

AGRI-BUSINESS COUNCIL OF ARIZONA, INC.

Arizona's Reclamation Representative to the National Water Resources Association



Third Quarter 2007

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PRESIDENT'S MESSAGE

As the summer continues in its "hot" mode, we continue to prepare for the Congressional and State Legislative Sessions to reconvene. The summer has been filled with meetings and discussions on priorities, issues and concerns from our members. With the drought continuing into its thirteenth year, water is still our number one priority and, with the help of our members, we will keep our focus on monitoring all water legislation. One of our ongoing concerns centers around the Bureau of Reclamation's final EIS on Shortage Sharing Criteria on the Colorado River scheduled to be issued in late September with a Record of Decision in December. Some issues have arisen, primarily how the Bureau will treat the operation of Lake Mead and Lake Powell in the future as it pertains to the interpretation of section 602 (a) of the Colorado River Basin Project Act vs. what Arizona believes was agreed to in the recently signed Seven Basin States Agreement--stay tuned.

Our August Executive Committee Meeting just wrapped up and we have a full fall agenda. We are partnering with Western Growers to put on a health fair for those of you involved in the insurance pool and look forward to helping out in that capacity. We are also planning a joint meeting in Mexico with the Arizona-Mexico Commission to finalize the chapter of the Agri-Business Council of Sonora and are thrilled to be meeting in November. We hope to be traveling around the state later this year to visit with some of our members and friends about the needs of agriculture today. Keep your ears to the ground for more information on this to come!

Finally, invitations to our annual H₂Open Golf Tournament will be out in September! The tournament will be held on November 30, 2007 at the Francisco Grande in Casa Grande, Arizona. Please be sure to mark your calendars and plan on attending. We anticipate another wonderful event!

As always, thank you for all you do to make this organization as strong as it is – we look forward to a wonderfully busy fall!

Grant Ward
President

EXECUTIVE DIRECTOR'S REPORT

It has been a very busy summer with a host of meetings and travel discussing issues of importance to our organization. In early July, I was invited by Gordon Stone, Executive Director of the National Young Farmer Education Association (NYFEA), to attend their summer Ag. Leadership Conference in Ft. Lauderdale, Florida. It was a very informative meeting and an opportunity to better understand

the mission of their organization. One of the high points of the trip was a tour of West Palm Beach County agriculture. We traveled through vast acres of sugar cane (rice is the rotation crop) and toured the local Wellington Polo Sport facilities, a successful economic component of the region. We also visited the local Sem-Chi (short for Seminole Chief) rice processing plant which was quite the operation. On the flight back to Phoenix, I sat next to a lady who grew up in the Florida Keys. I asked her where their fresh water supply came from. She informed me that it was conveyed by pipeline from Lake Okeechobee which is suffering from major drought conditions, causing major concerns for the region's water managers. It was a very enlightening trip to the south. The NYFEA will be holding its 2007 National Convention in Tucson, December 6-8. For more information, you can go to: www.nyfea.org.

In late July, a number of our members traveled to California for the National Water Resource Association's Western Water Seminar. We covered various water related topics including opposition to Congressman Oberstar (D-MN) and Senator Feingold's (D-WI) Clean Water Act legislation. The bill is allegedly designed to reaffirm the intent of the Act by defining "waters of the U.S." or in other words, asserting more federal jurisdiction over the states. It is not a pretty bill and there are more details than this but we are working hard to positively influence the debate to protect agricultural and municipal water use from needless regulatory overreaching.

Coming up in the next few months are some very important events that you should know about. First, we are scheduled to meet in November in Ciudad, Obregón, Mexico with members of the Executive Committee to kick off the formation of a chapter of the Agri-Business Council in the State of Sonora. The goal is to create an association where we can share mutual interests related to water and agricultural trade. This meeting will coincide with the Arizona, Mexico Commission meeting at the same time in Obregón. Also coming up is a meeting with the Bureau of Reclamation in Portland, Oregon to talk about the "Managing for Excellence" program. The goal is to create more transparency and right-sizing of the agency in order to better serve its customers. In addition, the National Water Resources Association will be convening in Albuquerque, New Mexico in November to focus on federal legislative issues of concern to our members during the second session of the 110th Congress, among other important topics.

