

The Cotton Chronicle

1785 N. Fine Avenue, Fresno, CA 93727 • Telephone: (559) 252-0684 • Fax: (559) 252-0551

www.ccgga.org



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Industry Calendar

Prop. 15 Article Correction

In last month's Cotton Chronicles, we unfortunately left off three contributing companies to the effort:

- Jack Seiler Farms
- Mid Valley Cotton Growers
- West Island Cotton Growers

We apologize for the error, and sincerely thank these companies and everyone else who contributed to helping Proposition 15. This would have been the largest tax hike in state history, and it was a major victory for the agricultural industry in California.

CalOSHA Conducts Stakeholder Meeting on Emergency COVID-19 Regs

More than 1,000 people attempted to log on to Cal/OSHA's first Stakeholder Meeting on the newly adopted Emergency Regulations on COVID-19. The meeting was characterized by continued questions and outright confusion over the language in the regulation. It clearly demonstrated that the regulation had been rushed through without adequate discussion and deliberation. The emergency regulations were jammed through without stakeholder input and completely ignoring comments, including those made by the Association at their November Board Hearing. While the premise for the regulation may appear warranted to some, it is fraught with problems, including conflicts with other regulations. So much so, that industry is putting together a legal challenge, and the Association will be helping to fund that effort. The regulation requires extensive cumbersome testing that may not even be able to be accomplished, and regardless of whether the initial case happened at the workplace or not. It has very intrusive requirements for any employer provided housing, mandates outside air be brought in to locations where that may be totally inappropriate. It also contains mandatory pay provisions for excluded employees that could add massive additional costs. The issues are simply too

numerous to detail here, but rest assured each and every problem will be addressed the legal challenge about to be filed.

SJVAPCD Tightens Ag Burn Regulations

At the San Joaquin Valley Air Pollution Control District's Governing Board Meeting this past month, the Board approved further restrictions on the District's Ag Burn Program, including restrictions on surface harvested pruning's of almonds, pecans and walnuts. The District is required by state regulation, as a result of the passage of SB 705 (Florez), to review and make recommendations on ag burning as it works towards complete cessation of the practice. State law mandates that open burning of agricultural crop categories are required to be phased out under a prescribed schedule, unless certain findings are made with respect to the availability of funding and economically feasible alternatives to open burning. Those findings include no economically feasible alternative, no continued operation of biomass facilities in the Valley or development of alternatives, and that the continued issuance of permits will not cause, or substantially contribute to, a violation of the an applicable federal ambient air quality standard. The California Air Resources Board (CARB) must also concur. The District's 2020 Staff Report proposes to tighten several categories, but most importantly it proposes to limit the burning of pruning's even further, as follows:

CCGGA Staff

Roger A. Isom
President/CEO
roger@ccgga.org

Christopher McGlothlin
Director of Technical
Services
chris@ccgga.org

Priscilla Rodriguez
Director of Regulatory
Affairs
priscilla@ccgga.org

Shana Colby
Administrative Assistant
shana@ccgga.org



	2020 Report Recommendations	Findings
Surface Harvested Prunings	Prohibit open burns for surface harvested pruning's ≤ 20 acres on the following phase-out schedule: <ul style="list-style-type: none"> Effective January 1, 2022, prohibit open burning ≤ 20 acres of total pruning's per year for almond, walnut, and pecan crops for agricultural operation whose total nut acreage at all agricultural operation sites > 200 acres Effective January 1, 2023, prohibit open burning ≤ 20 acres of total pruning's per year for almond, walnut, and pecan crops for agricultural operation whose total nut acreage at all agricultural operation sites > 50 acres 	<ul style="list-style-type: none"> No economically feasible alternatives to open burning without incentives District recommendations reinforce ongoing transition for limited remaining pruning burning with ongoing allowance for small growers (less than 1% of historical pruning's) District recommendations supported and made feasible through existing and new incentive programs (District, USDA-NRCS, CDFA)
	Effective January 1, 2021, prohibit surface harvested pruning open burns > 20 acres	Phase-out to reinforce transition to alternative practices

While this definitely does strengthen the ag burn rule, there was some good news, as the District approved additional funding for alternatives, particularly whole orchard recycling. Specifically, the District voted to increase the funding allocation for the Alternatives to Open Burning of Agricultural Materials Incentive Program by an additional \$7,000,000 for the continued implementation of this program for the remainder of the 2020-21 fiscal year, including an initial allocation of \$2,100,000 of this funding for smaller agricultural operations for the continued implementation of this program for the remainder of the 2020-21 fiscal year. The Association's President/CEO Roger Isom testified at the hearing expressing opposition to the proposed reduction in acreage, but supporting the incentive funding increase.

