

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.*

Winter 2013 Newsletter

IFCA Chairman's Report by Bill Romshek

Greetings! As I write this Chairman's report I realize how fast time has gone as I am coming to the end of my tenure as IFCA Chairman. Being part of the IFCA board has been a great learning experience. I recognize how fortunate we are to have the staff in Bloomington, we are truly blessed.

Every year is different when it comes to weather, crops and how it affects our business. A few months ago it would have been easy for all of us to be pessimistic with the way the 2012 crop season ended. The crop went in so good I was expecting a great year, but as always Mother Nature is the boss and changed things real fast with the drought. Coming into fall, most of us anticipated the short crop may affect our fall fertilizer application. However, most retailers I visited with are all pleasantly surprised with the overall attitudes of our customers as they look ahead to next year's crop.

I struggled with what to emphasize in my final Chairman's report because we have so much going on in IFCA and in the ag industry. We are continually faced with challenges and opportunities and IFCA plays an integral role in our daily business. The number one thing that comes to mind when thinking of IFCA is **"Relationships."**

When we think of relationships the first thing I am sure you think of is your family and spouse. Yes those are very important but we have a lot other relationships that are critical for our success in business today. I consider my relationship with my chemical and seed reps a necessity as business partners. And our relationship with each individual customer is important as we assist them in their business decisions.

IFCA's recent accomplishments also tie back to the business relationships the organization has cultivated. This is evident in our accomplishments in Springfield and Washington D.C. Our relationship with the Asmark Institute has paid dividends as we moved into a new office and great training facility. Another very big accomplishment was the leadership role IFCA took in nutrient issues. With the passing of NREC it has positioned us in Illinois as leaders in addressing water quality concerns and the need to grow our yields. NREC is supported by all the ag groups as well as government agencies including IEPA, IDA, NRCS and USEPA. With Jean being the main voice and leader, her relationship with all parties made this possible. Since being on the board I have learned the importance of the relationships we all have.

When I started my career in retail fertilizer in the co-op system I focused on my peers in the system. Today I realize the importance of working with and communicating with retailers who are independents, national companies as well as other cooperatives. We are all in the same business and compete but we have to work together so we can continue to operate freely in the marketplace vs. the way some groups would like to see us operate (i.e. severely regulated). The IFCA is the nucleus for all of us to work together. I appreciate and recognize the relationships the IFCA has with others and how fortunate we all are to have such a great organization!

Thank you for the opportunity to represent you on the IFCA Board, I have truly enjoyed it. I hope everyone has a profitable and safe 2013. Please join us at the Annual Convention on January 21st -23rd in Peoria, IL.

PLEASE NOTE THAT THE IFCA OFFICE HAS A NEW ADDRESS!

Our Address is: IFCA
14171 Carole Drive
Bloomington, IL 61705

DO NOT USE ANY P.O. BOX DESIGNATION IN THE ADDRESS, WE NO LONGER HAVE A PO BOX

Thank you!



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

IFCA Board & Staff

2012 Executive Committee

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Bill Romshek, Heritage FS, Gilman

Vice Chairman

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Ryan Heldt, Dow AgroSciences, Peotene

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Jim McNelly, Christian County FS Inc., Taylorville

John Musser, Stephenson Service Co., Stockton

Jamie Southard, Effingham Equity, Effingham

Regan Wear, Shipman Elevator Co., Shipman

IFCA Staff

Jean Payne, President
jeanp@ifca.com

Leslie Forrest
Office and Membership Programs Coordinator
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Kevin Runkle, Director Regulatory Services
kevinr@ifca.com

Please Note Our New Address

14171 Carole Drive
Bloomington, IL 61705
Ph (309) 827-2774

IFCA WELCOMES NEW MEMBERS

Craig Nichols, Painters USA, Inc., Downers Grove, IL
Madonna Strawn, TeeJet Technologies, Springfield, IL
Scott Lauher, New Holland, Chatham, IL
Dakin Munson, ADM Fertilizer, Overland Park, KS
Lucas Young, Greenfield Contractors LLC, Bradford, IL
Brent Schmitz, Schmitz Ag Products, LLC, Niota, IL
Daniel Solis, Agra Liners, LLC, Shawnee, OK
Nick Meyers, Allied Measurement, Crestwood, IL
John Widick, Champaign County Seed Co., St. Joseph, IL
Renee Sauvageau, Cropland Containers, Inc., Webster City, IA
Bryce Nemitz, Compass Compliance, LLC, Cedar Rapids, IA
Matt Hull, AgWorks, Davenport, IA
Aaron Schmidt, Bank of America, Naperville, IL
Craig Woodley, Woodley Aerial Spray, Walnut, IL
Brian Freed, Ag Focus, Lexington, IL

