



Minnesota Crop Production Retailers

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INPUTS

Crop Pest Management Short Course and Minnesota Crop Production Retailers Trade Show

to be held at the

**Minneapolis Hilton Hotel,
December 7-9, 2021.**

The MCPR and U of MN Extension are announcing that the Crop Pest Management Short Course and Minnesota Crop Production Retailers Trade Show is planned to be held at the Minneapolis Hilton Hotel. That's right – at the Hilton! Expect the outstanding educational program over three days and an outstanding trade show experience all in the comfort and convenience of the Hilton Hotel.

MCPR Board members and U of MN Extension leadership have considered several options after the cancellation of the 2020 program and concluded that the best possible option for the continued success of the event is the Hilton Hotel. Expanded hosted industry receptions and training opportunities will be realized as we anticipate fully utilizing the attributes of this outstanding, newly remodeled meeting facility.

Plans are taking shape and announcements will follow about the new opportunities this meeting venue provides. MCPR leaders carefully considered the challenges of the 'Big Iron' trade show experience of past years and have received strong support from trade show participants for a trade show in the Hilton Hotel. Expect the same quality of educational opportunities and the social aspects of the meeting to be enhanced by this decision.

The Big Iron experience of the Short Course in December is being replaced by an even better opportunity. MCPR leaders are planning a major new initiative for a proposed MCPR Equipment Ride and Drive event for August in 2021 to address the desire for hands on experience and fellowship this summer with MCPR member equipment firms.

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Capitol Update

2021 Minnesota Legislative Session Convenes

The 2021 Minnesota legislative session was gavelled in January in a setting unlike any other year in state history. Due to the continuing protocols in place because of the ongoing pandemic, lawmakers were sworn-in both in-person and virtually.

The House of Representatives is controlled by the DFL as it was the past two years, however with a slightly smaller 70-64 majority. The majority caucus is led by Speaker Melissa Hortman (DFL - Brooklyn Park), while the GOP will once again be led by Minority Leader Kurt Daudt (R - Crown). In the Senate, the GOP maintained control of the upper body and enjoys a 34-31-2 majority. The GOP will again be led by Majority Leader Paul Gazelka (R - East Gull Lake), while the DFL Minority Leader is Senator Susan Kent (DFL - Woodbury).

In addition, a new dynamic emerged in the Senate after the elections when

(continued on page 3)

Executive Director's Report

Hello MCPR Members,

The COVID-19 lockdown of Minnesota is still a straight-jacket which even now is being loosened slightly as this column is written. The vaccine is starting to be administered to portions of the population most susceptible. The promise is soon the general population will be provided with this life saving shot in the arm.

While we make the transition back to a more normal society, I am fascinated by the vast difference in practice and attitude about the COVID-19 restrictions in rural Minnesota compared to my urban experience. Seems to me a similar attitude is also reflected in liberal oriented folks embracing the mask and social distancing much more than conservative oriented folks who either neglect or have outright disdain for masks and social distancing. Of course, this is a generalization that begs to be criticized, but the difference is not subtle. In rural Minnesota, the freedom and resistance to the heavy hand of government mandates is strong.

You will notice the insert from the American Seed Trade Association which is defending the Crop Input industries' handling and stewardship of treated seed. This piece responds to

a national environmental initiative to layer restrictions on the use of treated seeds on agronomists and growers. Neonics are the target of several bills introduced this year in Minnesota.

On a national level, as the climate policy debate ramps up in Congress and the Biden administration, there are a variety of ideas about how to measure, incentivize and regulate more sustainable practices.

President Biden made action on climate change a key part of his campaign platform and has pledged to focus on climate in every federal agency. He is not alone. Major food companies are already making carbon commitments and expecting farmers and supply chains to comply with a focus on sustainable and regenerative practices. Yet, there are a lot of different factors involved with getting the science, the economics, and the cultural factors to align in a way that produces measurable and valuable outcomes.

MCPR members are reporting interest from grower customers about the opportunities and possible payments per acre which some are offering. This is yet another market development that MCPR members must learn about and stay on top of to best serve Minnesota growers.

