

IFCA NEWS



ILLINOIS FERTILIZER & CHEMICAL ASSOCIATION

Our Mission Statement: *To assist and represent the crop production supply and service industry while promoting the sound stewardship and utilization of agricultural inputs.*

SPRING 2009 Newsletter IFCA Chairman's Report by Dan Zinck

Greetings! How was your winter? Hopefully, things are starting to get busy for you. Recently, someone said "I can't wait to get this crop planted, so we can put all this behind us." Have you felt this way at sometime over the past three months? I know that occasionally I have felt frustration. As I talk to various people as to their perspective of the main cause of this turbulence, I routinely hear:

- Dynamics in input and commodity markets
- Global economic conditions
- Late spring led to late fall not allowing much fall work to be done
- Competitive pressures
- Change in federal politics
- Corruption in state politics

Obviously, any one of these can cause substantial disruption, but several of them together can feel overwhelming. Maybe we are just getting old and this overwhelming feeling is just a sign that we are not able to keep up with the rapid changes in the marketplace. Baloney! Feeling overwhelmed can be caused by many things and usually involves some degree of uncertainty at the root of the feeling.

Uncertainty results from lack of knowledge. In 1989 when I started in this business, I would stop at pay phones 2-3 times per day to check messages and return calls. If we were in the field, I would check messages that evening and return calls the next day.

In today's environment, that time lapse would result in 2-3 voice messages, 1-2 text messages and at least one e-mail, and the decision window would probably be missed. Today's electronic age demands instant communication, short decision windows and a need for rapid information accumulation. I am not complaining, I am stating the obvious. We not only have to be smart, but we also have to be fast. We need resources that enable us to make rapid decisions. We need resources that will handle some of the small stuff. We need resources that can help us to strengthen our weaknesses. We need resources that watch our backside.

I like to think that many of these needs are being filled by your IFCA. Jean, Kevin and Leslie do an excellent job sorting through and providing guidance and solutions to onerous regulatory issues. They represent us in helping to minimize additional regulation. They stay in touch with legislators to represent the interests of our industry. When new regulations are required, they provide input as to what is reasonable. Turbulent times, such as those we are currently experiencing, will require us to be faster and smarter in our decisions.

As you ponder your needs and the association's ability to help fill those needs, what else can we do? Have your needs changed and can we help you in some other way? Your board wants to make sure that your association is providing the services that you need during these turbulent times. Call the IFCA office or me at 309-337-0551 (cell) and let us know.

IDA REMINDS INDUSTRY TO FOLLOW PESTICIDE LABEL

This spring will be a challenge for ag retailers to apply crop protection chemicals in a short window of time. The Illinois Department of Ag asked us to get the word out to **always** follow pesticide label recommendations, particularly during windy days. IDA has already received complaints from the general public as well as our own industry regarding pesticides being applied during too windy of conditions. We understand the pressure you are under from your customers to get the job done, but applying pesticides is a privilege that the government can take away. Product that drifts on to non target areas is a violation of the pesticide label and the Illinois Pesticide Act and can subject your company and your applicators and operators to penalties. Severe cases can lead to the loss of licensure to apply pesticides. A few years ago USEPA even attempted to apply criminal charges against an applicator. That was a nightmare! Please use good judgment and always follow the pesticide label.



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IFCA WELCOMES NEW MEMBERS

Joe Shelton, Ag Spray Equipment, Hopkinsville, KY

Gary Abts, GROWMARK, Inc., Bloomington, IL

Joe Kilgus, GROWMARK, Inc., Bloomington, IL

Michael Sipkoski, Grandview Farms, Marine, IL

IMPORTANT UPCOMING DATES

IFCA Golf Outings

July 30, 2009 @ Oak Ridge Golf Course, Seneca IL

August 6, 2009 @ Scoville Golf Course, Decatur IL

National Agronomic Environmental Health & Safety School

August 18-19, 2009 @ The Interstate Center, Bloomington

MAGIE

August 19-20, 2009 @ The Interstate Center, Bloomington

Ag Masters Conference (formerly Crop Tech Conference)

