



Inside This Issue

Capital Update	Pages 1, 2
Executive Director's Report	Pages 2, 4
News Notes	Page 1, 3
Dale's View	Page 4
Reguletter	Insert



Minnesota Crop Production Retailers

INPUTS

News Notes

CPS to be Rebranded as Nutrien Ag Solutions — A well-known agriculture brand will go away July 1. Nutrien Ag Solutions is the new name for the Crop Production Services retail business. Nutrien was formed from the merger of Agrium and PotashCorp in January. Agrium acquired the CPS brand in 1994. RRFN

Frustration Seen With Proposed Buffer Law Penalties — The Minnesota Board of Water and Soil Resources is proposing penalties for noncompliance with the state buffer law. The proposal would allow counties and watershed districts to impose penalties of \$500 per linear foot. The Minnesota Corn Growers Association released a statement, saying it will "vigorously oppose" this proposal. An official with the Minnesota Soybean Growers Association said BWSR would go beyond its legislative authority "by 100 times what was authorized in statute." Public comment on this proposed amendment will be accepted through April 16. RRFN

Legislative Priorities for MSGA — The top legislative priority for the Minnesota Soybean Growers Association will be focusing on safeguarding the move to B20 on May 1. "We feel we've successfully negotiated some of the specific concerns and are making sure nothing else gets introduced," said Mike Petefish, president, MSGA. "Right now, we feel confident there is an understanding amongst all parties for successful implementation."

(continued on page 3)

Capital Update

The Committee deadlines have been passed and the Minnesota Constitution sets the deadline for the end of the legislative session to be the first Monday after the third Saturday in May or May 21 this year. Much work remains to be done before the deadline. The latest budget forecast for the state's general fund, released by Minnesota Management and Budget on February 28, 2018, projects a \$329 million positive balance for the current biennium. This is a \$517 million increase from the last forecast in November 2017. This forecast also projects a \$251 million general fund positive balance for the FY 2020-21 biennium. This projection is far lower than the policy makers were expecting which had significant impact on the tax relief which had been planned.

The tax bill is the major dispute in this session with federal tax conformity seen as a top priority by both sides of the Legislature. The failure to respond to federal changes would result in a \$60 million increase in state income taxes for over 300,000 Minnesota families. If the state fully, or "mechanically," conforms, taxes would increase \$435 million for 870,000 Minnesotans without major tax rate reductions in an impact much like other high tax states such as New York and California. Gov. Dayton and his supporters want to make the Minnesota tax policy more progressive as a legacy in his final year. Revenue Commissioner Cynthia Bauerly told a legislative committee recently that past proposals from Gov. Mark Dayton have made the state tax code more progressive over his eight-year tenure, and that this bill would be no different. Because the Republicans who control the Minnesota House and Senate want to reduce taxes further in a theme similar to the tax bill passed last year, a tax policy confrontation is coming. This will be a very difficult bill to get agreement on this election year.

The Minnesota Ag Policy Committee took a stand on the nitrogen fertilizer rule when they approved the omnibus agriculture policy bill. The bill includes language that would prevent the Minnesota Department of Agriculture from implementing the nitrogen fertilizer rule without approval by the Legislature. "We're not trying to stop what they (MDA) is doing, we just want final approval," says Representative Paul Anderson, chairman, House Agriculture Policy Committee. Rural mental health also received attention in the House. Anderson says legislation was passed out of committee to double the number of professionals working with farmers and ranchers. The Minnesota Senate is pursuing similar policy.

Also in the House of Representatives, the Agricultural Fertilizer Research and Education Council (AFREC) \$.40/ton fertilizer fee language resetting the sunset (or termination of the program) from 2020 to 2030 is included in the Omnibus Agriculture Supplemental Budget Bill, HF3719. Recently the committee voted to send the bill to Ways and Means and from there it will be on the House floor for a vote. This authorization moving the sunset from 2020 to 2030 is also moving through the Senate process.

