation working on this session? No one is surprised that water is the topic taking up most of our energy. The Senate and the House dropped identical package bills containing eight separate proposals to amend Arizona's water program. Although the bills have been heard and passed in their respective committees, there is still much work yet to be done. The bills are being referred to as "works in progress," and we





Last month, Arizona Farm Bureau member Tim Dunn was sworn in as Arizona's newest Representative from LD13, and joins fellow Arizona Farm Bureau member and agriculturalist Sine Kerr, who was appointed in January to fill the empty LD13 Senate seat.

fully expect that what passed through committees will differ once on the Governor's desk.

From our perspective, the fact that these bills are still open for discussion and modification is a very good thing. It's not necessarily because we don't like the bills; in fact, Arizona Farm Bureau policy is largely aligned with much of what's already being proposed. Rather, the fact that the bill sponsors are still open to discussion means that Farm Bureau members have another chance to express their positions directly to those who are voting on the issues that matter most. When

See LEGISLATURE Page 4

- Page 2On Duplicate Brands

Volunteer Service - Page 7 A Nomadic Life.

Priority Issues - Page 8 Outreach's Role

Oddo continued from page 1

2

The FDA had a massive undertaking in trying to come up with a food safety standard that would be applicable to all "Farms" nationwide. Additionally, the task of educating and inspecting all the stakeholders in each state was more than the FDA could take on. As a result, grants were offered to the states to fund the delivery of the Training, Outreach, Education and finally inspection of the Produce Safety Rule. While at times slow, the FDA's efforts to curb food borne illness thru local control was a major step in reducing the risk of food borne illness outbreaks.

Arizona Agriculture: Arizona is now working to authorize the AZDA, rather than the FDA, to take on primary responsibility for Produce Safety Rule inspections. How does this help the cause?

Oddo: Localized control of the training, education and inspections will allow for an increase in the supervision of all components of the Produce Safety Rule. It will allow for the development of working relationships between AZDA and all stakeholders improving the quality and development of food safety plans to insure compliance with the Produce Safety Rule. Non-compliance issues can be resolved quickly thus averting and minimizing the risks associated with food borne illness outbreaks. Consumers will have improved access to the understanding and confidence that locally grown produce is meeting the standards of the Produce Safety Rule.

Arizona Agriculture: Beyond legislation and self- imposed food safety standards, how else can we help consumers understand our food safety standards?

Oddo: Consumers by in large expect that when produce is purchased at a retail outlet or farmers market it is safe to eat. There is a lack of understanding of the food safety steps taken by the grower, packer, harvester, or holder of that produce to maintain food safety standards. The fact is that through the whole supply chain, when it comes to produce there is not a 100% certainty that food borne pathogens have been eliminated. The key is to educate the public through as many sources possible that handling practices in the home can be the best defense against food borne illness. The retail outlets and farmers markets can help in the distribution of information to the public about cleaning and storing produce in the home prior to consumption. The combination of the Produce Safety Rule standards being maintained through the supply chain and safe handling and storage within the home will greatly reduce the risks of food borne illness.

Arizona Agriculture: As the leafy greens market grows, can our food safety standards scale? In other words, can these food safety standards adapt to large and small farming operations?

Oddo: One of the challenges the FDA had was to develop the Produce Safety Rule so that it could be applied to farming operations regardless of size or geographic location. The key requirements of the Produce Safety Rule can be applied to the "backyard grower" as well as the major nationwide producers. Additionally, the Produce Safety Rule requires compliance from the holder (coolers) of produce where the size can vary yet the key requirements remain the same. These key requirements include the testing of the water used in operations, whether soil amendments are applied, animal intrusion, worker training and cleaning and sanitation. These requirements can be applied across all stakeholder operations. The focus is to train and educate stakeholders on how to apply these requirements in their individual operations

Arizona Agriculture: Talk to us about the industry's training efforts and how workers adapt to the training.

Oddo: Currently AZDA and the Arizona Leafy Greens Marketing Agreement provide training in GHP/GMP (Good Handling Practices/Good Manufacturing Practices) and Food Safety Training according to the compliance measures described in the LGMA. AZDA has hired two trainers whose specific responsibility is to provide ongoing training to stakeholders requiring compliance under the Produce Safety Rule. To date, AZDA has developed a questionnaire and mailed to over 500 farms and has had direct contact with over 200 farms. We've delivered direct Produce Safety Rule training to over 200 people in Yuma in both English and Spanish. And, we've developed a power-point presentation, brochure and webinar to be delivered to County Health Directors and the Food Marketing Association.

Inspections will not begin until 2019 so all efforts are being directed to the outreach, training and education on the Produce Safety Rule. The response from both industry and the public has been positive with the consensus that public safety is the priority.

Arizona Agriculture: I know industry uses farm tours to enlighten influencers and others about your food safety practices, but what else are you doing to teach consumers about the industry's dedication to food safety?

Oddo: Currently AZDA has focused its efforts on ensuring that those responsible for compliance under the Produce Safety Rule receive the proper training leading to compliance. Articles have been published in the Local First Arizona newsletter and Arizona Farm Bureau's publications, and AZDA has changed its website to include information available to the public on the Food Safety Modernization Act and Produce Safety Rule. Through the introduction of SB1063, local representatives will understand the Produce Safety Rule having the ability to inform constituents. AZDA intends to provide brochures to retail outlets and farmers markets for public distribution.

