

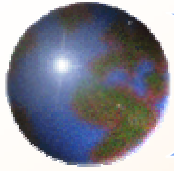
Agricultural Retailers Association

**Jack Eberspacher
President & CEO**

Agricultural Retailers Association

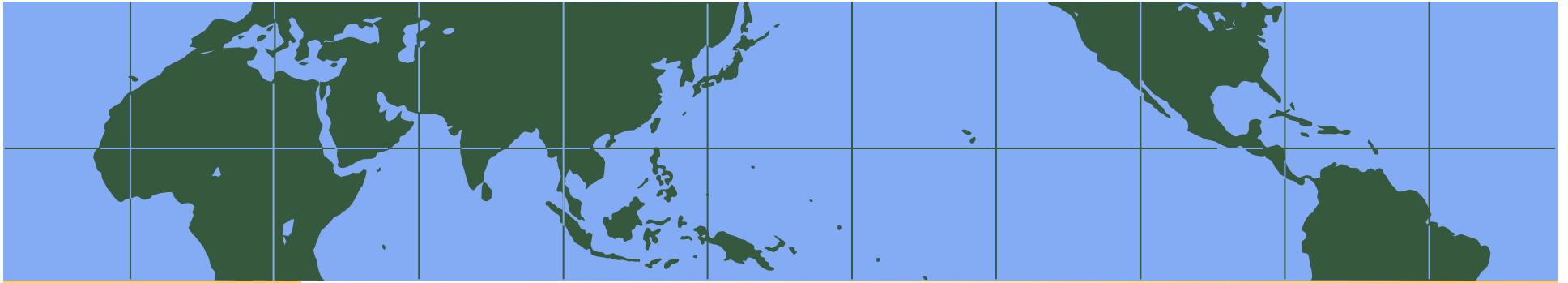


AGRICULTURAL
RETAILERS
ASSOCIATION

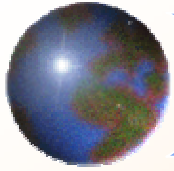


Agricultural Retailers Association

- ✿ ARA's mission is to increase the value of our retail member's business for the benefit of their customers and the local areas they serve through legislative and regulatory policy.
- ✿ ARA aggregates the power of the industry through State and National leadership, providing a strong voice for their interests on Capitol Hill and with Federal agencies.

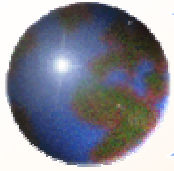


Retail and On Farm Bulk Storage State Comparisons



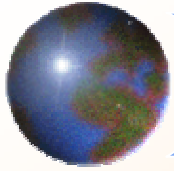
States Requiring Secondary Containment

Eastern = Liquid Fertilizer		
STATE	RETAIL/DIST	FARMERS
Delaware	Yes	Yes
Maryland	No	No
Pennsylvania	Yes	Yes
Arkansas	No	No
Florida	Yes	No
Mississippi	No	No
S. Carolina	No	No



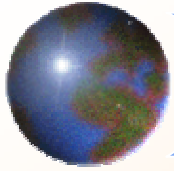
States Requiring Secondary Containment

Midwest = Liquid Fertilizer		
STATE	RETAIL/DIST	FARMERS
Illinois	Yes	Yes
Indiana	Yes	Yes
Kentucky	Yes	No
Minnesota	Yes	Yes
Missouri	Yes	Yes
Ohio	Yes	Yes
Tennessee	No	No
Wisconsin	Yes	No



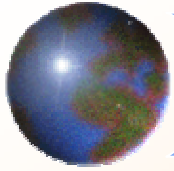
States Requiring Secondary Containment

Plains = Liquid Fertilizer		
STATE	RETAIL/DIST	FARMERS
Iowa	Yes	Yes
Kansas	Yes	Yes
Montana	Yes	Yes
Nebraska	Yes	Yes
Oklahoma	Yes	No
S. Dakota	Yes	No
Texas	No	No
Wyoming	No	No



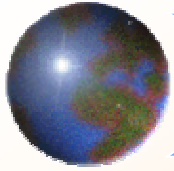
States Requiring Secondary Containment

Western = Liquid Fertilizer		
STATE	RETAIL/DIST	FARMERS
California	No	No
Idaho	No	No
Oregon	No	No
Utah	No	No
Washington	Yes	Yes