(continued on page 2)

Capital Update *(continued from page 1)*

Other significant issues are moving through the House and Senate which have impact on MCPR members:

- Mental health and farm loans is the focus of omnibus ag finance bill which may provide more money to address mental health issues and fund loans for beginning farmers could be coming in the omnibus agriculture finance.
- The Public Safety Bills provide Minnesota data cybersecurity enhancements and require state agencies to pay for the Minnesota license bureau issues which have received so much publicity and criticism. The system is called MNLARS. The bills also include protester penalty provisions to try to slow down marchers stopping traffic when they

feel like protesting.

- More aid to state highways, local roads is proposed in the omnibus transportation finance package and assistance for hard-hit deputy registrars will also be supplied by additional funds for state road construction and maintenance, and a quarter-billion dollars in borrowing. Transit supporters argue that more money is needed in the Twin Cities which isn't included in bills moving through the legislative process. The Transportation bill would provide \$101 million in supplemental transportation funding in Fiscal Year 2019 and \$40 million for the 2020-21 biennium, proposes \$250 million in trunk highway bonding for road construction projects across the state.



Minnesota Crop Production Retailers

The legislative process is also starting to focus on the significant contest for Minnesota's Governor to be decided this fall. Governor Pawlenty has just announced his candidacy which Republicans are starting to embrace. Rep Tim Waltz is already running an aggressive battle for the Democrat Nomination for Governor. This will be a mighty struggle, to be sure.

Executive Director's Report

Hello MCPR Members,

You have a very conscientious and independent Board of Directors. We meet six times a year to set the direction and reflect on the progress we are making on your behalf.

A case in point: MCPR has made the transition to digital news with the development and electronic circulation of electronic news we call simply "E News". This format has developed into what we hope is a readable, electronically circulated collection of relevant, recent news summaries of interest to MCPR members. We also redesigned and substantially reduced the production and circulation costs of the newsletters mailed bimonthly we call "Inputs" and "Reguletter" which have heritage going back to the Craig Sallstrom and Bob Minks era who MCPR vintage members remember.

As we provided copies of printed materials MCPR produces for our March 2018 Board meeting, one Board member suggested MCPR consider going to an "all digital" format and circulation. Discussion ranged from can we get down to an exclusively digital circulation to ask if we know if MCPR members find the printed newsletters useful?

One way to get an answer to this question is to ask YOU.

Do me a favor – if you find the printed newsletters useful and want to keep them coming, would you drop me an email at bill@mcpr-cca.org? May I conclude if I don't hear

from many of you that you are either not reading or don't find value in our newsletter "Inputs" and "Reguletter"? Would you object to MCPR discounting these newsletters mailed to you? Would you still read them if they were sent to you digitally in an email?

I will also do a survey of readers in our electronic newsletter "Enews" to gather their opinions.

I am aware this is a busy time and mail that is not "must read" tends to collect in piles on your desk with good intentions of getting to it "later". We are interested in your opinions, nevertheless.

Time to Do Start a Better, Professional Regulatory Compliance Program?

After getting calls from members facing serious fines and possible imprisonment from regulators, this seems a good time to encourage those of you responsible for retailer regulatory compliance to consider arranging with an expert to assist you provide a better regulatory compliance environment for your organization. Go to the experts MCPR consults with as members need guidance - The Asmark Institute. But don't take my word for it. Consider this, the vast majority of state and national agribusiness associations have endorsed the Asmark Institute as their mission since 2005 is to help their affiliates answer regulatory questions and to further support the association's membership efforts. A number of MCPR members have benefited from MCPR steering their very difficult issues to these experts.

However, I know MCPR members are not complying with the government regulations simply because the government says so. Regulatory fines are not what motivate our folks to do the right thing. Liability, and the desire to control it by providing for a safe and responsible workplace, is what drive risk management and ultimately culture. MCPR members recognize their employees are the most important asset they have and every precaution should be taken to care for them - regardless of whether a government regulation requires it or not.

As an organization with an extensive history in helping others address risk management issues, I encourage you to check out the Asmark Institute's Lighthouse package of services. More than 2,500 clients nationwide utilize their Lighthouse retainer package of services to help reduce their risks. They have a retention rate of better than 99%, spanning 29 years of business. Most people are surprised their services cost less than \$2,400 a year per manned facility. And Asmark provides significant returns for MCPR member participation in their programs which benefits MCPR overall.