We recently agreed to work with the Arizona Water Institute (AWI) to lead an effort to host various "Listening Sessions" around the state. The Sessions will be an opportunity to listen to farmers, ranchers and other agricultural practitioners discuss possible future agriculture scenarios in Arizona. We will be working closely with our Universities and the AWI to ensure a continuing and prosperous agricultural industry in the state. Stay tuned for more details.

Lastly, everyone is invited to come join the fun at our upcoming 16th Annual H₂Open Golf Tournament, November 30th at the Francisco Grande in Casa Grande. We hope to see you there.

Chris Udall
Executive Director

EMPLOYER CORRECTION REQUESTS

By Joseph Sigg
Arizona Farm Bureau

In a change, which directly impacts employers, Homeland Security has published new rules – effective 09-14-07. Employers have new obligations if you receive an "Employer Correction Request" (mismatch or no-

match letter) from Social Security or a “Notice of Suspect Documents” from U.S. Immigration and Customs Enforcement (ICE) – issued following an audit of employer I-9’s.

If the employer does not take reasonable steps after receiving these letters, and if the employee is not authorized to work in this country, the employer can be sanctioned under federal laws.

What are these reasonable steps?

- (1) Promptly (within 30 days) review your file. Was there an error or typo in your records? Is the W-2 information different from your payroll records?
- (2) If yes, correct your records and verify corrected records with Social Security. Verifications can be made by calling Social Security at 800-772-6270 or <http://www.ssa.gov/empoyers/ssnvadditional.htm>. Keep a record of the date and time of your verification.
- (3) If you find no errors, request the employee to confirm the records are correct. If the employee states the records are not correct, then correct the information as provided by the employee and go through the verification process.
- (4) If the employee confirms your records are correct, then request (in writing) the employee resolve the matter on their own. Remember steps 1-4 must occur within 30 days.
- (5) The employee then has ninety days from the date of the mis-match letter to resolve the problem.
- (6) Again, it is important the employer makes a good faith effort to resolve the situations as rapidly as possible, keep a file documenting the efforts and to be consistent with how all of these situations are handled.
- (7) If the employee does not resolve the problem within 90 days of the mis-match letter, the employer must, within 3 days:
 - Verify the employee’s identity and work authorization by completing a new I-9, as if the employee is newly hired.
 - The employer may not accept any numbers challenged in the mis-match letter and the employer must use a document with a photograph.
 - The employer *cannot* verify the authenticity of the documents presented.
- (8) If the employer is unable to complete a new I-9 form, action should be taken to terminate the employee or the employer faces the risk of federal charges.

At the same time states and localities are attempting to do what they cannot under constitutional and statutory law, i.e. regulate immigration. Arizona has passed a new “two strikes and you’re out” employer sanctions law, and an initiative is being circulated that can put a business on the ropes with one offense. Both would revoke state issued licenses. All entities have them, i.e. permits for operating or structural licenses such as articles of incorporation.

Supporters of these measures maintain no one will be penalized for mistakes, but that is not correct. Injunctive relief action has been filed in federal district court to block this new state employer sanctions law. The suit contends the state law violates procedural and due process of the U.S. constitution, is preempted by federal law, violates interstate commerce, is discriminatory and violates the Arizona constitution. Incidentally, the same issues that apply to the state statute would also apply to the initiative being circulated.

Recently, a federal court tossed out a similar law passed by the city of Hazleton, Pennsylvania. While this does not create precedent for the Arizona law, we hope it is indicative as to how other federal courts will look at these élan.

Yes we need to fix our immigration system. We need to fix our border, our documents, means to verify them and we must fix our visa system. We cannot fix this through patchwork and piecemeal solutions at the level of states and localities. It won't work.

What can you do, at the present time?

- You need absolute compliance with the I-9 process and procedures. You need to audit your files. There are manuals and legal assistance available for the asking. Very clearly there are things you should and should not be doing, and guidance is needed.
- Employers and their supervisors should not be having conversations with employees regarding whether they are work authorized in this country.
- Apply your policies uniformly. More than ever employers will be walking a tightrope between areas of constructive knowledge of employing those not work authorized and discriminatory issues.
- You need to know and understand the H-2A process, what it offers and its limitations. If you are not using it, you may have to, even without sorely needed reforms to this process
- Remember: you have your own legal risk and you have further business risk if you are dependent upon labor from outside contractors.
- We must push for more technology to decrease our reliance on labor.
- Continue to press your congressional delegation for fully integrated solutions to our immigration issues.