December 1-2, 2009 @ I Hotel, Champaign IL

Illinois CCA Convention

December 17, 2009

IFCA Winter Convention & Trade Show

January 19-21, 2010 @ Peoria Civic Center

IFCA INTERVENES AND RESTORES FUEL REFUNDS

In 2001, IFCA helped pass legislation allowing ag retailers to claim a refund of the motor fuel tax on clear diesel fuel for fuel used in application equipment. Since then our members have received hundreds of thousands of dollars in refunds. This became an issue when dyed fuel was introduced and required to be used in off-road vehicles. In some instances our retail members find it is not practical to use dyed fuel in floaters and sprayers due to limitations on fuel storage as well as concerns over keeping dyed fuel separated from the clear fuel required in on-road vehicles. Recently the Dept of Revenue determined that the refunds were not warranted for clear fuel used in pesticide applicators and held up tens of thousands of dollars owed to IFCA members. Over the course of three meetings, IFCA was able to convince the DOR to pay the claims while we work to provide additional information to them backing up our position that clear fuel used in pesticide applicators should be eligible the same as fertilizer spreaders.

Just another example of how IFCA helps solve problems and in this case restored thousands of dollars to our members.



**Illinois Fertilizer &
Chemical Association**
Supply • Service • Stewardship



LEGISLATIVE UPDATE

by Jean Payne



CONGRESSWOMAN HALVORSON VISITS LEROY FERTILIZER

On April 8, 2009 Congresswoman Debbie Halvorson of the 11th Congressional District visited with representatives of the agricultural industry at a meeting hosted by IFCA member LeRoy Fertilizer in LeRoy, IL. IFCA members who attended to visit with Congresswoman Halvorson were:

Jim Allen, Bob Spratt and Phil Lawless from LeRoy Fertilizer
 Rich Fairfield from H G & N Harbrand, Clinton
 Ervin Caselton from Evergreen FS, Bloomington
 John Eckley from Linco Equipment, El Paso
 Kevin Runkle, IFCA

Issues addressed with the Congresswoman included pending USEPA regulation of pesticide applicators, climate change and its impact on agriculture, the importance of retaining our hours of service exemption and the need for continued rail service for ag inputs such as ammonia. Congresswoman Halvorson worked with IFCA frequently while serving as a State Senator and we truly appreciate that agriculture is a priority for her. She is serving on the US House of Representatives Committees on Agriculture, Small Business and Veteran's Affairs.



Bob Spratt of LeRoy Fertilizer gives Congresswoman Debbie Halvorson instructions on how to operate a Terra-Gator.

AGRICULTURE HOURS OF SERVICE EXEMPTION THREATENED

Every five years, Congress re-authorizes the highway bill, which is a massive piece of legislation authorizing funding and setting regulatory requirements for the transportation industry. And every five years, agriculture has to work diligently to retain our exceptions to the hours of service driving limitations in the legislation. This year, the Commercial Vehicle Safety Alliance (CVSA) is gearing up to eliminate the HOS exemption, stating in a press release that "Safety is clearly compromised by these exemptions and they should be repealed in the upcoming Transportation Reauthorization Act." CVSA is an alliance comprised of local, state, provincial and federal motor carrier safety officials from the US, Canada and Mexico. CVSA cites in their press release that between 2005-2007 carriers operating exclusively within a 100 mile radius had a 19% higher crash rate than carriers operating outside a 100 mile radius of their base of operation. In IFCA's opinion, that statistic is inaccurate when applied to agriculture; our members have safely utilized the HOS exemptions for tens of thousands of shipments per year and we know of no circumstance where the HOS provision specifically led to an accident. Using CVSA's logic, one could agree that most accidents do happen locally. That's because most people drive the majority of miles close to home. Heck, a lot of accidents happen in your own driveway. (I speak from experience on that one.) It all depends on how you spin the facts. Regardless, IFCA will be calling upon our members to contact your Congressmen and Senators to retain the safe and responsible use of the HOS exemption. In 2006 IFCA worked to pass state legislation that adopts the federal exemption for transporting ag inputs within a 100 mile radius of their distribution point and also establishes our state planting and harvesting dates as "year-round."

FEDERAL PERMITS FOR PESTICIDE APPLICATORS

IFCA is engaged with Crop Life America and the rest of the agricultural industry as we collectively respond to a recent decision by USEPA to not appeal a court ruling that will require all pesticide applicators to obtain a national pollution elimination discharge system (NPDES) permit. USEPA is now seeking a two year stay on the ruling to allow them time to write regulations on the permitting process. NPDES permits are typically required by wastewater treatment plants and other industrial plants that discharge directly into water bodies. In Illinois, there are approximately 20,000 private applicators and 17,000 commercial applicators that will be impacted, and thousands more who apply pesticides for utility rights-of-way, park districts, for mosquito abatement and at the local government level. IFCA joined with Crop Life America to appeal the court ruling on behalf of the industry, and we will be working with Congress as well on legislative solutions. If we are unable to change the course on this, can permits for nutrient applications be far behind?