Simply having this conversation with you and our farmers and ranchers will help continue to inform on an issue that is important to all of us. 🞜

oing a Double Take on Duplicate Brands

By Julie Murphree, Arizona Farm Bureau Outreach Director

it down with many Arizona ranch families and they'll often be able to tell you the story and history behind their brand.

Often, brands are held for sentimental value, what are often called hearth brands as they sit on the fireplace mantle as an ode to ranching history. This type of family brand(s) defines them; puts borders around them and identifies not just the cattle or livestock they raise but the family heritage they represent.

Mostly, ranchers see the brand specifically as a necessary tool for busi-

We make insurance simple.

A Farm Bureau agent makes insurance simple and affordable for you to protect your family, home and car.

With offices across the state, we make it simple to protect your family, home, car and business. Contact your local agent today

BUCKEYE 🚜 ller Rd 623.935.6209

MESA 🗝 S. Stapley Dr., #114 480.649.0260 1012 S.

BULLHEAD CITY Ste. A = 71 Hwy. 95, Ste 928.763.8464

2500 S. Power Rd., Ste. 106 480-279-1874 MIAMI

CAMP VERDE 🖷 564 S. Main St, Ste. 113 928.567.8956

> Sacaton 520.836.2511

408 N

520 W. Live Oak St. 928..473.1234 ORO VALLEY 10355 N. La Canada Dr. #197 520-219-3600

928-669-2437

512 S. Beeline Hwy. #4

928.474.1775

15215 S 48th St. Ste. 183 602.777.5101

21630 N. 19th Ave. Ste. B-18

4600 E. Washington, Ste. 300

602-772-4916

005 N. Hwy. 89 928.778.9350

136 Grove Ave

928-440-6999

1024 Willow Creek Rd. Ste. C

QUEEN CREEK

SAFFORD 🗝

E. San Tan Blvd. #107 480-987-9163

928.717.9911

623.388.3349 🚜

PRESCOTT = 89

22601 N. 19th Ave. 623-434-8097

PAYSON #

PHOENIX 🗝

#106

CASA GRANDE Ste. E PARKER 🖶 1212 S. Kofa Ave.

CAVE CREEK 👼 . Cave Creek, Rd#4 480.575.0710 6554 E

CHANDLER 1820 E. Rav Rd. Ste. A205 480.284.4223 or 480.899.1997

COTTONWOOD 1759 E. Villa Drive, #113 928.649.8686

> DEWEY 🗝 171 S. Hwy 69, # C 928.632.0014

FLAGSTAFF 7 2733 E Lakin Dr. #1 928.527.1343

223 N San Franisco St. #105A 928.527.1343

GILBERT GILBERT =0 325 S.Higley Rd. #100 480.635.3860

> 343 N. Gilbert Rd. 480-699-0861

1605 S. Gilbert Rd # 103 480.833.8718

115 N. Pasadena #104 480.704.4182

1166 E. Warner Rd., Ste. 204A Gilbert, AZ 85296 480-993-2742 480-339-7148

SCOTTSDALE 5 7650 E. Redfield Rd. Ste. D-4 480.483.8787 14861 N. Scottsdale Rd, Ste. 115 480.988.6601

620 S. 1st Ave 928.428.4618

138 S. Broad St 928.425.3632

6499 S. Kings Ranch Rd #1 480.621.3076

Bullard Ave., Ste. 101 623.925.0190 3673 S. B

KINGMAN Ste. A 3518 N N. Irving St., S 928.757.5555

3965 N. Bank St. 📕

928-757-5001 2716 Stockton Hill Rd., Ste. B 🚚 928.377.5000

AKE HAVASU CITY 1600 McCulloch Blvd, N., Ste, B5 928.846.3232

3560 Challenger Dr. #102 928.846.5541

Vhite Mountain Blvd. 518 W 928 892 5600

MARANA

50 Office with Ag Wise agents

. 22nd St., Ste. 4C 520.288.8154

520-885-3083

WICKENBURG 2 N. Valentine St 928.684.6895

WILLCOX =

WILLIAMS 🗝 128 W. Grant, Ste, A 928.635.2181

YUMA 5661 E. 32nd St., Ste. A 928.782.0012

7175 E. 31st Pl., Ste. B & J 928 248 5038

GLENDALE 5 18301 N. 79 Ave. #D146 623.878.2491 GLOBE

GOLD CANYON

GOODYEAR

SHOWLOW 🖷

18933 E

E. Duece of Clubs 928.537.2990 810 I TEMPE 🔫

6101 S. Rural Rd. #120 480.967.7306

TUCSON 🛲 460 W. Roger Rd. # 101 520.407.1111

4703 E. Camp Lowell Dr #241 520-485-1400

4732 N. Oracle Rd Ste 115

365 N. Haskell Av 520.766.3276



520.682.4636

So, brands are an essential part of Arizona's ranching industry. And, the Arizona Department of Agriculture is tasked with issuing, registering and managing Arizona's brands.

Duplicate Brands

In the meantime, a recent Arizona Supreme Court case, "Stambaugh vs Killian," held the state did not have the legal right to let another cattle company use a similar brand to brand its cows. The unanimous court ruling said See DUPLICATE BRANDS Page 6



The Arizona Department of Agriculture has identified 100-plus brands that are duplicates or very similar and these brands must now go through a process to reconcile brands where possible.