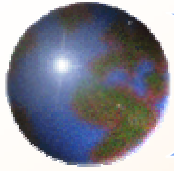
States Requiring Secondary Containment

Eastern = Dry Fertilizer		
STATE	RETAIL/DIST	FARMERS
Delaware	No	No
Maryland	No	No
Pennsylvania	Yes	Yes
Arkansas	No	No
Florida	No	No
Mississippi	No	No
S. Carolina	Yes	No



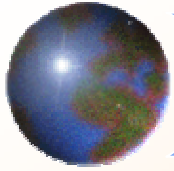
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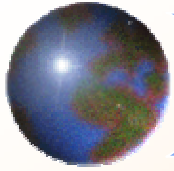
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Plains = Dry Fertilizer		
STATE	RETAIL/DIST	FARMERS
Iowa	Yes	Yes
Kansas	No	No
Montana	No	No
Nebraska	No	No
Oklahoma	Under Roof	No
S. Dakota	Yes	No
Texas	No	No
Wyoming	No	No



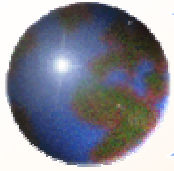
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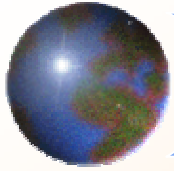
States Requiring Secondary Containment

Eastern = Pesticides		
STATE	RETAIL/DIST	FARMERS
Delaware	No	No
Maryland	No	No
Pennsylvania	Yes	Yes
Arkansas	No	No
Florida	Yes	No
Mississippi	No	No
S. Carolina	Yes	No



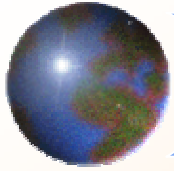
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Illinois	Yes	Yes
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Kentucky	Yes	No
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Missouri	Yes	Yes
Ohio	Yes	Yes
Tennessee	No	No
Wisconsin	Yes	No



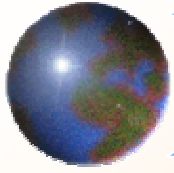
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Iowa	Yes	Yes
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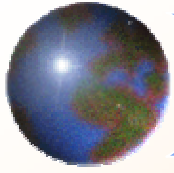
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States Requiring Secondary Containment

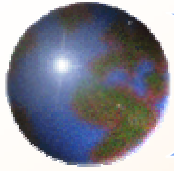
- ✚ Pesticide quantity varies greatly from a minimum of 55 gallons to a minimum of 500 gallons.
- ✚ Liquid Fertilizer varies from a minimum of 250 gallons to a minimum of 5000 gallons.
- ✚ Other state triggers
 - diking required if stored for more than 30 days
 - in season exemptions for liquid fertilizer 6,000 gallons at application site and pesticide exemption for 275 gallons or less in mini-bulk



States Requiring Secondary Containment

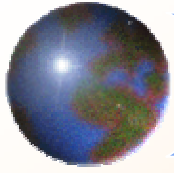
✚ Other state triggers

- Michigan has bulk liquid fertilizer triggers for commercial facilities and the **same for on farm.**
- Pesticides inventories for 55 gallons or 100 lbs, including mini-bulks.
- Fertilizer inventories for containers larger than 2500 gallons or 2000 lbs or having a combined total greater than 7500 gallons.
- Containment for mobile storage on site more than 15 days for pesticides and 30 days for fertilizer.



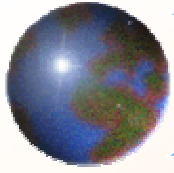
End User Bulk Storage Regulations

- ✚ ARA is supporting the policy that container and containment standards should follow the product.
- ✚ The grower groups have been very reluctant to talk about this issue.