WATER SUPPLY IN A CHANGING CLIMATE: THE PERSPECTIVE OF FAMILY FARMERS AND RANCHERS IN THE IRRIGATED WEST

By Dan Keppen
Family Farm Alliance

WHY IS CLIMATE CHANGE IMPORTANT TO WESTERN IRRIGATORS?

- We are increasingly hearing reports that predict dire long-term hydrologic forecasts for the West.
- Despite the highly variable and uncertain nature inherent with climate change predictions, it can safely be concluded that, in the West, there will be less water stored in our biggest reservoir...the snow pack.
- More water in the form of rainfall and runoff will come at farmers and ranchers sooner in the season, when it may not be useful and may even present a threat.

WHAT TYPES OF IMPACTS CAN WE EXPECT FROM CLIMATE CHANGE?

- Irrigators and agricultural consultants have identified several impacts to crops and livestock– both good and bad - that climate change may generate in the coming decades.
- Overall, hydrologic impacts in the form of the “triple threat”: 1) increased evaporation of snow pack and surface water; 2) increased crop evapotranspiration and consumptive use; and 3) decreased groundwater recharge and surface runoff – will mean less water to work with and higher water needs.

- Western water supplies are already inadequate to meet the demands of agriculture, future energy needs, urban growth and environmental enhancement. Global climate change, we're told, will further reduce those supplies.

WHAT MUST BE DONE?

Working with farmers has made us incredibly sensitive to the big picture ramifications facing the future of Western agriculture, and the critical role reliable water supplies play in that big picture. We must immediately begin to address the critical challenges we face. A practical, prioritized approach to addressing these challenges is possible:

1. **The federal government must work in partnership with the states and local water managers to prioritize research needs and quantify projected West-wide hydrologic impacts;**
2. **State and local water management agencies should take the lead to implement a balanced suite of conservation and supply enhancement actions;**
3. **The federal government must streamline the regulatory process to facilitate development of new infrastructure by state and local water agencies;**
4. **Congress and the Administration should make self-sufficiency in food production a national priority; and**
5. **At all levels of government and in our communities, we must find ways to protect farmland.**

Millions of acres of barren Western lands have been transformed into the most efficient and productive agricultural system in the world. Now is not the time to retreat from our investment. Now is the time to enact sound policies that encourage continued investment in irrigated agriculture.

WHAT MUST BE AVOIDED?

- Allowing water-short cities to absorb farmers' water supplies will significantly diminish domestic food production at exactly the same time global warming is predicted to severely adverse impact food production worldwide.
- The U.S. recently became a net importer of food, and the safety of that food is becoming increasingly suspect. As food production moves off shore, a large part of our security is moving with it.
- Climate change could further strain fresh water supplies in the American West. We must begin to plan for that now, and not wait until we are forced to make decisions during a crisis.
- Relying on agriculture to be a "shock absorber" to soften or eliminate the impending water shortage is not planning. It is a choice to put our heads in the sand and hope for the best. It is a decision that could worsen the overall impact of climate change on our nation's economy and security.

NEW MEMBERS

We would like to welcome **Florence – Coolidge Natural Resource Conservation District** and **The Haybarn** as our newest members of the Agri-Business Council of Arizona. Thank you for continuing to make ABC the exceptional organization it is!

UPCOMING EVENTS

Date	Event	Place
September 21, 2007	Executive Committee Meeting	Coolidge, Arizona
September 25-26, 2007	Managing for Excellence Meeting	Portland, Oregon
October 12, 2007	Friday on the Farm	Superstition Farm, Mesa, Arizona
October 19, 2007	Executive Committee Meeting	Mesa, Arizona
November 7-9, 2007	NWRA Annual Conference	Albuquerque, New Mexico
November 15-16, 2007	AMC Conference, Executive Committee Meeting	Ciudad Obregón, Sonora, Mexico
November 30, 2007	Annual H ₂ Open Golf Tournament	Casa Grande, Arizona
December 7, 2007	Executive Committee Meeting	Tucson, Arizona
December 6-8, 2007	National Young Farmers Education Association Convention	Tucson, Arizona
December 12-14, 2007	Colorado River Water Users Assoc	Las Vegas, Nevada

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