Finally, please see the report Jessi Brunelle prepared which recognizes the MCPR members who are supporting MCPR's loss of net income from the 2020 Short Course and Trade Show cancellation.

Please be sure to do your part by ensuring that your organization has contributed to the Short Course Fund Drive. Most members are contributing the amount they would have spent on registering for the meeting and trade show in 2020 IF it had not been cancelled.

Already over \$110,000 has been contributed toward the MCPR \$160,000 budget short fall. Thanks to all your for supporting MCPR!

Until Next time,



Bill Bond,
MCPR Executive Director



2021 Short Course Announcement

(continued from page 1)

The MCPR Board understands the questions that come to mind as we announce this major change in the CPM Short Course and MCPR Trade Show. We will be contacting MCPR members as details become available in designing this new opportunity. But know this...your safety and comfort are upmost in mind as we operate in this new meeting venue in Minneapolis.

former DFL Majority Leader Tom Bakk and former Senate Energy Committee Chair David Tomassoni defected from the DFL caucus and now identify as Independents. They were both awarded committee chairmanships and will caucus with the GOP during the legislative session. This historic party switch by two senior iron range DFLers has been a shock to urban focused democrats. The urban/rural divide is giving city politicians heart burn.

The first year of each legislative biennium is dedicated to the passage of a state budget for the new two-year cycle. In addition, policy initiatives such as gun control, legalization of marijuana, and voter ID have been mentioned as priorities this session. However, legislative leaders have informed their caucus members to temper expectations on the passage of policy items this year due to the logistical difficulties they will be facing while legislating remotely. This year will also feature the unique dynamic with Minnesota once again being the only divided state government in the country. The 2021 session must adjourn no later than midnight on Monday, May 17.

Governor Walz proposes Pesticide Fee Increases in his 2022-23 Minnesota Fiscal year Budget

Governor Walz & Lt. Governor Flanagan released their biennial FY 22-23 proposed "COVID-19 Recovery Budget." MCPR members and their grower customers should brace for a debate about the proposed pesticide fee increase in the budget. The Governor recommends increasing the pesticide gross sales fee rate by 0.35% for ag pesticides and 0.4% for non-ag pesticides to generate approximately \$2.251 million in the Agriculture Fund beginning FY23. This request

represents an increase in revenue of approximately 64% over the actual receipts collected in FY20 of \$3.5 million. This proposal increases the pesticide gross sales fee rate in FY22 from 0.55% for ag pesticides and 0.5% for non-ag pesticides to 0.90% for all. Portions of this proposal are new, and others are additions that MDA claims will improve existing programs and create a stable source of funding for the MDA Laboratory. Funds would be used as follows:

- **\$1.056 million to maintain critical laboratory services.** Many of the core pieces of laboratory equipment used by the MDA Laboratory to analyze water samples for both the Enforcement and Monitoring Programs of the Pesticide and Fertilizer Management Division (PFMD) are beyond the 10-year life expectancy and are no longer supported by the vendor. To maintain current Monitoring Program capacity of approximately 2,000 samples annually for pesticide water quality analysis and to be able to process samples in support of the MDA regulatory programs in a timely manner, the MDA Laboratory wants to use the funding to purchase replacement equipment and service contracts.

- **\$350,000 to fund supplies and two analytical chemist positions in the MDA Laboratory.** This new funding would replace Clean Water Funds, which currently need to be reapproved every two years. The MDA stated goal is to provide secure funding for these positions in the MDA Laboratory.

- **\$325,000 to create two new pesticide education and label interpretation positions.** This new funding initiative will target diverse communities in urban areas. The new

positions would increase education and support on urban pesticide management and use issues for a diverse urban community. MDA asserts the two new positions funded through this request are important to ensure urban communities are protected from the potential for significant health risks due to the misuse of pesticides. The MDA wants to provide increased outreach and information to targeted groups who currently may not understand pesticide labels and usage requirements.