Western Agricultural Insurance Company*, Farm Bureau Property & Casualty Insurance Company^{*} and Farm Bureau Life Insurance Company^{*}/ West Des Moines, IA. *Company providers of Farm Bureau Financial Services

Arizona Farm Bureau Federation The Voice of Arizona Agriculture 325 S. Higley Rd., Suite 210 • Gilbert, AZ 85296 • 480.635.3600 • fax 480.635.3781 • www.azfb.org OFFICERS ARIZONA AGRICULTURE STAFF Arizona Agriculture POSTMASTER is published 9 months, plus two special Send address changes to: President • Stefanie Smallhouse • Redington Julie Murphree, Editor Arizona Agriculture **1st Vice President • John Boelts • Yuma** Peggy Jo Goodfellow, Advertising editions annually, (ISSN 0274-7014) by 325 S Higley Rd., Suite 210 2nd V. P. • Richie Kennedy • Casa Grande Please send comments to: the Arizona Farm Bureau Federation... Gilbert, AZ 85296 Exec. Secretary • Open 325 S Higley Rd., Suite 210 arizonaagriculture@azfb.org **EXECUTIVE COMMITTEE** Gilbert, AZ 85296 For advertising, e-mail <u>ads@azfb.org</u>, Subscriptions are included in John Hart • Willcox call 480.635.3609 or visit annual dues. Periodicals postage paid in Higley, Ava Alcaida • Parker www.azfb.org/publications.htm Arizona and additional mailing offices.

www.azfb.org

LATINUM SPONSOR



ATTENTION ARIZONA FARM BUREAU MEMBERS RECEIVE AN ADDITIONAL

SSOU FORD REBATE ON TOP OF ALL OTHER FACTORY REBATES JUST FOR BEING A MEMBER

EXCLUDES SVT RAPTOR, SHELBY GT & FLEET DEALS



Legislature continued from page 1

we're offered an opportunity to speak out for our members in such a direct way, and on such an important matter, we are always happy to take it.

If there's anything we've learned from this group of bills in the last few weeks, it's that water issues can only be solved through collaboration, not unilateral decision making. We now have a meaningful opportunity for collaboration, and we encourage each of our members to take full advantage of that opportunity. Keep an eye out on our social media channels and in your email inbox for more information regarding the opportunities that you will have to speak up on these extremely important issues.

For a full list of all the bills that Arizona Farm Bureau is tracking, go to www.azfb. org/Public-Policy/Action-Center and click on "view key legislation." The list of bills also identifies whether we support, oppose or take a neutral position on the bill. 🞜

Bill Number	Short Title	Description	Farm Bureau Policy Position (references to page in 2018 Policy Book)
<u>S1508</u>	Water; Desalination Action Plan	Creates general plan for exploring feasibility and potential locations of desalination plants in Arizona	The state needs a statewide coordinated effort to augment water supplies, e.g.: building water storage facilities, watershed management, desalination plants, conservation and rainfall harvest, rather than creating competition between urban and rural areas for available water. (p. 47)
<u>81509</u>	Water; Interstate Sales	Prohibits the sale of ground or surface water across state lines without legislative approval.	No water should be allowed to be transferred outside of Arizona. All Arizona water shall be used within the borders of Arizona, regardless of ownership. (p. 60)
<u>81510</u>	Irrigation Grandfathered Right; Containerized Plants	Allows the use of grandfathered groundwater rights to irrigate containerized plants (nurseries, greenhouses). No flex account credits may be registered for the portion of the farm where the grandfathered right is used for containerized irrigation.	AZFB supports specialty crops and greenhouse production. We believe that the use of an irrigation grandfathered right is inherent property right attached to the land. (p. 47)
<u>81511</u>	Pinal AMA; Groundwater; Extinguishment Credits	Directs ADWR to adopt a rule regarding calculation of extinguishment credits in the Pinal AMA; exempts from administrative rule making provisions for that limited purpose. Also requires ADWR to reexamine assured water supply rulings in the Pinal AMA.	 Arizona Farm Bureau supports laws, rules, and regulations that encourage new residential and commercial development either: 1. To occur on lands historically using water, or 2. To directly use renewable water supplies rather than groundwater. (p. 46)
<u>\$1512</u>	AMAs; Sixth Management Period	Sets management goals for the period 2025-2035; mirrors previous management plans	We believe Arizona should adopt a water policy which encourages the effective utilization of all water resources and which encourages all water users to conserve as much water as economically feasible. (p. 45)
<u>\$1513</u>	Effluent; Recycled Water	Changes the term "effluent" to "recycled" in ADWR promotional material	We support the expanded use of reclaimed water (municipal effluent) by agriculture as a supplement to or replacement for other water resources We also support research on uses of reclaimed water. (p. 48)
<u>81515</u>	Adequate Water Supply; County Review	For those counties who have agreed to be part of the Assured Water Supply rules, sets forth guidelines to opt out of the Assured Water Supply rules so long as certain conservation methods are in place	We believe Arizona should adopt a water policy which encourages the effective utilization of all water resources and which encourages all water users to conserve as much water as economically feasible. (p. 45)
<u>S1516</u>	CAP; Sovereign Immunity	Prohibits multi-county water conservation districts from asserting sovereign immunity defense in a case regarding CAP contracts	We recognize the importance of the Central Arizona Project (CAP), in its current priority status to the state and encourage full utilization of Arizona's total Colorado River allocation. (p. 51)

2018 Marks Major Transformations in the Power and Energy Industry

By Ed Gerak, Arizona Power Authority Executive Director and Farm Bureau Member

verything about agriculture and what we do requires energy. So, it seems appropriate to highlight the top 10 things that we in the energy industry see transforming power and energy in 2018.