If you need help with your risk management issues, please give Brian Mason or Allen Summers a call at 270-926-4600, Ext 230. I am convinced you will benefit from your consideration of Asmark's services.

Often, MCPR members attend the Asmark Institute training. I learned that a top rating of "excellent" was awarded on all of the areas of training by a MCPR member recently related to

News Notes *(continued from page 1)*

Petefish adds Section 179 tax conformity is also on the MSGA watchlist. "Governor Dayton did allow for full 179 conformity up to \$1 million dollars in the proposed budget. We'll see if that remains." RRFN

Farm and Rural Helpline Continues —

The Minnesota suicide crisis hotline needs additional funds to continue operating. The hotline is operated by Oakdale-based Canvas Health, who also operates the Minnesota Department of Agriculture's Farm and Rural Helpline. MDA Agriculture Finance Supervisor Matt McDevitt says the farm helpline will continue to be up and running. "We're working through the contract for next year, so it's just a matter of completing paperwork. The helpline should continue, at the very least, for another year and three months." Farmers and ranchers experiencing stress can call the Farm and Rural helpline 24 hours a day, seven days a week, says McDevitt. "There are also farm advocates that can help out with more specific financing, mediations or farm plans."

Optimism in Agriculture — DTN's Agriculture Confidence Index finds farmers are becoming more positive regarding current agriculture situations and the future. The index reached the third highest level ever recorded at 134.8. That's up almost 22 points from the December/January level and slightly above the overall level in spring 2017. Index levels above 100 are considered optimistic, those less than 100 are

viewed as a pessimistic attitude. The optimism comes as farmers continue dealing with lower commodity prices, large crop estimates and trade worries. RRFN

Des Moines Council Supports Bill Dismantling Water Utilities —

The Des Moines City Council voted to continue its support of controversial legislation that would dismantle Des Moines Water Works Monday night despite a room full of angry citizens who spoke against it. The vote was four against, two in favor and one abstaining on Councilman Skip Moore's motion that the city opposes bills in the Statehouse that would place water utilities and its assets under the control of local city councils. Both bills have passed Iowa House and Senate committees and are eligible for floor debate. The City of Des Moines directed its lobbyists to register in favor of the legislation on Feb. 15, the day the bill was introduced, but claims it took no formal vote at that meeting. Residents complained city leaders were backing the issue without first holding a public discussion and vote. (Des Moines Register)

Soybean vs. Corn Acres — According to the USDA planting intentions report, U.S. farmers intend to plant a record 89.5 million acres of soybeans this spring. That's an increase of seven percent from last year's record. Corn acres are forecast at 90 million acres, which is four million acres lower than last year. The

all-wheat planted areas are estimated at 46 million acres, down eight percent from 2016. The area planted to spring wheat is expected to be three percent lower with spring wheat seedings at 10.6 million acres. Durum acres are expected to be down 17 percent to two million acres. (RRFN)

Midwest Business Economy — Economic conditions in nine Midwest and Plains states remains healthy, despite a slight slip in a monthly survey of business supply managers, an economist said in a report released Monday. The Mid-America Business Conditions Index report said the overall economic index for the region dropped to 60.1 in March from 60.5 in February. It's the first index decline in five months.... Economic optimism remained high, although the index declined slightly to 70.2 in March from 71.3 in February. The jobs outlook was among the encouraging signs. The March employment index soared to 62.6 from February's 55.6.... The regional new export orders index fell to a still healthy 61.6 last month from 63.6 in February, and the import index climbed to 62.8 from February's 54.1." The March Business Conditions Index for Minnesota advanced to 61.8 from February's 54.3. Components of the overall March index from the monthly survey of supply managers were new orders at 65.3, production or sales at 60.3, delivery lead time at 54.9, inventories at 63.8, and employment at 64.5.