- **\$520,000 to provide additional resources for the purchase of analytical equipment, supplies and personnel for the MDA Laboratory to add the three chemicals as requested in the Office of the Legislative Auditor's recent audit.** Specifically, the audit recommended the MDA monitor and assess the presence of additional pesticide chemicals in Minnesota's water resources. As performance measures the MDA will track the number of new pesticide chemicals evaluated each year, the number of new pesticide chemicals added to the laboratory analytical list annually, and the number of samples collected, analyzed and corresponding detections in water resources annually. To achieve these goals, the MDA Lab would need, as they stated above, an expansion consisting of two analytical instruments, two staff, and two computers with instrument vendor software.

For more extensive review of the proposal, go to the pesticide change item on page 67 of this document: <https://mn.gov/mmb-stat/documents/budget/2022-23-biennial-budget-books/governors-recommendations-january/agriculture.pdf>.



Minnesota
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This is information believed to be reliable by MCPR. However, because of constantly changing government regulations, interpretations and applicability or the possibility of human, mechanical or computer error, MCPR does not guarantee the information as suitable for any particular purpose.



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REGULLETER

OSHA Form 300A Deadlines

It's time to complete your 2020 injury and illness recordkeeping obligations by posting the Summary of Work-Related Injuries and Illnesses (OSHA Form 300A). OSHA requires that the notice be displayed from February 1st to April 30th each year in a conspicuous place where employee notices are customarily posted. Businesses with no injuries or illnesses for the year must still post the form. A company official must certify the information in Form 300A was examined and is believed to be correct and complete. To access the form and instructions, [click here](#).

All establishments with 250 or more employees in industries covered by the recordkeeping regulation must electronically submit Form 300A no later than March 2nd, as well as, establishments between 20-249 employees in certain industries, including "warehousing and storage." OSHA began accepting electronic submissions on January 2, 2021. (Asmark Institute)

IRS Decreases Standard Mileage Rates for 2021

The IRS has issued the 2021 optional standard mileage rates used to calculate the deductible costs of operating an automobile for business, charitable, medical or moving purposes. Beginning January 1, 2021, the standard mileage rates for the use of a car (also vans, pickups or panel trucks) changed to:

- 56 cents per mile for business miles driven, down from 57.5 cents for 2020
- 16 cents per mile driven for medical or moving purposes, down from 17 cents for 2020
- 14 cents per mile driven in service of charitable organizations (No Change)

The standard mileage rate for business is based on an annual study of the fixed and variable costs of operating an automobile. The rate for medical and moving purposes is based on the variable costs. Taxpayers always have the option of calculating the actual costs of using their vehicle rather than using the standard mileage rates. (Asmark Institute)

USDOT Increases Fine Amounts and Adds Clearinghouse Violations

While it has become a yearly event for DOT to increase civil fines for violations, this year's [announcement](#) also included the addition of FMCSA Clearinghouse violations. Although DOT has been enforcing carriers' compliance with the FMCSA Clearinghouse for nearly a year, the inclusion of civil penalties for these violations speaks to the increased seriousness that the agency will be enforcing FMCSA Clearinghouse compliance in 2021. Other fine amounts have been increased just over 1% to reflect inflation. The new civil penalties became effective January 11, 2021. The penalty adjustments apply only to violations that take place after the effective date. (Asmark Institute)



USPS and UPS Rates Increase

The Postal Service implemented a postage rate increase on Sunday, January 24, 2021. One thing to note is that there was no increase in price for the First-Class Mail Forever stamp (1 oz). There were however a number of other rate increases but the most commonly used services are listed below:

- First-Class Mail Forever stamp remained the same at \$0.55.
- First-Class Mail Metered rate increased from \$0.50 to \$0.51 for a 1 oz. envelope. The rate for each additional ounce is \$0.20, up from \$0.15.
- First Class Mail Flat Envelope rate remained the same at \$1.00 for a 1 oz. envelope.
- First Class Mail Postcard rate increased from \$0.35 to \$0.36.
- Priority Mail Regular Flat-Rate Envelope increased from \$7.75 to \$7.95.