INDUSTRY ISSUES



ENFORCEMENT BEING STEPPED UP EVERYWHERE YOU LOOK

From USDOT to USEPA, regulatory enforcement within our industry is only likely to get tougher. IFCA as well as our counterpart associations in the Midwest are seeing an increase in regulatory enforcement. For example:

USDOT compliance officers are in full swing in states such as Indiana, South Dakota, Illinois, Minnesota, Michigan, Iowa, Kansas and Missouri. Officers are checking to make sure retailers are in compliance with SP-13554 for their ammonia nurse tanks. SP-13554 allows the use of nurse tanks with missing or illegible data plates to continue to be used if they are enrolled in the Nurse Tank Inspection Program and tested to ensure the integrity of the nurse tank.

USEPA is fining companies tens of thousands of dollars for not contacting the National Response Center (NRC) within 15 minutes after a reportable quantity release. One IFCA member experienced an ammonia release caused by dope-heads on a Friday night in which the hazmat team responded and secured the scene, not allowing the owner near the site. Despite the circumstances of this case and the fact that the dealer has never experienced a reportable release in 35+ years, the dealer is facing a penalty from USEPA that exceeds \$25,000. The druggies that caused the release were arrested and got probation and don't have to worry about USEPA going after them. In some cases the USEPA finds out when the first 911 call was made (regardless who made it) and if the owner of the facility does not call the NRC within 15 minutes of the 911 call, they are issuing violations.

USEPA also threatened penalty upon ag retailers for failing to submit their pesticide producing establishment reports even though the reports were sent certified mail and the Agency signed for them. Several IFCA members and dealers in neighboring states had to re-submit their PPR's to USEPA. IFCA expressed our frustration to Region 5 officials over the tone of the letter and the fact that USEPA would sub-contract mail services then lose the documents for an important regulatory requirement. We asked USEPA to contact us the next time something like this happens rather than sending out threat letters.

MINI BULK RECYCLING PROGRAM WILL BE AVAILABLE IN SEPTEMBER

IFCA is working closely with Farmchem in Floyd, IA to offer a mini bulk container recycling program this fall. Earlier this year we surveyed IFCA members regarding the need for mini-bulk recycling and got many positive responses. From what we can estimate, IFCA members have several thousand minibulks that they would like to get rid of responsibly. Since mini-bulks are not covered under the national container recycling program that sponsors 2.5 gallon jugs, we have to find ways to fund their disposal ourselves. Right now we estimate that for \$15 per tank along with help from the manufacturers, that we will be able to collect whole, clean minibulks with Farmchem's help and transport them to Farmchem's site for chipping then on to a certified recycler in Texas. Several IFCA members have volunteered their warehouses and loading docks for the one-day collection events throughout the state. Stay tuned this summer for more details. In the meantime, please **CLEAN YOUR MINIBULKS** and keep them dry. You will not need to cut them up but they won't be accepted if they are not clean.



IMPORTANT REMINDERS:

RMP 5 YEAR UPDATE: Most ammonia facilities will need to re-submit your Risk Management Plan in June. This year you can utilize the USEPA's on-line program instead of mailing in a disk. Go to www.ifca.com for guidance on how to document compliance with the elements of your RMP.



AASA INSPECTIONS: This year the American Agronomic Stewardship Alliance (AASA) is back in Illinois conducting inspections of all bulk pesticide facilities. The AASA inspectors previously visited Illinois facilities in 2006. Inspections will begin the summer, and you can review the checklist that the inspectors will be using at www.aginspect.org. IFCA administers the AASA program which ensures the stewardship of bulk pesticide facilities and the safe storage and handling of bulk pesticide products.

Summer 2008: AASA inspectors and IFCA's Kevin Runkle discuss the inspection program at Ceres Solutions in Indiana.