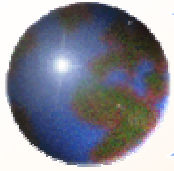
Spill Prevention Control & Countermeasures (SPCC)

- ✚ EPA is considering regulations on any combination of petroleum products over 1320 gallons to require
 - Security Plan
 - Containment
 - Professional Engineer Inspection
 - Every three years integrity testing



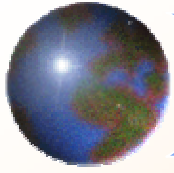
Spill Prevention Control & Countermeasures (SPCC)

- ✦ ARA has been one of the leading organizations for the ag industry on this issue
- ✦ Working with a broad industry coalition both in ag and outside of ag



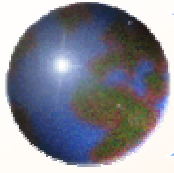
Spill Prevention Control & Countermeasures (SPCC)

- ✚ ARA has proposed to EPA a tiered system
 - Up to 5000 gallons doesn't require a security plan or professional engineer inspection
 - Up to 10,000 gallons requires security plan but no professional engineer inspection
- ✚ Diking required for anything over 1320



Current Chemical Site Security Laws & Regs.

- ✦ **The Patriot Act of 2001:** Requires finger printing and CDL background checks.
- ✦ **2003 DOT Security Regulations:** Agriculture is included in a DOT regulatory program that calls for security assessments, plans and training for personnel, facility access and en-route transport security.



Patriot Act of 2001

- ✦ Department of Homeland Security now oversees Transportation Security Administration (TSA).

- Require CDL background checks

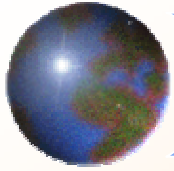
- Finger printing

- TSA estimate 20% loss of drivers

- January 31-05 new applicants

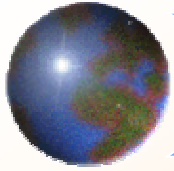
- Renewals & transfers May 31-05

- Fees estimated \$83-\$100 or higher



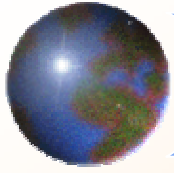
Chemical Site Security - Proposed Legislation

- ✦ Chairman Inhofe's "Chemical Facilities Security Act of 2003" (S. 994) was approved by the Senate EPW committee on Oct. 23, 2003
- ✦ Supported by the Bush Administration
- ✦ Opposed by Environmental Groups and most Senate Democrats



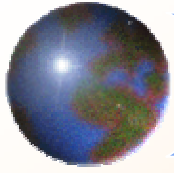
Inhofe's Bill (S. 994):

- ✦ No Inherently Safer Technology (ISTs) provision, but includes "Alternative Approaches"
- ✦ Employee background checks
- ✦ Federal List of Risky Facilities
- ✦ Response Plan, Vulnerability Assessment, Security Plan
- ✦ Allows for Third Party Audits
- ✦ DHS designated agency in charge, given emergency powers
- ✦ Still Very Tough on Dealers



Ag Business Security Grant Program

- ✿ Senator Wayne Allard (R-CO) sponsored this ARA sponsored amendment to S. 994 during EPW Committee vote
- ✿ Designed to provide financial assistance to eligible ag retailers and producers
- ✿ Eligibility criteria established by DHS in consultation with USDA and the Small Business Administration
- ✿ Supported by other ag organizations such as American Farm Bureau and The Fertilizer Institute.



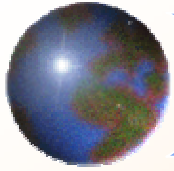
Agricultural Business Security Tax Credit Act of 2004

House Sponsor of HR 4718:

Representative Ron Lewis (R-KY-2nd)

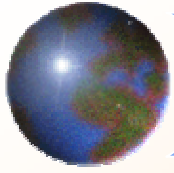
Senate Sponsors of S. 2872:

Senators Jim Bunning (R-KY) / Ben Nelson
(D-NE)



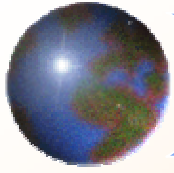
Ag Security Tax Credit Act

- ✦ **Eligible Businesses:** Ag retailers as well as manufacturers, formulators or distributors of pesticides would be eligible. There is no restriction on the size of the operation.
- ✦ **Facility Limitation:** \$50,000 per facility in a given taxable year. Once a facility reaches the \$50,000 tax credit limit, an eligible business must wait 5 years before that specific facility is eligible to receive an additional security tax credit.
- ✦ **Company Annual Limit:** No eligible business can receive more than \$2 million in security tax credits in any given taxable year. Tax Credit covers 50% of the aggregate amount paid or incurred at a facility.