As an agriculturist, whether you receive surface water from CAP or groundwater from wells, the energy that it takes to lift and move water plays a significant role in the total cost of irrigation.

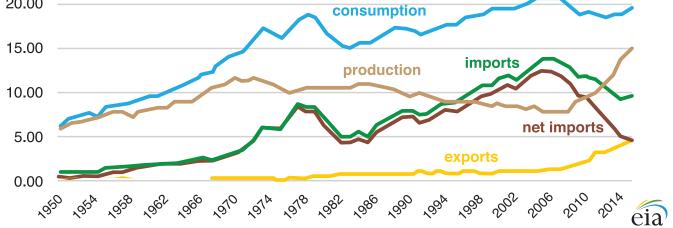
Given the water-power-agriculture nex-

U.S. petroleum consumption, production imports, exports, and net imports (1949-2016)

millions barrels per day

25.00

20.00



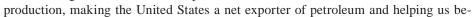
Key Water Bills

us, this article focuses on those areas that should have the most interest to farmers and ranchers.

Transformer Oil - Fracking: In the quest for more petroleum, or increase the longevity of existing wells utilizing modern technology, hydraulic fracking has created a glut of natural gas. This abundant supply has stabilized the futures pricing on a previously volatile commodity. This increase has come at an opportune time, as environmental initiatives have continued to increase the cost of operating coal plants and expedited some plant retirements.

Transmission pipeline capabilities have not yet caught up to the increased supply, but look for more pipelines to be built in the future. There is also increasing interest in converting natural gas as a petroleum replacement.

Fracking has also increased petroleum



Note: Production includes total petroleum field production, renewable fuels and oxygenate plant net production, and refinery processing gain. Consumption is petroleum products supplied.

Source: U.S. Energy Information Administration, Monthly Energy Revies, Table 3.1, March 2017, preliminary data for 2016

> come more energy secure. With the United States petroleum exports more than doubling since 2010, we may see prices inch up, but long term price stability for electricity and gasoline look favorable. See **POWER** Page 5

Power continued from page 4

Load Shedding - Energy Efficiency: The ripple effect of the "Great Recession" didn't spare the energy industry. As we have slowly clawed back from the economic abyss, what used to be a pre-programmed 3% increase in demand has been relatively flat over the last 10 years. In fact, total energy consumption was 4% less in 2016 than in 2007.

Besides the economy, new technologies (CFL/LED lighting, smart thermostats, etc.) and the increased awareness of sustainability has helped lead to this reduction. The power producers are grappling with reduced revenue and are trying to rationalize investments in new generation facilities.

Generation: While aggressive environmental regulations and tax incentives have spurred the development of wind and solar projects and driven up the costs of coal plants, the abundance of natural gas has had more impact on power generation changes than anything legislation has done.

While coal used to be 50+% of the total energy generation in the United States, it has dropped to barely over 30%. In 2016, natural gas accounted for almost 34% of total energy production. While natural gas pricing has crept up in 2017, long term prices continue to look favorable. It looks as if King Coal may be dethroned.

Invertors - Renewable Energy, Duck Curve: The electrical industry is not immune to the law of unintended consequences. The push for clean(er) energy and carbon reduction has led to increased solar and wind generation, but with these new sources comes new problems.

Renewables are intermittent, which means they only generate when the sun shines or the wind blows. This translates to roughly 50% of the time for solar and 18% for wind. People tend to want/need power 100% of the time. Utilities run baseload plants to provide energy to cover the 24-hour demand.

Balancing Areas (local or regional power territories) typically operated with 15% spinning reserves. They use generators that can go live to support increased load or unplanned outages. Unfortunately, renewables have increased the need for spinning reserves due to their uncertainty. This means that there is excess energy on the grid during the day, and there is a dramatic decrease in supply just as the sun goes down and the demand ramps up. This has been coined the Duck Curve, which is due to the shape of the load duration curve during a typical day. The biggest hurdle facing the CAISO is this drop of generation as the demand increases. Estimates are that the shift is 13K MW or more of capacity over 3 hours.

Arizona has benefitted from this recently because companies have been selling negatively priced energy to help balance the grid. Due to Investor Tax Credits, the solar companies can still make a profit, even at this price point, due to the subsidies these companies receive. Arizona has been home to a lot of this energy recently, but as modern technologies get developed, we may lose this benefit.

Regulation Rollback: President Trump, having years of experience with government regulations, appears to have a profound distaste for them. He has found a willing participant in rolling back regulations in the EPA's Scott Pruitt. They seem to be undoing or replacing a majority of the environmental regulations that the Obama administration pushed through. This will help reduce or avoid the increased costs that accompanies regulation compliance.

One former EPA chief estimates that it may take 20 to 30 years to regain the "advances" that the Obama administration put through. To me, it sounds like a good start.

