Newsletter of the California Cotton Ginners and Growers Association



The Cotton Chronicle

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February 2017 Volume 27 Issue 2

Industry Calendar

March 15
CCGGA Board
Meeting—
Fresno, CA

Save the Date: May 31—June 2 Cotton Annual Meeting— Monterey, CA

Visit web calendar for details

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Pink Bollworm Project Recognized

California's Pink Bollworm Program was one of six projects recognized by the California Department of Pesticide Regulation (DPR) at an award ceremony on January 26th to honor efforts to manage pests while reducing the use of pesticides. The awards recognize innovation, leadership, education and outreach by California-based organizations that carry out pest management.

The six projects honored use integrated pest management (IPM) to manage pests, combining preventive and natural strategies such as releasing parasitic insects and providing habitat for natural predators. The grower funded Pink Bollworm Program involves introducing sterile pink bollworm moths to fields to disrupt the pests' ability to reproduce and spread in California's main cotton-growing regions. Sterile moths are produced at the CDFA/USDA PBW Rearing Facility in Phoenix, AZ. To determine where sterile moths need to be released, program personnel put out pheromone-baited insect traps. Sterile PBW moths are sent to California daily and released by aircraft over targeted areas determined by the trapping results. This program has been highly successful in preventing pink bollworm moths from becoming established in California's major cotton region without the use of conventional pesticides for more than 40 years.



Agricultural Wage and Hour Update: AB 1066 - The Irrigator Exemption

By: The Sagui Law Group

As agricultural employers know, AB 1066 was passed into law in 2016 and became effective January 1, 2017. The new law, among other things, removed the exemption for agricultural employees from overtime and created a schedule for phasing in overtime requirements for agricultural workers beginning in 2019. In addition to the new overtime rates, two major issues have arisen for agricultural employers: the seventh-day rest requirement, and the irrigator exemption.

Within the industry there is a question as to whether the irrigator exemption under Wage Order 14 still exists. As currently written in Wage Order 14, the overtime rules do not apply to any employee that spends more than half of their time during the workweek performing the duties of an irrigator. However, the new overtime phase-in provisions of AB

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1066 apply to "any person employed in an agricultural occupation." Though AB 1066 instructs the Department of Industrial Relations ("DIR") to update Wage Order 14 to comply with AB 1066, it does not specifically address Wage Order 14's irrigator exemption and the Wage Order has not yet been rewritten.

As a result, irrigators will be entitled to overtime when the new overtime requirements begin to phase-in starting in 2019, or even earlier if the Wage Order is rewritten before then to not include the irrigator exemption. What is less certain until the wage order is rewritten is whether irrigators are currently included in the overtime rules governing all other agricultural employees or if they will only be entitled to overtime starting in 2019 or when the wage order is rewritten.

Given that the legislative intent of AB 1066 is to provide "any person employed in an agricultural occupation in California" an "opportunity to earn overtime compensation," there is little doubt that plaintiffs' attorneys will argue that the irrigator exemption went away when AB 1066 went into effect January 1, 2017. Additionally, irrigators are now subject to the seventh-day rest requirement under statute, and therefore would be entitled to specific overtime pay if they work on the seventh day; this would be a strange anomaly if irrigators were exempt from regular overtime pay. Therefore, even if a court eventually rules that the irrigator exemption will not go into effect until 2019, litigation on the issue is essentially a foregone conclusion.

COUNSEL TO MANAGEMENT:

Employers wishing to be cautious should begin paying their irrigators using the same overtime rules that apply to all other agricultural employees under Wage Order 14. It is worth noting that some employers are already paying irrigators overtime similar to other Wage Order 14 employees. As a result, employers may gain a competitive edge in hiring by offering the overtime now instead of waiting until 2019.

On the other hand, employers can choose to not pay their irrigators overtime until Wage Order 14 is rewritten or until January 1, 2019, whichever comes first. Employers electing to continue not paying irrigators for overtime should be aware of the significant risk of potential challenges by plaintiff attorneys who will argue that the irrigation exemption ended on January 1, 2017.

Ultimately, this decision is one of risk tolerance for each employer to make until the phase-in begins or until Wage Order 14 is rewritten. If you need help determining what decision may be best for your situation or if you have any other questions regarding AB 1066 or Wage Order 14, contact the legal experts at the Saqui Law Group.

<u>Tractor Train-the-Trainer Workshops announced for</u> 2017

The California Cotton Ginners and Growers Association in partnership with Cal/OSHA Consultation, Zenith Insurance, Western Agricultural Processors Association, and



many other Ag Organizations and equipment companies have announced the training schedule of Tractor Train-the-Trainer Workshops for 2017. These workshops will be held throughout the State from Wasco to Yu-

ba City. The training is for **Owners, Farmers, Managers Supervisors** and **those who are responsible to conduct training on agricultural equipment**. The training will include Regulatory, Safety Aspects and Proper Operation and Maintenance of tractor equipment. A copy of the schedule and registration form can be found on our website http://www.ccgga.org/tractor-train-the-trainer-workshops/. If you have any questions, please contact our office at (559) 252-0684.