Ag Security Tax Credit Act

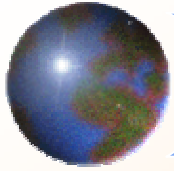
- ❖ **No carry backs:** The bill does not allow carry backs of a tax credit before date of enactment (i.e. A business can only receive a tax credit for security costs incurred after this proposal becomes law). Customary with most tax proposals
- ❖ **Effective Date:** Once the bill is signed into law.



Security Vulnerability Assessment (SVA)



- Web based model
- Ranks and weighs security factors specific to a retail facility
- Allows the retailer to answer questions online
- Final report with recommended countermeasures
- Utilization of layers of protection
 - Ways to improve site security in an incremental fashion
 - More informed decisions
 - Effective implementation



Agribusiness Security Working Group



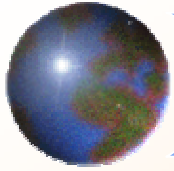
The Fertilizer Institute



Agricultural
Retailers
Association

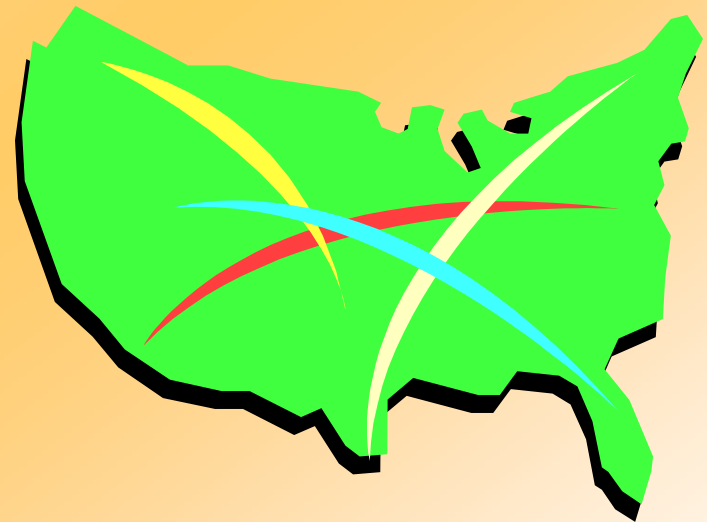


The Security Vulnerability Assessment (SVA) is sponsored by the Agricultural Retailers Association in cooperation with CropLife America and The Fertilizer Institute working together on behalf of industry as the Agribusiness Security Working Group.



How It Works

- Retailers nationwide contact their State Association to register
- The State Association:
 - registers each location
 - assigns a login
 - forwards instructions
- Retailers logon to Agricultural Retailers Association's website to perform SVA by providing answers to 85 questions
- Retailers receive the final report upon submission



ARA - Microsoft Internet Explorer

File Edit View Favorites Tools Help

Back Forward Stop Home Search Favorites Media Print Mail

Address <http://www.aradc.org/> Go Links



Agricultural Retailers Association

The National Voice of Ag Retailers

The Agricultural Retailers Association (ARA) is a non-profit trade association representing the interests of retailers across the United States on legislative and regulatory issues on Capitol Hill. As the political voice of agricultural retailers, ARA not only represents its membership but also educates members on the political process and important issues affecting the industry.

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SVA

Members Only

Retailer Facts

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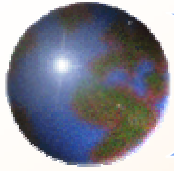


- [Revised Hours-of-Service Rule Fact Sheet - May 13, 2003 \(Members Only\)](#)
- [Non-Road Diesel Emissions Proposed Rule Fact Sheet - April 17, 2003 \(Members Only\)](#)
- ARA endorses U.S. Representative