Taxes: With the decrease in corporate taxes in 2018, multiple Public Utility Commissions have already acted on Investor Owned Utilities regarding recent or pending rate increases. Some have reversed previous rulings and reduced or eliminated previous rate hikes. No news yet on what the Arizona Corporation Commission will do to the recent Arizona Public Service rate adjustment from August of 2017.

Regulation, Ramping and Reserves (3R's): Regulation, ramping and reserves are the 3R's that help maintain the grid at a frequency of 60 hertz, match supply with demand, and make sure there is enough in reserves in case of an outage or dramatic spike in demand. With the evolving generation sources (renewables), the electric industry is looking for ways to maintain grid stability with intermittent resources.

Markets: As renewables have changed the way the grid is operated for practical or financial reasons; multiple concerns have been raised over baseload plants (coal and nuclear). To combat the compounding effect of reserves, Independent System Operators and Regional Transmission Organizations ("markets") have been developed to leverage economies of scale and reduce the need for individual plant reserves.

With these increased levels of administration, there has been a correlating increase in power costs. Arizona is not in an ISO/RTO and has maintained a cheaper rate than its neighbors who have an ISO/RTO. However, multiple people feel that it is inevitable that Arizona will eventually be pulled into a "market" in the near future.

Transmission: As markets continue to expand nationally and creep into Arizona, generation capacity will shrink and transmission will be more utilized and may become congested. At a recent American Public Power Association conference, one of the speakers anticipates that transmission costs will increase 9%-10% year over year.

Battery - Storage: The panacea for the electric industry is energy storage. This comes in a multitude of forms (pump storage, compressed gas, molten salt, etc.), but the majority of the focus is based on lithium-ion batteries. Tesla has been working on a home battery pack in addition to their focus on electric vehicles.

Electric vehicles can serve as the sync for the grid, absorbing excess energy when available and providing peaking energy if necessary. Coupled with smart technology and residential or commercial scale batteries, energy storage would transform our industry.

While storing energy will solve a multitude of issues, it will also create questions, like what will the energy rate(s) be in the future? It may change the industry pricing model to something similar to your phone's data plan. It may drastically reduce the expansion of new generation or help homeowners cut the power cord like their cable. Thanks to technology, with new solutions comes new problems, and vice-versa.

Farm Bureau and Food Banks Win Big with Farm to Football

By Katie Aikins, Arizona Farm Bureau Education Director

For three months, 82 classrooms in 16 schools across the state collected coins as part of the From Farm to Football Harvest for All Coin Drive. Classrooms collected their coins for a cause: to help feed the hungry in their community. Seven of Arizona's Community Food Banks received checks to continue their mission of fighting hunger.



Arizona Farm Bureau*

Visit fordfarmbureauadvantage.com to take advantage of this offer today!



MidFirst provided the coin counting van and donated \$1,250 towards the fundraising effort.

- 1. St Mary's Food Bank = \$439.66
- **2.** United Food Bank = \$1,053.1
- 3. Duncan Food Bank = \$535.09
- 4. Agua Fria Community Food Bank = \$1,209.19
- 5. East Santa Cruz Food Bank = \$228.57
- 6. ICM Food Bank = \$292.74
- 7. Our Lady of the Snow Food Bank = \$368.79

In total, \$4,127.14 was raised by Arizona students through the From Farm to Football Harvest for All Coin Drive. Sharman Hickman of Hickman's Family Farms, See FOOD BANKS Page 6

Members get \$500 Bonus Cash' toward the purchase or lease of an eligible new 2017/2018 Ford vehicle!





Don't forget about the Built Ford Tough F-150 Sweepstakes!* Text the word SWEEPS to 46786*** to enter!

56238: \$500 Bonus Cash offer exclusively for active AL, AR, AZ, CA, FL, GA, IL, IN, IA, KS, KY, LA, MI, MS, MO, NE, NM, NC, ND, OH, PA, SC, TN, TX 2/2019 for the putchase or lease of an eliable new 2011/2/08/2019 model year Fortunation from sublidge on Numero Cashing Control of the putchase of the sublidge on the state of the subsees emminus other non-Motor Company private incentives or AV2D-Plans. Some customer and purch, which purchase or lease. End of the new register which purchases or leases per Fam Bureau member SENECESARY: A PURCHASE WILL NOT INCREASE YOUR CHANCES OF WINNING, MUST BE LEGAL RE-SER, ADDITICHAR, RESTRUCTIONS MAY APPLY. Void where prohibited. Sweematakes and GR2019

idition of purchase or entry. Message and data rates may apply. Sweepstakes ends 9/30/18. For entr pl. Sponsored by Ford Motor Company, One American Road, Dearbann MI 45126.

absent such an exemption.

tor Carrier's website.

ELD and Hours of Service require-

Below is guidance from the Federal Mo-

Question 21: Does the exemption in

§390.3(f)(3) for the "occasional transporta-

tion of personal property by individuals not

for compensation nor in the furtherance of

a commercial enterprise" apply to persons

who occasionally use CMVs to transport cars, boats, horses, etc., to races, tourna-

ments, shows or similar events, even if prize

The underlying activities are not undertaken

for profit, i.e., (a) prize money is declared as

ordinary income for tax purposes, and (b)

the cost of the underlying activities is not de-

Guidance: The exemption would apply to this kind of transportation, provided: (1)

money is offered at these events?

ments only apply to commercial ventures.