IFCA CALENDAR

IFCA Convention:

January 21-23, 2013 Peoria Civic Center

Illinois CCA Exam

February 1, Illinois Department of Agriculture

Anhydrous Ammonia Safety Schools

February 26, 2013—Rend Lake Lodge—Whittington, IL

February 28, 2013—Unique Suites—Charleston, IL

March 1, 2013—Asmark Agricenter—Bloomington, IL

March 5, 2013—Mendota Civic Center—Mendota, IL

March 6, 2013—Monsanto Research Farm—Monmouth, IL

March 8, 2013—Crowne Plaza Hotel—Springfield, IL

National Agronomic Environmental Health & Safety School

August 20-21, 2013 Asmark Agricenter—Bloomington, IL

MAGIE

August 21-22, 2013 McLean County Fairgrounds

FBI Seeks Industry Assistance

The Federal Bureau of Investigation has asked IFCA to remind the industry to be on the lookout for any suspicious activity at your place of business as well as any suspicious attempts to purchase fertilizer or hazardous materials. Earlier this fall a milling plant in Eastern Illinois reported the theft of five packages of phostoxin, a grain bin fumigant. If you notice any such suspicious activity concerning attempts to acquire phostoxin, fertilizer or hazardous materials, please contact FBI Special Agent Steffan Nass at 309.314.7001 or email steffan.nass@ic.fbi.gov.

Regulatory Update

The Latest on Regulation of Truck Scales

IFCA along with the Grain & Feed Association of Illinois and the Illinois Association of Aggregate Producers continues to meet with the Bureau of Weights & Measures to resolve uncertainties in the regulations for truck scales. Both IDA and industry fully agree that the regulations need to be revised to clearly define installation requirements and compliance with Handbook 44 and NTEP requirements. The problems began when the word “new” was inserted into the statute in 2002; this changed the way in which “old” and then “new” scales installed after that date were regulated. Unfortunately the word “new” was never clearly defined and over the years this resulted in uncertainty for both IDA and the industry which must be resolved.

IFCA has relied upon an outstanding group of our members including retailers and scale companies to help us formulate a reasonable proposal to IDA. With our input, IDA is drafting changes to the law to accomplish clearly defined parameters for installation of truck scales and also procedures for how variances will be handled in circumstances where a variance may be justified. Clarifying the regulation of metering devices still remains on the “to do” list once we get the truck scales resolved. We thank IDA for working with us on this very important matter and we’ll keep you posted.

Illinois Anhydrous Ammonia Regulations

The Illinois Department of Agriculture has put together a committee of industry representatives to rewrite the Anhydrous Ammonia Regulations. An increase in accidents during field application as well as some trouble spots at storage facilities indicate the need to review the rules and ensure that our industry is meeting the best operating standards for ammonia storage and use, in a way that is balanced and effective.

IFCA serves on the committee along with several industry representatives in retail, manufacturing and even a farmer representative. We are working to clarify some of the regulations as well as incorporate new safety features for bulk storage facilities. Among some of the bulk ammonia storage changes includes requiring Emergency Shut-Off Valves (ESV) installed at the point where the transport semi offloads into the storage tanks. Our industry has experienced numerous catastrophic releases that could have been prevented by this safety feature. IDA will review some of the proposed changes to the regulations at the IFCA Convention on January 23, 2013.



ESV valve showcased @ Asmark Agricenter

Lighting Requirements For Implements of Husbandry

Pulling implements of husbandry, such as anhydrous ammonia nurse tanks, after sunset or during daytime driving conditions that require headlights can be extremely dangerous. Most implements of husbandry are not equipped with any type of lighting making it much more difficult for other motorists to see equipment at night or in poor visibility during daylight hours. Implements of husbandry are always required to have a slow moving vehicle (SMV) emblem attached, but the Illinois Motor Vehicle Code also states a yellow/amber flashing/rotating light must be used when towing implements of husbandry after dark or during daylight hours when lights are required (such as heavy fog). Also, if an implement of husbandry blocks the taillights of a pickup truck while in tow, a light bar must be attached to the rear most vehicle in tow. If you have any questions about lighting requirements, please contact Kevin at the IFCA office.