NRCS Offers California Producers Assistance to Improve Air Quality

USDA's Natural Resources Conservation Service (NRCS) is providing technical and financial assistance to help farmers and ranchers in California make improvements in their operations that can lead to improved air quality. Assistance is being

made available through NRCS' Environmental Quality Incentives Program (EQIP), National Air Quality Initiative (NAQI). The initiative is designed to help agricultural producers meet air quality compliance requirements and offer opportunities to support practices that reduce oxides of nitrogen (NOx), volatile organic compounds (VOC), and particulate matter (PM) emissions. Significant emission reduction benefits are achieved when higher-polluting off-road agricultural equipment are retired earlier than through normal turnover and replaced with new "like" equipment powered by emissions-certified non-road diesel engines. Applications are accepted year-round, but interested producers need to be ready by January 22, 2021, to be considered for the initial round of funding. Financial assistance priority is targeted toward counties identified as having significant air quality resource concerns based on the U.S. Environmental Protection Agency (EPA) "nonattainment" designations for ozone and particulate matter or predesignated as "attainment (maintenance area)" for PM10 or PM2.5. The following counties may be eligible: **Alameda, Butte, Calaveras, Contra Costa, El Dorado, Fresno, Imperial, Inyo, Kern, Kings, Los Angeles, Madera, Marin, Mariposa, Merced, Mono, Napa, Nevada, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Joaquin, San Luis Obispo, San Mateo, Santa Clara, Solano, Sonoma, Stanislaus, Sutter, Tuolumne, Tulare, Ventura, Yolo, and Yuba.** For more information about EQIP, how to apply, and program eligibility, interested applicants should contact a NRCS field office in the county in which you own land or where you have an agricultural operation.



Association Announces Election Results

The **California Cotton Ginners and Growers Association** is pleased to announce the election results of this year's election for the 2021-2024 term. The only nominations received were for the incumbents Re-elected to the board were the following Ginners: **Tom Gaffney, J.G. Boswell Company; Greg Gillard, Olam Cotton; and Tom Pires, West Island Cotton Growers; while two vacancies remain unfilled.** The following Growers were re-elected: **Kings County: Jim Razor, J.G. Boswell Company; and Phil Hansen, Hansen Ranches; , and Geoff Toledo of Hanford; while Southern California will be represented again by Tim Cox** of the Palo Verde Valley. All board member positions are three year terms, while officers serve in those positions for two years.

Beltwide Registration Open

The National Cotton Council will conduct the **2021 Beltwide**

Cotton Conferences (BWCC) virtually on **January 5-7 (Tuesday-Thursday)** due to continued concerns regarding the spread of COVID-19. Registration costs for the 2021 BWCC have been reduced due to the virtual format: \$180 for NCC/Cotton Foundation members, university and USDA researchers, extension personnel, associations and consultants; \$500 for non-U.S. research, extension, associations, and consultants; \$350 for non-NCC/Foundation members; and \$75 for students. The 2021 BWCC final program is now available under the 2021 Beltwide Details tab of the BWCC home page, www.cotton.org/beltwide, where participants can register for this virtual forum aimed at speeding the transfer of new technology to U.S. cotton producers and other industry members.

Cotton State Support Program Zoom Updates to be Held in January

Over the next couple of months, The Cotton Board will be hosting a series of specialty Cotton & Coffee Zoom sessions to debrief from the most recent State Support Program committee meetings. These state-by-state sessions will give cotton producers the chance to hear information about the localized cotton research being done in their area. Contact your Cotton Board RCM to register to attend. January sessions include:

- **January 12th** - Tuesday at 7:30 am CST - TX (South, East, and Central Texas) - Christi Short With Dr. Gaylon Morgan
- **January 13th** - Wednesday at 7:30 am CST - TX (Rolling Plains, Southern Rolling Plains, South Plains, and Panhandle) - Shelley Heinrich & Christi Short With Dr. Gaylon Morgan
- **January 14th** - Thursday at 7:30 am CST - OK & KS - Shelley Heinrich With Dr. Gaylon Morgan
- **Tentative: January 26th** - Tuesday at 7:30 am CST- Arkansas & Missouri With Dr. Ryan Kurtz
- **January 27th** - Wednesday at 8 a.m. PST - CA, AZ, NM - Christi Short With Dr. Ryan Kurtz, Dr. Ed Barnes, Dr. Kater Hake, Dr. Vikki Martin, and Dr. Derek Whitelock
- **Tentative: January 28th** - Thursday at 7:30 am CST - Tennessee- With Dr. Ryan Kurtz