Getting You Up to Speed on Electronic Logging Devices

By Amber Morin, Arizona Farm Bureau Field Manager with assistance from the Government Relations Team

s of last December, The Federal Motor Carrier Safety Administration (FMC-SA) has granted transporters of agriculture commodities an additional 90-day

According to FMCSA studies, agricultural transporters have a good safety record, and this waiver would likely achieve a level of safety that is equivalent to, or greater than, the level that would have been achieved

wavier from the Federal hours-ofservice (HOS) regulations recorded by electric logging devices (ELDs). Agriculture commodities are defined as any agricultural commodity, non-processed food, feed, fiber, or livestock. This waiver is granted in response to requests from numerous organizations representing transporters of livestock and agricultural commodities.

The official effective date of the waiver is from December 18, 2017 through March 18, 2018. This additional 90-day period will give the FMCSA ample time to consider exemption applications from segments of the agricultural industry concerning ELDs and HOS, which raise concern of animal welfare and food safety.

Drivers operating under this waiver MUST carry a copy of a Federal Register notice that can be found at fmcsa.dot.gov and present it to motor carrier safety enforce-



Agriculture's special 90-day wavier ends this month on the 18th. Some have noted already increasing transportation costs of agriculture commodities because of the electronic logging devices requirement despite the wavier.

ment officials upon request. If a farmer or rancher can claim they have "farm vehicle status," the vehicle should be exempt from the ELD mandate altogether. However, if the status cannot be claimed, the vehicles are still covered under the 90-day waiver through March 18, 2018.

sorship is not involved. Drivers must confer with their State of licensure to determine the licensing provisions to which they are subject.

ducted as a business expense for tax purposes; and, where relevant; (2) corporate spon-

(https://www.fmcsa.dot.gov/regulations/title49/section/390.3)

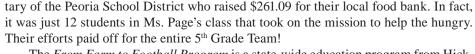
FOOD Banks continued from page 5

"believes the most valuable players of our future are the youth in our communities." Hickman is looking forward to next year's program "where the game plan is to get as many Arizona students as possible to raise one dollar."

Can you imagine if every student donated \$1 to the program? we could raise over \$1 million to fight hunger!

As part of the From Farm to Football Program, classes were also competing for the chance to win an Arizona Cardinals Day at their school. The class that collected the largest dollar amount through the coin drive received a 1 ¹/₂ hour event that included the Arizona Cardinals Cheerleaders, Big Red, Arizona Cardinals Outside Linebacker Markus Golden, Hickman's Family Farms, and Arizona Farm Bureau's Ag in the Classroom Program. The big winners of this prize were the 5th graders at Zuni Hills Elemen-

Through seasons of change, you've helped Arizona grow stronger.



The From Farm to Football Program is a state-wide education program from Hickman's Family Farms in partnership with the Arizona Cardinals and is administered by Arizona Farm Bureau's Ag in the Classroom Program. With monthly video messages from Markus Golden and pen pal letters from Arizona farmers and ranchers, Arizona students learn about the importance of agriculture on and off the football field. In just the second year of the program, 738 classes participated with over 17,500 students. For more information about the program visit us on the web at azfb.org.

Duplicate Brands

continued from page 2

the state violated a decades-old law that bars an identical cattle brand from being used by two ranchers.

This case became the determining factor in the Arizona Department of Agriculture having to review their management of brands and specifically duplicate brands.

To date, the department has identified 100-plus brands that are duplicates or very similar and these brands must now go through a process to reconcile brands where possible.

Understanding the value of industry input, Arizona Department of Agriculture Director Mark Killian asked if Arizona Cattle Growers could form a group to help the department come up with solutions. Arizona Cattle Growers' President Jay Whetten appointed Mike Oden (Chair), Benny Aja, Tim Cooley, Richard Smyers, Clay Overson, Ray Turley, Terry Schultz, Mike Wear, Guy Hudson, Dan Bell and Duane Coleman to form a committee/task force to work with the department.

"A rancher-led task force can help this process and help the industry move forward from these challenging issues," said committee member Benny Aja, a rancher from Williams, Arizona and Coconino County Farm Bureau and Cattle Growers President. "We are also working on the non-range, self-inspection program."

The committee met in mid-February and hopes to roll out preliminary recommendations as early as this month. For further information about livestock brands, go to agriculture.az.gov and search "brands."



Blue Cross Blue Shield of Arizona is proud to support the Arizona Farm Bureau and all of Arizona's farmers. Your tireless dedication to feeding and clothing our state, and the world, helps ensure an abundant supply of good things for all of us, from the ground up.



An Independent Licensee of the Blue Cross and Blue Shield Association

Gold Sponsor

Check out the Arizona Grain Research and Promotion Council's Facebook page at www.facebook.com/AGRPC/. Help us spread the word about the important role of grains in Arizona's agriculture.

The AGRPC's appointed members appreciate the continuing support of Arizona's grain growers and the Arizona Farm Bureau as the council pursues its efforts to maintain and increase profitability in all sectors of the state's grain industry.

> Grain Researc Promotion

www.azfb.org

7

Are You Being Served?

By Stefanie Smallhouse, Arizona Farm Bureau President

hen Andy and I were first married, we had three television channels out at the ranch. One of those was PBS, and at the time let's just say Masterpiece was not of the "Victoria" it is now. There were mostly reruns of quirky

British sitcoms like, "Are You Being Served." The show wasn't much about service, but mostly about the antics of the over-the-top characters working in a London Department Store. If you read the *Yellow Sheet*, a political publication by the *AZ Capitol Times* about the daily happenings at the Legislature, there are at times similarities. Thank goodness this is not the norm.