Agricultural Machinery Illumination Safety Act

On July 6, 2012 President Obama signed into law the Moving Ahead for Progress in the 21st Century Act, aka Highway Funding Bill. Written within the act is a law that requires the Secretary of Transportation, after consultation with representatives of the American Society of Agricultural and Biological Engineers and appropriate Federal agencies to promulgate a rule to improve the daytime and nighttime visibility of agricultural equipment that may be operated on a public road. While the law gives the Secretary of Transportation the authority to set minimum standards, it forbids any rule that would require the retrofitting of agricultural equipment that was manufactured before the date on which the lighting and marking standards become enforceable, which is July 6, 2012.



Important Industry Issues



Asmark Agricenter Opens with Unique Training Programs

On August 20, the 20,000+ square foot Asmark Agricenter opened directly behind the IFCA office in Bloomington, IL. Since then, many employees of ag retail and grain elevators have participated in unique hands-on training programs for grain safety and operations and anhydrous ammonia technician training.

In addition, the Agricenter houses the Asmark Pesticide Applicator Training Program, which is taught by Dr. Robert Wolf who offers classes at the Agricenter and also travels around the country with the mobile training unit.

On August 28, the first ever "Keep it for the Crop" conference was held in the large conference center, which is also home to the annual National Agronomic Environmental, Health and Safety School.



We are indeed fortunate to have this fabulous facility in Central Illinois. The Asmark Institute operates as a not-for-profit and is governed by a Board of Directors whose mission is to provide training programs and compliance services to the agribusiness industry. Jean Payne from IFCA, and IFCA members Keith Fricke from Sunrise FS and Denny Doonan from CPS are among the Asmark Institute Board members.



State and Federal Officials Tour NH3 Facility

On November 7, 2012 industry representatives along with representatives from state and federal regulatory agencies met at the Asmark Agricenter in Bloomington, IL. Members of the regulatory community were introduced to the new Ammonia Technician Course held at the Agricenter. Following the introduction to the ammonia technician course, those in attendance were taken to CPS's ammonia storage facility in Hoopeston, IL to view safety upgrades. Some state Departments of Agriculture are struggling to keep ammonia inspection as part of their regulatory program; if they cannot this may fall to other agencies such as the Fire Marshal or USEPA. Asmark offers NH3 training to state agencies to ensure their employees are properly trained so that we can continue these important industry/regulatory relationships.



Top Ten OSHA Violations

OSHA recently released their list of top ten violations. Many of the violations are the same from year to year listed in a different order based on number of violations. The top ten OSHA violations include: Fall Protection, Hazard Communication, Scaffolding, Respiratory Protection, Ladders, Machine Guarding, Powered Industrial Trucks, Electrical Wiring, Lockout/Tagout, Electrical (general). The grain safety course taught at the Agricenter addresses many of these issues. For information on grain training program, contact the Grain & Feed Association of Illinois or IFCA.



Legislative Update



Hours of Service: We Did It!

The Hours of Service exemption from limitations on driving time is perhaps the most critical exemption we have in place. With today's focus on commercial motor vehicles along with the permits required to transport ammonia, imagine the logistical nightmare if we could not deliver inputs in a timely manner to the retail plants, and then from the retail plant to the farmer. Despite an extremely tough regulatory climate, the ag industry pulled off a major victory in once again securing the HOS exemption. For the transport of ag inputs, there is now a 150 mile exemption for interstate movements between all distribution points, and a 100 mile exemption for movements within the borders of Illinois. IFCA is working with Illinois DOT to expand the intrastate radius to 150 miles as well. IDOT and the Illinois State Police were instrumental in assuring that the HOS exemption was enacted as soon as the FHWA published the notice, and we will continue to work with them on full implementation of this important exemption. Go to www.ifca.com for more detailed information about the HOS exemption.