As usual, the United Parcel Service increased its prices by 4.9% toward the end of 2020, which is their typical annual increase. (*Asmark Institute*)

Are Your Independent Contractors Really Employees?

The U.S. Department of Labor (DOL) adopted a final rule that simplifies the process for defining a worker as an employee or an independent contractor under the Fair Labor Standards Act (FLSA). The rule establishes an “economic realities” test that considers whether a worker is in business for himself or herself (independent contractor) or is instead economically dependent on an employer for work (employee).

The [new rule](#) identifies and explains two “core factors” that are used to define whether a worker is economically dependent on someone

else’s business: the nature and degree of the worker’s control they exercise over the work, and the worker’s opportunity for profit or loss based on initiative, investment, or both. It also sets out three other factors for this analysis, particularly when the two core factors do not point to the same kind of classification: the amount of skill required for the work, the degree of permanence of the working relationship between the worker and the potential employer, and whether the work can be considered to be part of an integrated unit of production. The final rule is scheduled to become effective on March 8th unless overturned by Congress. (*Asmark Institute*)

Flash Gets Retired

In 2017, Adobe announced that it was ceasing development and would retire Flash by the end of 2020. That day has come as of December 31, 2020, and now Flash is no longer available for download. Adobe started blocking Flash content from running altogether effective January 12, 2021.

The web plug-in, Flash, has been around since 1996 and is considered one of the internet’s most iconic technologies by pioneering online animations and laying the groundwork for video streaming in today’s world. Being used throughout the internet as a browser plug-in, it was a tool for animation, videos, and sound on a webpage which allowed websites to become interactive and colorful with content. At one point, even giants like YouTube, Hulu and Vimeo depended on Flash entirely.

Flash’s downfall started in 2007 when Apple announced they were no longer supporting it on the new

iPhone based on a few different reasons, one of them primarily being security dependence on a single company - making it a huge risk. Ultimately, with the rise of mobile phones, apps, and web browser standards, the world outgrew Flash and it was no longer necessary. The replacements for Flash are open standards like HTML5, WebGL and WebAssembly, which are continually developed and stay up-to-date with the web trends. (*Asmark Institute*)

USDOT Waiver Extensions Continue

DOT has extended the [waiver](#) for expiring Commercial Driver’s Licenses (CDLs) and permits, as well as Non-CDL licenses for commercial motor vehicle (CMV) drivers, until February 28, 2021 in response to the COVID-19 public health emergency. Some CMV drivers have been unable to renew their licenses and are unable to provide medical certificates to their State Driver Licensing Agencies. Many states are experiencing greater than normal employee absences, reduced hours of operation or closed offices. In addition, many medical providers have cancelled regularly scheduled appointments and drivers have been unable to obtain appointments for physical examinations with medical examiners who comply with the Federal Motor Carrier Safety Regulations.

Drivers claiming relief under this waiver must continue to carry a paper copy of their expired medical certificate. Asmark will continue to mark drivers that fall within the specified time-frame of the waiver as “Attention Needed” on both Snapshots and the monthly status reports. If your physician is accepting appointments, please don’t wait until the last minute to get your records updated. (*Asmark Institute*)

thank you

for your

support

These members have allowed MCPR to make up just over \$110,000 of the \$160,000 loss from the 2020 Short Course/Trade Show cancellation.

To join these generous MCPR HEROS contact [Jessi](#) at the MCPR office immediately.

\$10,000 +

Ag Partners Coop

\$5,001 - \$10,000

CHS Inc
Nutrien Ag Solutions, Inc.