Not everyone can serve in the Arizona State Legislature, nor do many have that desire. It's a difficult job short on appreciation and long on criticisms. The hours of service and response are ongoing and the problems in need of fixing are endless and often complex. For anyone representing our citizens outside of Maricopa County, it's a nomadic life for up to six months out of the year. Essentially a position of volunteer service and life on the road. Fortunately, I don't think those who represent us spend much time thinking about these aspects of public service, instead focusing more on how they can be an agent of change for the good.

The Arizona State Legislature is comprised of 30 Senators and 60 Representatives. Of these 90 citizen lawmakers, only 19 of these folks are what I would consider to be rural representatives of 6 districts. Of those 19, only 3 travel from farms or ranches to the Capitol each week. That is the good news, for just two months ago, there was only one! We now have a dairy producer, a grain farmer, and a rancher who have stepped forward and accepted the challenge in bringing an agricultural perspective to the lawmaking process. They not only have extensive knowledge of food

production, but bring with them small business experience, natural resource management, and the awareness of rural Arizona living.

Many people would say it makes sense our urban centers dwarf the rural areas in representation because that is where the majority live. It's difficult to challenge such a position with this reasoning alone, but if production and consumption shared an equal playing field, then our Legislature would need several more rural voices. In general, food and water come from places far beyond downtown and the suburbs. The economic vitality of our rural areas and in turn the tax base, infrastructure, and quality of educa-



Stefanie Smallhouse

tion often depend upon the very resources regulated by

the consumer rather than the producer.

We are unlikely to see any change in the balance of power on Washington Street. Thankfully there are many urban legislators who are eager to learn and understand rural perspectives and challenges. I am excited to have three aggies serving in the Legislature and hopeful for this number to continue to grow. We are fortunate to have farmers and ranchers currently serving on city councils, county board of supervisors, irrigation/water conservation districts, natural resource conservation districts and school boards around the state.

The fact is, there are numerous opportunities for each of us to serve our rural communities and industry. Local county farm bureau boards are a great place to start! It seems the same folks are always relied upon to do the heavy lifting, yet everyone in the industry benefits from these devoted souls. Every county farm bureau has an annual plan of work and would love to have members get involved, even if for only one event each year. Serving on an issue or planning committee is a short-term commitment with long-term benefits. There are continual "call to action" requests which come from the state level which might involve just a phone call. You would be surprised to know the impact one phone call can make from a constituent to a legislator or member of congress. The demand from teachers in both rural and urban classrooms for Ag in the Classroom presentations continues to grow rapidly.

There is great satisfaction which comes from spending an hour in

a classroom and interacting with youth about where food comes from. To all of you out there who reprioritize your daily lives and future plans to *make time* to serve others, thank you! I think the better question than "Are you being served?" would be "Are you being of service?"



Experience from the ground up

Our business is agriculture.

In fact, many of our staff have direct experience in farming or ranching:

living – and working – testaments to our timeless commitment to the future of agriculture.

> www.fcssw.com 800.822.3276

FARM CREDIT SERVICES

Committed. Experienced. Trusted.

We Make a Priority of Our Priority Issues

Here at Arizona Farm Bureau, you might wonder what's on our plate, the metaphor intended. A lot. And, it's a healthy mix that any "foodie," better nutritionist, would be proud of because it's balanced with lots of color. Though, we can overeat – over extend ourselves.

To help you understand what the Outreach team is managing as it relates to our priority issues, we list the breakout of Arizona Farm Bureau's most recent priority issues and let you know the advocacy for them as it relates to communication, marketing, social media, county field management and more. Note that this list is not in order of importance, nor does this article list every priority issue we have for 2018, just the major ones. One important caveat: field managers' report on advocacy, ag education and outreach at each county meeting. Ultimately, supported in part by the interface with state staff and county volunteer leaders, policy is driven by our farmers and ranchers in the counties.

The following priorities set the course for Arizona Farm Bureau's team in 2018. Each preliminary paragraph highlights the government relations focus on the issue. Following that, we highlight the outreach team's work.

Food Safety: As the Federal government becomes more involved in day-to-day farming operations through the Food Safety Modernization Act, we will continue to prevent Federal overreach into Arizona operations. Together with the Arizona Department of Agriculture (ADA), we will support legislation giving the ADA authority to conduct inspections under the federal Produce Safety Rule, which will help us avoid unnecessary federal intervention on our farms.

Outreach: While the field management team helps keep county leaders informed on SB 1063 and any other bills or features related to food safety, we're also completing work on a video about food safety and its importance. Additionally, this issue highlights SB 1063 and what farmers and ranchers can expect to come out of the bill moving through the Arizona legislature. See page 1 of this issue's article, "A Conversation about Food Safety and a New Way Forward: Joseph Oddo." Finally, the Outreach team has ongoing conversations on food safety with consumers including how they can keep their food safe once they get it home. In recent years we've even created flyers to hand out, including one made specifically for nutritionists to hand out in classes.