Big Changes to the Illinois Fertilizer Act

On August 14, 2012 Governor Quinn signed HB 5539, making significant changes to the Illinois Fertilizer Act of 1961. IFCA had sought these changes to modernize the Act and to ensure that monies dedicated toward nutrient research and education could no longer be "borrowed" by the State and used for other purposes. The major changes in the Act include:

1. Any company who imports, consigns, manufacturers, produces, stores, transports, custom blends, compounds, or transfers fertilizer from one container to another for the purpose of selling, giving away, bartering or otherwise supplying fertilizer in this state must be licensed with IDA and pay an annual \$100 fee, plus \$50 for each additional location that performs these activities under the same company name. The custom blend registration is eliminated. This registration process streamlines licensing and allows IDA and the industry to assure that everyone in the business is registered and in compliance with the Act.
2. The Fertilizer Research & Education Council (FREC) is eliminated and replaced with the Nutrient Research & Education Council (NREC). NREC is governed by 9 voting members made up of the ag industry and 4 advisory members. The Council established a 75 cent per ton assessment for NREC effective Aug 15, 2012. IDA requires fertilizer registrants who make the final sale to the end user to report their semi-annual tonnage to IDA. Once you report your tonnage, IDA will issue you an invoice for 75 cents per ton that is payable directly to NREC, which is located in Bloomington, IL. NREC is not a tax, as it does not go to the government, it goes back to the industry to fund nutrient research and education to increase yields and protect water quality. IFCA helps administer NREC. Go to www.illinoisnrec.org to learn more about this innovative new program.
3. The 25 cent fertilizer inspection fee now goes to IDA. Did you know that the 25 cents used to go 1/2 to FREC (and was stolen by the state) and then 1/2 directly to the State General Fund? No more! Now it stays within IDA to help our important state agency partner ensure an effective fertilizer regulatory, safety, and quality control program. More about the changes to the Fertilizer Act will be discussed at the IFCA Convention, or give Jean Payne a call.



Eric Gordon, IDA Director Bob Flider, Jean Payne, Gov Quinn, Howard Brown, Carl Kessler, Bill Romshek, Ed Corrigan, Ryan Heldt and Dick Stiltz at the bill signing ceremony outside IDA.

Online NH₃ Training Under Development

IFCA, Illinois Farm Bureau and Illinois Corn Growers are collaborating with IDA to develop an online anhydrous ammonia training program specifically for growers. The online training takes about one hour to complete and consists of a series of video and animation scenarios that illustrate actual anhydrous ammonia accidents in Illinois. Seventeen farmers were hospitalized for inhalation and skin exposure in 2012 while transporting or applying anhydrous ammonia. We completed video production in October and the online module is scheduled to be available in February 2013. The program provides a certificate of completion to the user. If you have any questions regarding this upcoming program, please contact Kevin Runkle.

IFCA
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From the President's Desk *by Jean Payne*



It's been quite a year for the IFCA! As this newsletter reveals, your Association has made significant progress to ensure a vibrant future for our industry. Having represented you at the State Capitol for years, it is very clear to me and to your Board of Directors that we must face the harsh realities of our state budget. There will be no state funds to facilitate growth and prosperity in our industry. It will be hard to enough to protect the ag input and machinery sales tax exemptions much less ask for anything new. As the saying goes, "God helps those who help themselves" and IFCA has taken that to heart in the past few years. We are now seeing the results of our efforts. As your Chairman states on page 1, it is our

vision and the relationships that we have built over the years that has resulted in the Asmark Agricenter, the Nutrient Research & Education Council, the on-online ammonia training module, better funding for the pesticide and fertilizer programs at IDA, the Hours of Service exemption and the "Keep it for the Crop" nutrient stewardship program just to name a few accomplishments.

I know that all of us in this industry want to pass along to the next generation the opportunities that we have realized: to enjoy our work, to prosper from our labor, to operate in a free market that does not penalize success and to work within a regulatory framework that makes some sense. (Is some sense too much to ask for?!) We also know that while this sounds simple, it is not guaranteed. It takes a commitment to move forward and start something new when sometimes the easy thing to do is give up or hope that someone else will take care of it. As a member of the IFCA, you make possible our commitment to ensure a bright future for our industry despite the bleak economic outlook of our state and the budget problems of our federal government as well.

As we head into the new year, I want to thank you all for your support and for allowing me, Kevin and Leslie to represent you. We enjoy our jobs tremendously. That's largely because we feel a great sense of accomplishment for our work. It's also because many of you call or send emails thanking us for what we do. The camaraderie in our industry has to be among the best out there, I am sure of it. Above all, let's work to make sure we always have that!