Industry gears up for 'clean truck' mandates, other regulations

By SIERRA DAWN McCLAIN
Capital Press

Sierra Dawn McClain/Capital Press

A truck pulls up to a loading dock at Paradigm Foodworks in Oregon. Trucking companies and related industries on the West Coast are preparing for clean truck mandates and similar rules to go into effect.

Trucking companies and related industries are gearing up for "clean" truck mandates and similar rules to go into effect across the West Coast — in California, Oregon and Washington.

Although clean trucks rules vary by state, all are similar in aim: They are mandates that strive to cut emissions by requiring production of cleaner trucks while phasing out older diesel models.

All eyes are on California, which is a step ahead of its northern neighbors.

California aims to have a fully zero-emission drayage fleet by 2035. California Air Resources Board defines a drayage truck as an on-road, heavy-duty vehicle that transports containers and bulk to and from the ports and rail yards.

To achieve its goal, the state has several rules in the pipeline.

The most imminent change will kick in on Jan. 1, 2023, when drayage trucks manufactured with an engine year model of 2007 to 2009 will no longer be allowed to operate in the state's ports and rail yards. Engines prior to that year are already banned.

Matt Schrap, CEO of Harbor Trucking Association, a coalition of intermodal carriers serving West Coast ports, estimates that under the rule, 75,000 trucks currently in use will no longer be eligible to operate at ports and rail yards.

"Are we going to have a severe shortage (of trucks) adding to the supply chain issues?" Jolene Boothby, director of customer support at Sun-Maid Growers, asked Schrap during a question-and-answer session at the Agriculture Transportation Coalition's annual conference in Tacoma.

It's hard to predict, Schrap replied. He forecast that among owner-operators who fall under the rule, about one-third will buy new trucks, one-third will leave the industry and one-third will become employees rather than owning fleets.

Schrap said truckers are even "more concerned" about a rule that will take effect the following year. Jan. 1 of 2024, all drayage trucks registering online for the first time with the state's air resources board must be zero-emissions vehicles, meaning hydrogen or electric.

The state also has rules aimed at increasing production and purchase of electric trucks.

Schrap said he sees four main challenges in the rapid push for electric: up-front cost, range, weight and lack of infrastructure.

According to the International Council on Clean Transportation, before government incentives are factored in, a 2022 battery electric truck costs two to three times more than its diesel counterpart. In the longer term, however, drivers save on fuel.

Some trucks can travel only a limited range before needing recharging, and a study from research firm McKinsey & Co. found that it would take a common supercharger about eight hours to charge a heavy-duty truck with a battery close to 1,000 kilowatt-hours.

Truckers are also concerned about weight. Electric semi-trucks weigh significantly more than diesel counterparts. Additional weight means less capacity.

Perhaps the biggest concern truckers have is over infrastructure. A 2022 McKinsey study found that a shortage of charging and hydrogen refueling infrastructure is a major barrier to adoption of zero-emissions trucks.

"The real problem is the infrastructure," said Schrap.

Despite challenges, organizations are investing in electric and preparing for incoming rules.

Sherry Hertel, vice president of intermodal sales at Total Transportation Services, said TSSI was the recipient of two Nikola-manufactured electric trucks earlier this year.

"We've been testing them, and they're running fabulously," said Hertel.

Hertel said she is very pleased with the trucks' performance, but she remains concerned about lack of infrastructure.

Funding available for second round of Oregon disaster assistance payments

By GEORGE PLAVEN
Capital Press

SALEM — The Oregon Department of Agriculture has opened a second round of applications for emergency aid to farmers and ranchers impacted by natural disasters in 2021.

State lawmakers approved $36 million in forgivable loans to agricultural producers last December on the heels of a punishing heat wave, wildfires and ice storm in the Willamette Valley that caused millions of dollars of damage to crops.

The Oregon Disaster Assistance Program was created to keep farms solvent while they wait for federal disaster relief from the USDA Farm Service Agency.

Program loans are administered by Umpqua Bank, Columbia Bank, Bank of Eastern Oregon and Old West Federal Credit Union. The institutions issued 244 loans totaling about $16.2 million during phase one of the program from May 9 through June 3.

Round two applications will be accepted through July 19, with $19.5 million still available, according to ODA.

Of the loans issued in round one, 147 went to small farms or historically underserved producers. The average loan size was $66,747.

Loans were approved in all counties except Coos, Benton, Lincoln, Gilliam and Sherman counties. Jefferson County in Central Oregon received the most approved loans, with 42 totaling more than $3.1 million.

Divided among commodities, cattle ranchers received the highest number of approved loans with 76, followed by fruit and nut growers and "other" crops — including hay, grass seed, mint, hops and hemp.

George Plaven/Capital Press

Shriveled blueberries at Unger Farms were impacted by an intense heat wave at the end of June 2021. This row of berries is on the boundary where overhead irrigation sprinklers could not reach to keep the fruit cool during the day.

Program requirements and eligibility remains the same in round two as it did in round one. Eligibility is determined by percent loss in 2021 measured against an operation's three-year average income, with a maximum payment of $125,000 or $150,000.

Farm size in terms of acreage, sales or other metrics are not a factor in determining eligibility.

For more information, visit www.oda.direct/odap.

Washington lawmaker: Bar Chinese, Russians from buying farmland

By DON JENKINS
Capital Press

The House Appropriations Committee adopted a proposal June 23 by Washington Republican Dan Newhouse to ban Chinese, Russian, Iranian and North Korean companies from buying U.S. agricultural land.

U.S. Rep. Dan Newhouse

By a unanimous voice vote, the committee added Newhouse's amendment to a bill funding the USDA and Food and Drug Administration.

The amendment directs the agriculture secretary to block the land purchases, but doesn't specify how. The House made the same gesture last year, but the Senate did not take it up.

Newhouse, who represents Central Washington, said his proposal was preemptive. The U.S. must have energy and food independence, he said.

"This is about our country's national security and ensuring that adversaries like China, like Russia, like North Korea or Iran do not gain a foothold on American soil," Newhouse said.

Newhouse introduced a bill in May to ban Chinese investors from acquiring U.S. farmland. The bill has been referred to the Agriculture and Foreign Affairs committees.

Chinese companies or individuals had an interest in 352,140 acres of agricultural land, or slightly less than 1% of the cropland, pastureland and timberland owned or leased by foreign investors in 2020, according to the USDA.

The department's Farm Service Agency attributed most of the Chinese holdings to Hong Kong-based WH Group buying U.S. pork producer Smithfield Foods in 2013.

The USDA reported 4,324 acres owned by Iranian investors and 834 acres by Russians. No land was reportedly owned by North Korean investors.

A 1978 law requires foreign investors to report acquiring or leasing agricultural land.

Foreign persons held an interest in 37.6 million acres in 2020, or 2.9% of all U.S. agricultural land, according to the USDA. Forestland made up 46% of the land holdings.

The USDA reported that foreign investment in U.S. agricultural land rose modestly between 2009 and 2015, but has been increasing by nearly 2.2 million acres annually since then.

Foreign investment in cropland increased by 6.8 million acres and in pastureland by 1.7 million acres between 2010-2020.

Most of the pastureland was leased by wind-power companies, according to the USDA.

Washington ranks third in the U.S. behind Maine and Hawaii in foreign investment in agricultural land. Foreign investors had an interest in more than 1.5 million acres, or 7.1% of Washington's agricultural land.

Across the U.S., Canadians had an interest in about one-third of agricultural land with foreign investors.