\$1,001 to \$5000

360 Yield Center
Ag Spray Equipment
All American Co-op
BASF Corporation
Centra Sota Coop
Central Counties Coop
Central Farm Service
Central Region Cooperative
Corteva Agriscience

Davis Equipment Corporation
Farmers Win Cooperative
Farmward Cooperative
Federated Coop
Gavilon Fertilizer, LLC
Glacial Plains Cooperative
Heartland Ag Systems
Hi-Yield Inc. - Hartland

Mosaic Company
MVTL Laboratories
NuWay- K&H Cooperative
RBR Enterprise, LLC
River Country Coop
Tiger-Sul Products
UPL
Valent USA LLC
West Central Ag Services

Up to \$1000

Abner Sales
Ag Plus Cooperative
Ag Specialists Inc.
Agvise Laboratories Inc.
Bird Island Soil Services
Calcium Products Incorporated
Chandler Coop
Cottonwood Coop Oil Co.
Crookston Valley Coop
Farmers Elevator Co. of Traverse
Farmers Coop Oil

Farmers Coop Elevator Co. -
Bellingham
Farmers Union Oil Co. -
Montevideo
J&D Construction, Inc.
Lac Qui Parle Coop Oil
Leaf River Ag Service
Marcus Construction
Mid-County Coop

Morris Coop Association
Novid Inc.
Peterson's North Branch Mill, Inc.
Precision Tank
Prinsburg Farmers Coop
Sackett Waconia
Software Solutions Integrated,
LLC
Squibb Taylor Inc.
StoneX Group Inc.
Vive Crop Protection

*BOLD names added since last printed edition

REGULATION OF TREATED SEED

THERE IS A MYTH THAT IS FREQUENTLY CIRCULATED THAT TREATED SEED IS NOT REGULATED IN THE U.S.

Seed treatments are an important tool that provide farmers with an economical means of protecting seeds and seedlings against early-season insect pests and diseases. There is no question that today's seed treatments are enabling America's farmers to realize greater yields, healthier crops and higher revenues than ever. At the same time, seed treatment technology is reducing potential risks to the environment, thanks to their highly targeted approach. It is important to note that pesticides applied as seed treatments undergo rigorous testing and review by federal and state regulators to ensure their safety to applicators, wildlife and the environment.

Additional actions have been taken to protect pollinators. Examples are application processes to increase pesticide adherence to seeds; and flowability agents that help minimize seed dust-off during planting; and an ASTA-led stewardship campaign (<https://seed-treatment-guide.com/>).

Seed treatments deliver a precise application that protects seeds from insects and diseases during early developmental stages;

- by controlling key pests, especially those that are below the ground, destroy the seed or damage the developing seedling
- by protecting and in some cases increasing crop yield, providing growers an economic return on investment
- as a critical component of integrated pest management (IPM) they can reduce non-target exposure and reduce environmental impact and may decrease the need for supplemental foliar applications

It is significant to note that some of these pests damage the seed or seedling such that there are no rescue treatment options. Without protection from such pests offered by seed treatments, the plants will die and/or will not produce.

HERE ARE THE FACTS ABOUT THE REGULATION OF TREATED SEEDS:

- 1.** Seed treatment products are highly regulated, just as foliar and soil-applied pesticides are. Seed treatment products undergo a thorough evaluation by the US EPA, and by applicable state agencies, prior to commercialization. Once product approval is received from the relevant federal and state agencies, then the seed treatment product can be used as a seed-applied technology per the guidelines set forth by EPA.
 - a.** The Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) allows products that are treated with registered and approved technologies to continue to be treated as the product existed prior to the application of the technology. That is known as the "treated article exemption". This condition applies only if all three of the following conditions are met:
 - i.** the article contains or is treated with a pesticide,
 - ii.** the pesticide is intended to protect the article itself,
 - iii.** the pesticide is registered for this use.
 - b.** It has been EPA's longstanding approach that treated seed qualifies under these conditions which are designed to prevent duplicative regulations. Without the Treated Article Exemption for seed, there would be a tremendous duplication of paperwork and increased bureaucratic burden on regulators, taxpayers and growers. ***Please note that this is not an exemption from the FIFRA regulations mentioned above.***



FACTS (CONT.)

