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Agriculture Groups, Smith, Fischer, Push OSHA to Rollback Misguided Fertilizer Regulation

LINCOLN, NEB – Nebraska farmers and fertilizer dealers are working together with members of Nebraska's congressional delegation to fix a misguided regulatory proposal by the Occupational Safety and Health Administration (OSHA) related to the storage and handling of anhydrous ammonia fertilizer. "The regulatory proposal was initiated under a false premise, is unnecessary, and will cost Nebraska cooperatives and Nebraska farmers millions of dollars collectively," said Nebraska Farm Bureau President Steve Nelson, May 12.

Anhydrous ammonia is a common fertilizer product used by Nebraska farmers and sold by Nebraska cooperatives and fertilizer dealers. In July of 2015, OSHA reversed a long-standing policy of exempting anhydrous ammonia retail facilities from extensive federal regulations governing management of hazardous chemicals. OSHA initiated the changes as a direct result of an explosion at a fertilizer company in West, Texas in April of 2013. While anhydrous ammonia was present at the Texas facility, its presence was not a contributing factor to the explosion.

Arguments by the Nebraska Agri-Business Association, Nebraska Cooperative Council, Nebraska Corn Growers Association, Nebraska Farm Bureau and the Nebraska Soybean Growers Association that the OSHA rule change was misguided, were further validated May 11, when federal officials verified the West, Texas explosion was the result of an intentional criminal act, not an anhydrous ammonia storage or handling issue.

"OSHA's change in regulatory policy was flawed from the start and the fact the West, Texas explosion was the result of criminal action only further justifies the need for OSHA to roll-back to a more reasonable policy," said David Briggs, chairman of the Nebraska Cooperative Council board.

According to Briggs, the increased regulatory threshold would require Nebraska Cooperatives and other wholesale distributors of anhydrous ammonia to purchase new storage tanks. The fertilizer industry estimates compliance costs of more than \$100,000 per facility. Nebraska farmers would also feel the impact of the changes in regulations.

"There's no question farmers will bear some of the costs of added regulatory burdens within the fertilizer industry. There's also a very real threat that some wholesalers simply will choose not to handle the product to avoid the additional costs, causing anhydrous ammonia availability problems," said Larry Mussack, president of the Nebraska Corn Growers Association.

Today, Congressman Adrian Smith introduced the Fertilizer Access and Responsible Management (FARM) Act, which would repeal these new OSHA regulations. U.S. Sen. Deb Fischer has also led the charge in the U.S. Senate to address this critical issue.

"As Nebraska organizations, we greatly appreciate the work of Congressman Smith, Senator Fischer, and the rest of Nebraska's congressional delegation to fix this problem. The OSHA regulation is another example of more regulation that simply fails to meet the common sense test," said Dennis Fujan, president of the Nebraska Soybean Association.

The OSHA regulation is set to go into effect Oct. 1, 2016, unless corrective action is taken legislatively or by the federal agency.

"It's vital we prevent these new requirements from taking effect. Increasing costs or eliminating options for farmers to access anhydrous ammonia would cause massive economic harm to Nebraska agriculture collectively and to our state's broader economy. We remain committed to working with our partners and the delegation to make sure that these regulations are fixed," said Nelson.

For more information about the Nebraska agricultural organizations involved in this effort visit the Nebraska Agri-Business Association at <u>www.na-ba.com</u>; the Nebraska Cooperative Council at <u>www.nebr.coop</u>; the Nebraska Corn Growers Association at <u>www.necga.org</u>; Nebraska Farm Bureau at <u>www.nefb.org</u>; and the Nebraska Soybean Association at <u>www.Nebraskasoybeans.org/ne-nsa</u>.

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