CCGGA Working on PG&E General Rate Case

CCGGA has been requesting authorization from several cotton farms and gins for purposes of performing rate analyses under the new proposed rate schedules by PG&E in their 2017 General Rate Case (GRC). There are very significant changes in the works, and CCGGA is assisting the Ag Energy Consumers Association (AECA) in trying to understand how these changes in rate structure will ultimately impact tree nut farms, hullers and processors. The significant changes in the rate structure include:

- Changing the Summer months
 - O Summer Season: June to September
 - Winter Season: October to May
- Changing the Time-of-Use Schedule
 - O Peak: 5 p.m. to 10 p.m. summer and winter, daily
 - Partial-Peak: 3 p.m. to 5 p.m. and 10 p.m. to midnight summer only, all days
 - Off-Peak: all remaining hours outside of super off -peak, including 8 a.m. to 3 p.m. daily
 - Super off-peak: March, April and May, 10 a.m. to 3 p.m. daily
 - Consolidating Ag rate schedules from 13 down to 3 basic default tariffs
 - Significantly increasing the monthly Customer Charge

SUPER BOLLS New PhytoGen varieties bring high yields for Fresno County grower

Planting new cotton varieties – whether Pima or Acala – can make a grower a bit anxious. Such was the case with Firebaugh grower Sean Howard, who planted two new PhytoGen® brand varieties in 2017. When he got a call during harvest from his gin manager, he didn't know what to expect. "She said I had a real problem with my grades, which nearly stopped my heart," Howard said. "She also has a sense of humor. She admitted that she was pulling my leg, and the grades were wonderful and the production was through the roof."

That was a satisfying ending to a year when Howard was basically "all in" with new varieties. In fact, over 90% of his 400 acres was planted to varieties that had never been on the farm before. They included PhytoGen® brand PHY 841 RF Pima (250 acres) and PhytoGen brand PHY 764 WRF Acala.

5-Day Degree Day Forecast

Howard's original plan was to plant PHY 841 RF Pima on all his acreage. Then Mother Nature stepped in. "We had some rain in April that shut us down for a bit," he said. "When my ground gets wet, I can't even drive the roads. It can be miserable."

His situation was confirmed by the 5-day degree day forecast for the Fresno area in spring, 2016. April turned out to be a degree day roller coaster. The University of California considers a degree day forecast above 20 as "ideal". On April 3, the degree day forecast was 49. A week later it was 17. Another week later is was back up to 51. Another week later it dropped to 17 again.

Sean Howard (left) and PCA Barry Malm

Howard closely follows those degree day forecasts on his iPad. "That forecast is the Bible," he said. "I also carry a thermometer that I use for ground temperatures."

"... A yield of 4.7 bales per acre was also a surprise."

The rain and the drop in the degree day forecast was enough to cause Howard to switch his final 150 acres from Pima to Acala. "I didn't want to risk harvesting Pima late into the fall," Howard said. "As it turned out, I could've planted all Pima and been fine in the fall. But there have been years when it rains in late October, and my ground wouldn't allow me back in. That can ruin a harvest, but just as importantly, it doesn't allow me to work the ground perfectly for the following season." Once consistently warm temperatures appeared in 2016, the PHY 841 RF Pima "jumped out of the ground," Howard said.

Drip Irrigation

All of Howard's Pima acreage is drip irrigated, something he began four years ago as the drought made water availability difficult. "There are pros and cons to drip irrigation," he said. "Overall, drip makes it really easy to irrigate and to apply fertilizers to the cotton. We can even apply some insecticides through drip lines. The biggest downside, however, is fixing leaks."

"One thing I learned the first year I had drip was that you have to stay way ahead of the plant with your water because the plants do not take it up as quickly as with flood," he said. "When you flood irrigate, you have a two- or three-week period where the plants have more than enough water, then near the end of that period, the soil starts to dry out and you have to be ready to put water back in the furrow. With drip, you don't have the luxury of a long interval. We apply water about every third day.

Regulating Plant Growth

Plant growth on Acalas is often managed by plant growth regulators (e.g. Pix), while Pima growth is often managed by

irrigation practices. Howard uses Pix on his entire acreage, regardless of variety. "Drip irrigation changes the industry norms," he said. "I don't want to stress the Pima at all, but at the same time, I don't want plants to get away from me. Those are competing concepts. So, we drip irrigate in a way that does not cause plant stress, then we use Pix to control plant growth. No matter what anybody says, Pix works very well on Pima."

2016 Results

The way harvest turned out, the PHY 764 WRF Acala field – planted two weeks later than the PHY 841 RF Pima – was harvested at the same time as the Pima. "That's an advantage of the Acalas – it's a valuable option when planting is delayed," Howard said. A yield of 4.7 bales per acre was also a surprise. "I have always maintained that I cannot look at a crop and tell you what the yield will be," he said.

