

Council 2021 LEGISLATIVE & REGULATORY PRIORITIES

WATER AND ENVIRONMENT

Surface Water & Ground Water Withdrawal

Surface and groundwater withdrawal legislation and regulations remain a significant issue for agribusiness. PABC continues to support water legislation and regulations which allow for SC agribusinesses to access water as needed to operate their businesses in a timely and cost effective manner.

Dams and Reservoirs Standards

During the previous 2-year SC General Assembly session concluding in 2020, legislation was considered to address issues associated with the management of dams and reservoirs in SC. Said legislation was not approved into law. PABC opposes legislation and/or regulatory change which will lead to significant cost to the landowner or land manager without the state considering financial assistance to the landowner or land manager. PABC supports legislation which would assist landowners in reducing costs associated with managing dams including direct payments from the state and/or tax credits for the landowner or land manager.

Navigable Waters Protection Rule (Federal)

The Navigable Waters Protection Rule replaced WOTUS under the present Administration and the new rule has continued to be challenged within the US judicial system both from the standpoint of going too far and not going far enough. Improvement has occurred under the present federal rule for agribusiness and PABC remains supportive of the Navigable Waters Protection Rule as written prior to 2021.

TAXES AND FEES

SC Tax Reform – Maintain Agribusiness Sales Tax Exemptions/Property Tax Assessments

Tax reform was discussed significantly during the 2019-2020 SC General Assembly session. Despite this discussion, no legislative change was approved. Tax treatment for agribusiness continues to be a major issue to be monitored in an effort to assure we maintain all agribusiness sales tax exemptions and ag use property tax assessments. PABC opposes legislation which would increase the tax burden on SC agribusinesses.

Federal Tax Reform

PABC is not supportive of legislation which would affectively increase the tax burden of agribusinesses.

Agribusiness Trade (State/Federal)

Trade issues adversely affecting some agribusinesses continue to persist. To sustain SC agribusinesses, agriculture and forestry businesses must be presented with trade policies which will allow for a reasonable expectation for profitability. Specifically, the China log ban on softwood logs exported from South Carolina continues to have a negative impact on the state's forestry industry and must be eliminated. Additionally, many aspects of USMCA have offered agribusiness improvement in trade with Mexico and Canada; however, some commodities such as fruits and vegetables continue to encounter unfair trade issues. Trade negotiations should be monitored closely as to the effects upon SC agribusiness. PABC continues to support improved trade efforts which will benefit our SC agribusinesses.

LEGAL

Nuisance Lawsuit "Safe Harbor" Consideration

As nuisance lawsuits relating to agribusiness operations in other states continue to negatively impact the agribusiness industry as a whole, "safe harbor" solutions should be considered within SC either by strengthening the SC Right to Farm statutory provisions or through other available legislative consideration for SC agriculture and forestry. Federal legislative efforts should be considered if necessary.

Private Property Rights (State/Federal)

PABC supports the rights of agricultural and timberland owners to prevent government officials without a properly executed warrant and other non-owners of said property from entering privately owned property for the purpose of placing cameras and other surveillance equipment on private property. Government officials can place cameras and surveillance equipment on properties with the proper approval of the landowner.

Legal - "Labor Issues"

Limited Liability Business Protection due to COVID-19 (State/Federal)

PABC supports legislation at both the federal and state level providing limited liability business protection to SC businesses impacted by COVID-19 when businesses have appropriately followed virus guidelines.

Immigration (Federal)

For agribusiness to remain profitable and viable for the long-term, we must have federal immigration reform that allows access to a stable and legal workforce. Immigration reform can affect both relocated full-time employees and seasonal labor. PABC's strategy is to monitor labor legislation and regulations closely and to continuously consult with member organizations which are vulnerable to an available workforce.

Agribusiness Labor (State/Federal)

PABC opposes unionization of agribusiness labor, and along with other organizations, will continue to review/ study labor legislation enacted in other states. Given the profit margins realized within agribusiness, PABC opposes any action or effort which will potentially increase the cost of doing business for SC agribusinesses.

TRANSPORTATION

Commercial Trucking Liability Insurance and Driver Shortage

PABC and members of the Associated Industries of SC continue to work with the Governor and cabinet agencies on commercial trucking issues. The Department of Insurance issued a report identifying what is increasing costs for liability insurance for truck drivers, especially log truck drivers. Insurance premiums have tripled for many logging truck owners. The Associated Industries of SC continues to examine funding opportunities with the Department of Employment and Workforce to promote careers as licensed CDL drivers, heavy equipment operators, and within the construction trade. It will be PABC's intent to monitor and support efforts relating to reducing insurance cost associated with commercial trucking in SC. PABC also supports efforts to attract commercial truck drivers within South Carolina to offset the current shortage that exists.

Highway Infrastructure (State/Federal)

PABC is in support of efforts to secure federal funding for South Carolina's highway infrastructure and will continue to monitor the progress of the infrastructure funding bill ("Act 40") approved in 2017.

Vehicle Weight Limits

PABC will continue to support an effort to increase trucking weight limits for agriculture and forestry which compares favorably with the surrounding southeastern states.

Department of Motor Vehicles Technology

Issuance of timely, necessary licenses and registrations relating to commercial truck operations is a problem. PABC supports an upgrade in technology to improve SC DMV response in this regard.

<u>AGRIBUSINESS AND RURAL DEVELOPMENT</u>

Skilled Workforce Development Initiative

The Associated Industries of SC has formally initiated Be Pro Be Proud SC in 2020, and this public-private sector effort should lead to improved recruitment of high school students into much needed skilled trade careers. This program should benefit SC agribusiness in many ways. PABC continues to support this program within in our state including state provided funds for use in covering program operating expenses.

Rural Utilities and Telecommunications Infrastructure

Access to broadband continues to be an issue in many areas of SC but especially in the rural areas of the state. COVID-19 has only made this need more obvious. H.3780 approved by the SC General Assembly in 2020

represents an excellent legislative effort in regard to this need. PABC continues to support affordable access to broadband within all of South Carolina.

FUNDING

Agency Funding

Support for 2021 funding of the budget requests of the SC Department of Agriculture, SC Forestry Commission, SC State University 1890, and Clemson PSA will continue.

Conservation Funding

PABC will support state financial aid to the conservation districts established within the state. Additionally, PABC supports efforts throughout the state to retain agricultural and forestry landholdings, which represent existing farms and timberland utilized for timber production, as ongoing working operations.

COVID-19 Funding

PABC continues to support both state and federal programs which provide an opportunity for SC agribusinesses and associated enterprises to survive in a financial environment impacted by unexpected challenges such as COVID-19. Programs such as the Payroll Protection Program and Coronavirus Food Assistance Program are examples of such programs supported by PABC when circumstances are apparent which impact the ultimate survival of businesses. PABC also supports programs assisting with employee and consumer safety. These efforts would include assuring adequate PPE is available.