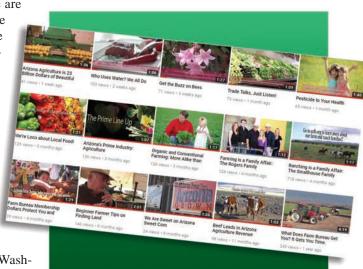
Water: We will continue to be agriculture's voice in discussions about water management across Arizona. As our state leaders work to improve the ways in which Arizona's water is managed, we will work to make sure the value of water to agriculture, and the value of agriculture to Arizona, is not overlooked. We oppose attempts to manage water that impose undue burdens or uncertain futures on agricultural operations.

Outreach: Where to begin on this issue! It's keeping everyone busy, to say the least. With the release of a video (Who Uses Water? We All Do!), that garnered 542 views on Facebook and 103 on YouTube, we're working on sharing the importance of water to agriculture and Arizonans. Additionally, the field managers are helping facilitate specially convened meetings regarding the unique water issues in a specific county. One aspect of the water issue that's really struck home with us is that water from county to county has completely different concerns they are dealing with. As you'll note, with this issue, many of the bills we're tracking are specific to our By Julie Murphree, Arizona Farm Bureau Outreach Director

engaged with the Arizona Department of Agriculture on numerous levels. First, we regularly put our articles that engage the AzDA team (see our lead feature this issue). Plus, weekly we are working with AzDA on the Thursday Capitol Market hosted on the Arizona Capi-

tol grounds. Finally, we are fully engaged with the Food Summit, where staff is regularly attending meetings.

Trade: More than 95 percent of our potential product consumers live outside of the U.S. Unburdened trade is essential for tapping agriculture's full potential as an industry. As NAF-TA and other trade deals are renegotiated, we will remind Washington of the importance of maintaining open agricultural markets. A healthy agricultural trade economy equals a healthy America.



More and more, Arizona Farm Bureau is using video to not only tell our stories but to highlight those topics that fall into our priority issue category.

Outreach: Besides articles, we're telling Arizona agriculture's trade story with a variety of methods. This year we've produced a video explaining how important

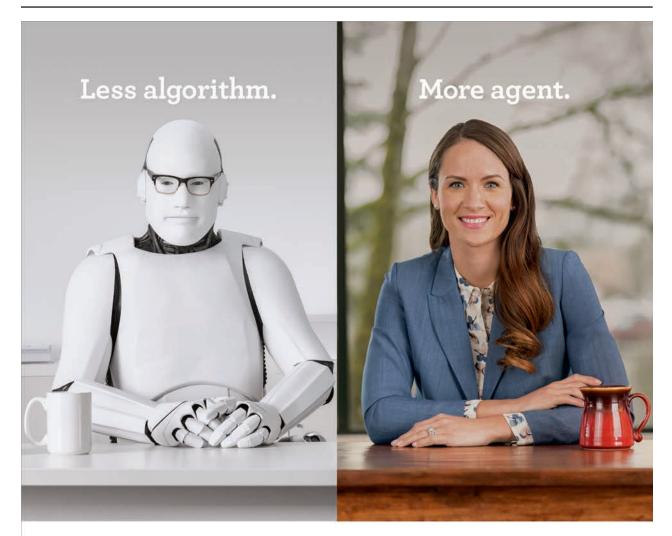
trade is not only to agriculture but to the state's economy. Our "Trade Talks! Just Listen" video garnered 4,310 views. Additionally, we've written numerous articles on this topic to keep the topic front and center in the public's mind and aware of the impact lack of trade agreements

> could have on the entire economy and America in general.

As was recently mentioned, Arizona Farm Bureau's advocacy efforts put us at the tip of the spear when it comes to our local, state and national issues. Often, because agriculture is so misunderstood by the public (it's a complex industry), we are facing down an unfriendly public on some of our issues.

Arizona Farm Bureau is structured to allow us to be advocating on four major fronts: Government Relations, Outreach, Ag

Education and County Field Management. Without this four-pronged effort, we'd struggle to stay ahead of these issues. Every day is an adventure!



water issues (See "Surprises, Twists and Turns of the 53rd Legislature" in this issue).

Wildlife Management: We believe that no one is better situated to manage Arizona's wildlife than Arizona. We will fight attempts of outside special interests to make our management decisions for us, especially when those interests are committed to thwarting agriculture's success.

Outreach: On this issue, it takes constant vigilance on our part on both a local and national level. This year, we're producing a video to show the public that ranchers have the most local knowledge at managing our natural resources and that ranching improvements specifically benefit wildlife. A public that understands our role supports our role.

The Arizona Department of Agriculture (*AzDA*): For our industry to work effectively, our regulatory arm must be adequately funded. We will work with the Department and the legislature to ensure there is enough money to fund all necessary programs and mandates, including livestock brand inspection.

Outreach: Besides what we're supporting in the legislature on this topic, Arizona Farm Bureau is constantly

We treat people like people.

Sure, computers can be helpful, but when it comes to creating a customized plan for your future, nothing can really replace a human. Together, we'll create a plan that's right for you, not anyone else.



It's your future. Let's protect it.™

AUTO • HOME • LIFE • ANNUITIES • FARM & RANCH • BUSINESS • ALvsAgent.com

Farm Bureau Property & Casualty Insurance Company,* Western Agricultural Insurance Company,* Farm Bureau Life Insurance Company*/West Des Moines, IA. *Company providers of Farm Bureau Financial Services M192 (2-18)