Done Internet

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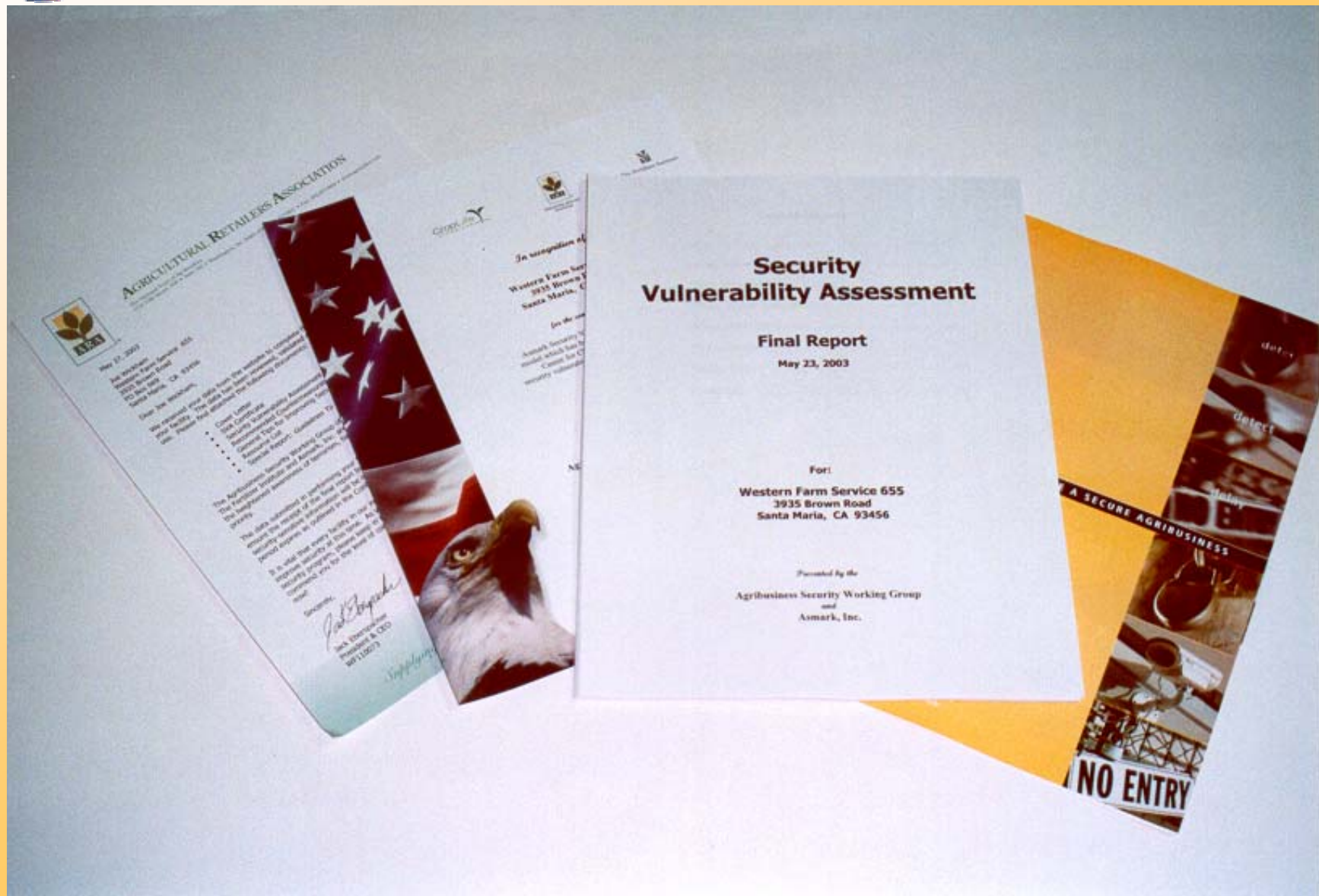
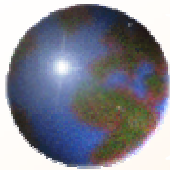


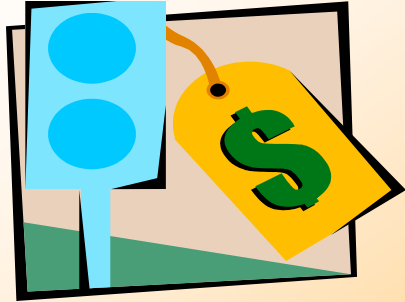
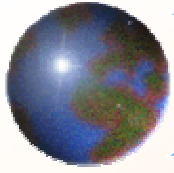
Department of Transportation Hazardous Material Transportation Regulations

The last 10 questions of the survey meet the requirements of the DOT rule published March 25, 2003.



U.S. Department of Transportation





Establishing the Right Price

The price the member pays is determined when the registration is made by answering the membership questions. Example shown:

Price	Holds Current Membership with:
\$87.50	State Assoc. AND ARA,CLA or TFI
\$162.50	State Assoc. OR ARA,CLA or TFI
\$312.50	Not a member of any of the above