Regulatory Update *by Kevin Runkle*



AERIAL APPLICATION IN 2009

In 2008 the IL Dept of Ag required applicants to disclose their FAA pilot license number, their aircraft fuselage number(s), and their agrichemical facility containment site identification number on their pesticide license application form. IDA also sent letters to all municipal airport managers throughout the state and attempted to explain the applicability of the agrichemical containment requirements as they related to aerial applicators. IDA will continue with this approach for the 2009 year. IDA's position with regard to the need for containment at aerial sites remains that, if an applicator is mixing, loading, or transferring more than 300 gallons or 300 pounds of a pesticide in a 30 day period, an appropriately permitted containment structure is required at the site. IDA plans to continue outreach efforts with regard to these requirements and hope to increase our compliance inspections during the season depending on complaints as well as staff availability.

NH3 SAFETY VIDEO FOR FARMERS

IFCA along with Illinois Department of Ag have produced an anhydrous ammonia safety video for farmers available on the IFCA website. The safety video is only 12 minutes long and focuses on elements that farmers need to remember when they are working with ammonia and ammonia equipment. We chose to concentrate on practices that will lessen the chances of an accident or ammonia release while in transport or during application in the field. The video is available on the IFCA website or you can download the podcast directly to your website. The funding of this safety video was made possible through a FREC grant (funded by a 12.5 cent per ton fee on fertilizer). Please take time to show this video to your employees as well as your farmer customers. If you would like a DVD copy of the safety video, please contact the IFCA office. We also have wallet cards available for you to provide to your customers that contain the phone numbers and procedures to follow if a reportable release of ammonia occurs while the farmer is in control of the product.



PROPER FILING DATE FOR USDOT MCS-150 REPORT

As of July 17, 2009 all interstate motor carriers (as well as intrastate carriers who have a federal safety permit) must file a Motor Carrier Identification Report Form MCS-150 or MCS-150B with the Federal Motor Carrier Safety Administration once every 24 months according to the schedule provided below. You must strictly adhere to this new schedule, it is possible they will cite you if you file your report early. We recommend you send in your reports in the first week of your scheduled month to avoid processing delays.

<u>USDOT # Ending IN:</u>	<u>Must File by Last Day of:</u>
1	January
2	February
3	March
4	April
5	May
6	June
7	July
8	August
9	September
0	October

Refer to 49 CFR 390.19 in your green FMCSA safety regulations book for more details on how to file your report or contact the Illinois Department of Transportation, Division of Traffic Safety, at (217) 785-1181. Of course you can also contact IFCA for assistance.

If the next-to-last digit on your USDOT number is odd, you must file your update every odd-numbered year. If it's even, you must file your update every even-numbered year. If you need to update your report (for example with a company name or address change) you can do that at any time but you cannot do it in lieu of the 24 month required renewal of your MCS-150 form.

Thoughts From the President's Desk

Jean Payne



On April 27 I traveled to North Chicago to present a contribution to the Thomas Jefferson and Neal Math & Science middle schools to help the students purchase fertilizer, soil and plants for their new greenhouses. State Representative Eddie Washington (D-Waukegan) reached out to IFCA to help promote his vision to involve urban kids in the study of plant sciences and agriculture. Potash Corporation made a \$1000 contribution to the project as did IFCA and the Foundation for Agronomic Excellence. Pictured here are kids at Thomas Jefferson school along with Rep Washington and Principal Nicole Fishman.

This is just one example of how the reputation and respect for IFCA reaches all corners of the state. As I work to represent you in Springfield, I meet with legislators from all walks of life to discuss the ag input industry. Establishing relationships with legislators, gaining their trust and making yourself available

to answer questions and help solve problems leads to many opportunities and ensures that urban legislators feel good about voting for issues that are important to IFCA, even if they have no production agriculture in their district. Thanks to all of you who donate to Ag-SOLVE, our political action arm. By no means are we even on the radar screen compared to what some organizations spend on political contributions, but when we do spend money we make it count by being present at the legislative fish fries, golf outings, dinners and receptions. I certainly feel better about things at the state Capitol than I have for a long time. Recently I requested to visit with the Governor's staff on an issue and the next day I was back in their offices on the 3rd floor of the Capitol. As we started our meeting, I reflected on the fact that it had been at least 4 years since I had been in those offices. The Blagojevich administration wouldn't talk with anyone but themselves and you would be lucky to get a phone call returned, much less a face to face meeting. Being in the Governor's Office again was a nice feeling. There's hope!

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