Executive Director's Report *(continued from page 2)*

the training they received. We so often see the disappointment of MCPR members attempting to keep up on all the massive regulatory system ag retailers must endure, it only makes sense that more are starting to utilize the tremendous resource offered by the Asmark Institute. For example, consider the comprehensive OSHA AG-30 Hour training course which is a comprehensive safety training program specifically designed for the personnel that work at retail agricultural facilities. This program provides information on OSHA compliance issues using a combination of classroom lectures, computer lab, scenarios and hands-on exercises. In addition to learning about safety and health hazards in the workplace, students will also learn about OSHA, employer responsibilities, and worker rights and in turn, help identify the strengths and weaknesses in your safety

program and procedures. This course is geared to the needs of the personnel that work at retail agricultural facilities and provides an in-depth learning experience that includes:

- Introduction to OSHA
- Safety and Health Programs
- Electrical
- Exit Routes
- Emergency Action Plans
- Fire Prevention and Protection
- Powered Industrial Trucks (Forklifts)
- Personal Protective Equipment
- Materials Handling
- Hazard Communication (GHS)
- Hazardous Materials
- Flammable and Combustible Liquids
- Compressed Gases
- Permit-Required Confined Spaces
- Lockout / Tagout

- Machine Guarding
- Welding, Cutting and Brazing
- Respiratory Protection
- Hearing Conservation
- Bloodborne Pathogens
- Walking and Working Surfaces
- Fall Protection

This course is led by Brian Miller, President of Miller Risk Management. Brian holds a Certified Safety Professional (CSP) designation, is a Certified Professional EHS Auditor (CPEA) and is OSHA-authorized to provide this training. Brian is recognized nationally for his vast expertise with agriculture, compliance and auditing. This training will take a minimum of 30 hours to complete, and is provided in accordance with

(continued on page 4)



Minnesota Crop Production Retailers

15490 101st Ave. N., Ste. 100
Maple Grove, MN 55369

Phone: 763.235.6466

Fax: 763.235.6461

www.mcpr-cca.org

PRESORTED STANDARD
U.S. POSTAGE
PAID
HAMEL, MN
PERMIT NO. 75



MCPR Board

Dale Johnson, Board Chair

Jeff Arnold

Doug Becher

Jeff Einck

Perry Estabo

Kyle Kraska

Craig Maurer

T.J. Phillips

Arnie Sinclair

Bryan Strickler

Rick Walker

Tristan Wilmes

Tim Woelfel

Advisory Board

K.C. (Kevin) Graner

Jeff Moon

Staff

Bill Bond, Executive Director

Jessica Brunelle, Vice President

Executive Director's Report *(continued from page 3)*

the guidance issued by OSHA. Upon successful completion, participants receive a "30-hour" training card from OSHA and a certificate from the Asmark Institute.

Training is conducted at a retired agrichemical facility specifically designed and retrofitted for training purposes. Covering three acres, the facility is one huge "prop" that appears to be an active working farm center with dry and liquid fertilizer, anhydrous ammonia, package and bulk crop protection chemicals, seed and other typical retail activities. Group exercises reinforce the learning

process and help to familiarize the participants with the practical application of the OSHA standards.

Please, please do your self a favor, please do your organization a favor, and join the MCPR members who are selecting a common sense answer to the regulatory environment challenge. Contact Asmark Institute at www.asmark.org

Until next time,

Bill Bond

Bill Bond



Dale's View

The Minnesota weather is once again creating stress on Ag Retailers and our customers. Snow in mid-April happens occasionally, but the delay in the cropping season has everyone worried what 2018 will bring. Low commodity prices combined with uncertain foreign trade demand leaves little room for mistakes, so we have another opportunity as retailers to showcase our expertise and reevaluate grower plans and adjust to what mother nature has dealt us. Please take a moment to read and react to Bill Bond's Executive Director column. He is asking your opinion on continuing to receive this newsletter in the mail. We can always email a link or place it on the MCPR web page, but we are trying to learn how and what format you wish to continue to receive the MCPR newsletter. Please keep in mind that your spring success is measured upon employee safety, with the shortened application window please remind everyone "Safety First."

Dale Johnson