UPDATE FOR CALIFORNIA

January 27th - Wednesday at 8 a.m. PST - CA, AZ, NM - Christi Short With Dr. Ryan Kurtz, Dr. Ed Barnes, Dr. Kater Hake, Dr. Vikki Martin, and Dr. Derek Whitelock

Trust Protocol Enrollment Urged

U.S. cotton producers are encouraged to learn about U.S. Cotton Trust Protocol participation benefits and to begin or complete their Trust Protocol enrollment at

www.trustuscotton.org. A producer tutorial on the enrollment process is at www.youtube.com/watch?v=AcbwQfHx3B8&t=90s. A list of upcoming 2021 Trust Protocol educational webinars and recordings of recently held educational webinars will be available at this webpage. Click here to learn more about your benefits in enrolling. If you have any questions, please reach out to growers@trustuscotton.org.



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Immediate Assistance for Businesses Impacted by COVID-19 Including Temporary Tax Relief and \$500 Million in Grants

This week, Governor Gavin Newsom announced additional efforts to provide immediate assistance for California businesses affected by COVID-19. This includes

- Temporary tax relief will support businesses impacted by COVID-19, including an automatic three-month extension for taxpayers filing less than \$1 million in sales tax and interest-free payment agreements to larger companies with up to \$5 million in sales tax and expanded interest-free payment options for larger businesses particularly affected by significant restrictions on operations based on COVID-19 transmissions.
- In partnership with the Legislature, California will provide \$500 million in new COVID-19 Relief Grant funding for small businesses.
- In addition, \$12.5 million was added to the California Rebuilding Fund launched last week

This announcement builds on the state's ongoing business support throughout the pandemic. A full list of existing state support for businesses can be found here.

\$500 Million for New COVID Relief Grant for Small Business

The Governor announced the creation of a \$500 million COVID Relief Grant administered by the California Office of the Small Business Advocate (CalOSBA) at the Governor's Office of Business and Economic Development for small businesses that have been impacted by COVID and the health and safety restrictions. Funds would be awarded to selected intermediaries with established networks of Community Development Financial Institutions to distribute relief through grants of up to \$25,000 to underserved micro and small businesses throughout the state by early 2021. Non-profits would also be eligible for these grants. CalOSBA is establishing the program and will make it available to small businesses as soon as possible - for updates on availa-

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1785 N. Fine Avenue
Fresno, CA 93727

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Tax Relief for Businesses Impacted by COVID-19

In April of the year, Governor Newsom signed an Executive Order allowing taxpayers to apply for penalty and interest relief for 90 days for any taxpayer reporting less than \$1 million in sales on their tax return. Through November 22nd, some 9,287 plans with almost \$149 million in tax relief have taken advantage of this program.

The Governor will direct the California Department of Tax and Fee Administration to do the following:

- Provide an automatic three-month extension for taxpayers filing less than \$1 million in sales tax on the return and extend the availability existing interest and penalty free payment agreements to companies (with up to \$5 million in taxable sales)
- Broaden opportunities for more businesses to enter into interest-free payment arrangements.
- Expand interest-free payment options for larger businesses particularly affected by significant restrictions on operations based on COVID-19 transmissions.

Increase Funding for the California Rebuilding Fund by \$12.5 Million

Last week, the Governor announced the opening of the California Rebuilding Fund which makes available \$25 million to help impacted small businesses rebuild from the economic

crisis and keep local economies strong. This program is built to be a resource in the market for the next year as businesses pivot and recover. An increase of \$12.5 million, bringing the total investment to \$37.5 million, would allow the Fund to be fully capitalized. The additional funding will help the 3rd party administrator of the fund raise \$125 million to make more low-interest loans to small businesses with less access to loans from traditional banking institutions. You can find the complete news release at http://cert1.mail-west.com/janmc7rmiByjvO/tmyuz/xcf3aa13l71iBg/l71iBqvnqiBdhsq/x3ugkfp3/taw6ofq?_c=d%7Cze7pzanwmhlzgt%7C17y3csxth3k6jng&_ce=1606775412.498a8fc0c59ac127bb48088854c7adba.