In 2017, Pima varieties will be Howard's first choice for his fields. "Between the higher prices for Pima and yields that can now reach 4 bales per acre, Pima becomes a pretty easy choice."

To Learn More

Contact your cottonseed dealer or your PhytoGen representative.

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CCGGA has submitted several farms and gins for analysis and will be reviewing the results prior to beginning negotiations on the proposed rate structures. There will be a lot more information to come in the next few months as we start to see how this will affect our members' operations.

Ginning Cost Surveys are Out!

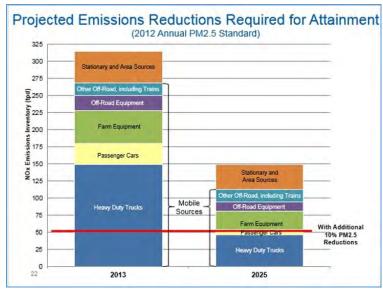
All gins should have received a Ginning Cost Survey this past month. The survey is conducted every three years by USDA to develop a summary of ginning costs, including a comparison of gins from all regions of the cotton belt. This information is extremely important to California, as it demonstrates the huge disparity in ginning costs due to California's overwhelming regulatory environment. The Association uses this information on a regular basis when combating burdensome regulations and legislation. The Association urges all gins to submit their survey results to the Association. All submittals are kept confidential and only aggregated results are published. We respectfully ask that all gins complete and submit their summaries to the Association as soon as they have finished ginning.

Workshops Continue - PM2.5 Plan for San Joaquin Valley

Both the California Air Resources Board (CARB) and the San Joaquin Valley Air Pollution Control District (SJVAPCD) are continuing to hold workshop on the Integrated State Implementation Plan (SIP) for PM_{2.5}. This PM_{2.5} SIP is intended to reduce PM_{2.5} emissions by adopting strict control measures, some of which could be mandated statewide or set significant precedents for other air districts. In the most recent workshops, CARB and

the SJVAPCD have begun to get into the specific control measures and details. As noted previously, agriculture is being looked at for additional emission reductions from the following categories:

- Ag Tractor Rule replace ag tractors and harvesters (particularly almond harvesting equipment) for both NOx and PM_{2.5} reductions
- More stringent engine standards for agricultural pump engines (beyond tier 4 and cleaner natural gas engines)
- A new low-NOx standard for heavy-duty diesel trucks (beyond ARB's current Truck Rule)
- Alternatives for ag burning
- Additional Conservation Management Practices (CMPs) to reduce fugitive dust
- Additional restrictions under Regulation VIII for fugitive dust



The California Cotton Ginners and Growers Association has been present at every workshop and meeting to ensure that agriculture, particularly the tree nut industry has a voice in the development of this plan. Represented by President/CEO Roger A. Isom and Director of Technical Services Christopher McGlothlin, the Association has testified at the meetings stating that incentives are absolutely critical and necessary for the agricultural community due to their inability to pass along the additional costs. Isom further commented that USDA NRCS already had a program to incentivize the low emission nut harvesting equipment and that the Association is working to develop a similar program with the Air District. In addition, the Association also pointed to significant research performed recently to more accurately determine PM_{2.5} emissions from agricultural operations and that data

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showed that PM_{2.5} emissions from almond harvesting equipment, cotton gins and other operations are insignificant. Environmental activist groups continue to push CARB and the SJVAPCD to do more, including specifically requesting them to adopt a mandatory farm equipment

replacement rule. The plan must be adopted by the District sometime late this summer, but CARB will be moving forward on a portion of these at their monthly meeting in March. CCGGA will be at these meetings continuing to ensure the cotton industry is represented.

Year CAL OSHA Cal/OSHA Form 300A (Rev. 7/2007) Appendix B Annual Summary of Work-Related Injuries and Illnesses Department of Industrial Relation **OSHA 300A Summary** Using the Log, count the individual entries you made for each category. Then write the totals below, making sure you've added the entries from every page of the Log. If you had no cases, write "10" Establishment information **Posting** Employees, former employees, and their representatives have the right to review the Cal/OSHA form 300 in its entirety. They also have limited access to the Cal/OSHA orm 301 or its equivalent. See CCR Title 8 Section 14300.35, in Cal/OSHA's recordiceping rule, for further details on the access provisions for these forms. The Cal/OSHA 300A Summary, which lists the total description (e.g., Manufacture of motor truck trailers) Total number of deaths cases with days Total number of cases with job transfer or restriction number of job-related illndard Industrial Classification (SIC), if known (e.g., SIC 3715) nesses and injuries that occurred during 2016, must be nnual average number of employees Total number of days of job transfer or restriction Total hours worked by all employees last year posted from February 1st -April 30th, 2017. Visit our Knowingly falsifying this document may result in a fine (L) I certify that I have examined this document and that to the best of my knowledge the entries are true, accurate, and complete. website for Recordkeeping Total number of . . . Forms or contact our office. (5) Hearing loss Date (2) Skin disorders (6)All other Illnesses (3) Respiratory conditions Post this Annual Summary from February I to April 30 of the year following the year covered by the form.