2. Application of seed treatment products to seed for commercial purposes (e.g., to sell treated seed to a farmer) is performed by certified applicators. This is another point in the seed treatment process where there is regulation. Applicators must receive certification and update their licensure to be able to use seed treatment products to apply to seed.
3. Federal seed laws (specifically the Federal Seed Act) regulate the sale and movement of seed in the U.S., and seed companies must abide by those regulations. Within the Federal Seed Act, there are requirements about the labeling of treated seed. The tags on a package of treated seed must include identification of what the seed has been treated with; requirements special guidance dependent upon the toxicity classification of compounds within the treatment recipe; and other applicable labeling requirements.

FIFRA provides for federal regulation of pesticide distribution, sale, and use. All pesticides distributed or sold in the United States must be registered (licensed) by EPA. Before EPA may register a pesticide under FIFRA, the applicant must show, among other things, that using the pesticide according to specifications "will not generally cause unreasonable adverse effects on the environment", which is defined to mean:

1. any unreasonable risk to man or the environment, taking into account the economic, social, and environmental costs and benefits of the use of any pesticide, or
2. a human dietary risk from residues that result from a use of a pesticide in or on any food inconsistent with the standard under section 408 of the Federal Food, Drug, and Cosmetic Act."

The EPA assesses the potential risk for seed treatment products from treating and planting the seed (i.e., environmental fate, ecotoxicology and operator exposures), to the consumption of the harvested commodity (i.e., human health). Labels approved through EPA's registration process include seed treatment uses that, when their instructions are followed, do not pose an "unreasonable risk to man or the environment, taking into account the economic, social, and environmental costs and benefits".



LIFE CYCLE STEWARDSHIP

Disposal of treated seed is critical to full life-cycle stewardship, is recognized by the industry as a priority, and is regulated on several levels. As with all materials, there are federal, provincial and local regulations on disposal, all of which must be adhered to. Entities accepting treated seed for disposal may be required to hold a valid permit under those regulations. In addition, there are requirements for disposal of treated seed on the pesticide product label and on the seed tag that must be adhered to. Comprehensive recommendations on proper disposal of treated seed are included in ASTA's "Guide to Seed Treatment Stewardship" so there is also an industry standard and promotion of sustainable and responsible practices. Overall, when existing regulations are complied with, human health and the environment is protected. Stewardship campaigns and industry standards further reinforce compliance. The existing layers of regulations are sufficient and protective, and further regulation is unwarranted.

ADDITIONAL RESOURCES:

ASTA and other stakeholder groups have developed a set of recommendations to assist those involved in the process of treating, handling, transporting, or planting treated seeds. For more information, visit: <https://seed-treatment-guide.com/>

FOR MORE INFORMATION, CONTACT:



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Capitol Update (continued from page 3)

MCPR's Legislative Committee Chair this year is Tristan Wilmes of CFS Coop and Vice Chair is Andy Oeding of Nutrien Ag Services, Big Lake. These two Board members will take the lead on advising on MCPR to address this public policy proposal and may be available to testify during Minnesota legislative committee hearings.

MCPR opposes this pesticide fee increase and the MDA proposed program and staff expansion. The Minnesota Ag economy is fragile even with the current increase in commodity prices because of the lower income and loss after the past three years of depressed growth. This is just one more way of developing Minnesota as an island of

high taxes and fees and the heavy handed regulation and expansive government.

Other legislation introduced this session to watch:

- HF 408 increases the tax on neonics of \$.01% for both agricultural and nonagricultural uses. The tax increase is technically on "pollinator lethal insecticides" which can include more products than just neonics Governor Gavin Newsom in California is proposing something similar in his budget. MCPR is keeping an eye on it.

- HF 766 requires additional seed label information and prohibits, certain seed uses, and requires corn and soybean seed coated or treated with neonicotinoid pesticides be included with state regulated disposal and annual reporting.
- HF 701 A bill for an act relating to agriculture; establishing soil-healthy farming goals; creating financial incentives for soil-healthy farming and requiring data collection; classifying data as private and nonpublic and appropriating money to pay for this system.
- S.F. 352 which Sen. Dahms authored which creates Agriculture special license plates.



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