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Minnesota Grain & Feed Association
Newsletter

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Registration Period Opens for Mandatory Use of FMCSA Drug and Alcohol Online Database

Registration Period Opens for Mandatory Use of FMCSA Online Database for CDL Driver Drug and Alcohol Violations

The U.S. Department of Transportation's Federal Motor Carrier Safety Administration (FMCSA) has announced that online registration is now open for the Commercial Driver's License Drug and Alcohol Online Clearinghouse Database. The Clearinghouse is a secure online, searchable electronic database where all CDL driver drug and alcohol violations will now be posted. The Clearinghouse will provide employers, CDL drivers, medical review officers (MRO), substance abuse professionals (SAP), state driver licensing agencies (SDLA) and enforcement authorities real-time information about CDL drivers drug and alcohol program violations. The Clearinghouse will contain records of violations of drug and alcohol prohibitions, including positive drug or alcohol test results, test refusals, completion of return-to-duty (RTD) process and follow-up testing plan. CDL drivers, employers, MROs, SAPs and SDLAs must all register to use the database.

The Clearinghouse mandate does not change any existing U.S. DOT drug and alcohol testing regulations or procedures other than to require use of the online database to comply with existing drug and alcohol regulations. Employer use of the Clearinghouse database is required for pre-employment CDL driver record investigation; annual drug and alcohol investigations for all current CDL employees; to upload driver drug and alcohol violations; and return to duty status records.

1. Employer Responsibilities

The Clearinghouse will offer employers (or their third-party assignees) a centralized location to query driver information and report drug and alcohol program violations incurred by their current and prospective employees holding CDLs and commercial driver learners permit. The employer must use the CDL driver drug and alcohol violation Clearinghouse to:

- Register online to access the Clearinghouse database.
- Search the Clearinghouse as part of each pre-employment driver investigation process.
- Conduct limited annual queries for every driver they employ.
- Request electronic consent form the driver for a full query, including pre-employment queries.
- Report drug and alcohol program violations.
- Record the negative return-to-duty (RTD) test results and the date of successful completion of a follow-up testing plan for any driver they employ with unresolved drug and alcohol program violations.

2. Driver Responsibilities

Drivers must register with the Clearinghouse in order to:

- Check Records – Drivers must register with the Clearinghouse to check their drug and alcohol driving record and be able to contest incorrect entries.
- Provide Consent – Drivers must register to provide electronic consent for prospective employers to conduct pre-employment drug and alcohol records search.

3. Compliance Deadline

- Employers and drivers must register with the FMCSA drug and alcohol Clearinghouse **no later than January 6, 2020**.
- Employers and drivers may register with the Clearinghouse starting October 11, 2019.
- Employers and/or their third-party designees must begin using the database for pre-employment investigations on January 6, 2020.
- Employers will no longer be required to conduct manual pre-employment driver drug and alcohol investigations once three years of testing and/or violation data is stored in the Clearinghouse. Manual pre-employment investigation will no longer be required after January 6, 2020.
- Employers and/or third-party designees, medical review officers, and substance abuse professionals must begin uploading driver drug and alcohol violations on January 6, 2020.

It is highly recommended that employers, drivers, and drug and alcohol testing vendors and substance abuse professionals register now with the Clearinghouse rather than wait for the January 6, 2020 registration deadline.

4. Additional Information

For additional information on the FMCSA Drug and Alcohol Clearinghouse, go to https://clearinghouse.fmcsa.dot.gov

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FMCSA’s Entry-Level Driver Training (ELDT) Rule Goes Into Effect February 7, 2020

The Federal Motor Carrier Safety Administration (FMCSA) has established new minimum training standards for not just prospective CDL, holders but also anyone that is upgrading their CDL to a higher class or applying for the Passenger (P), School Bus (S) or Hazardous Materials (H) endorsement. The Entry-Level Driver Training (ELDT) rule will be implemented on February 7, 2020.

The final rule incorporates performance-based concepts by requiring that driver-trainees demonstrate proficiency in both the BTW and theory portions of the curricula. The final rule responds to a Congressional mandate imposed under the “Moving Ahead for Progress in the 21st Century Act” (MAP-21). The rule is based, in part, on consensus recommendations from the Agency's Entry-Level Driver Training Advisory Committee (ELDTAC), a negotiated rulemaking committee that held a series of meetings in 2015.

Under the new rule, drivers must complete the mandated theory (knowledge) and behind-the-wheel (BTW) training by a provider listed in the new Training Provider Registry (TPR). The training must be completed and the certificate submitted prior to the driver taking the state administered skills test or prior to the knowledge test for the H endorsement. Providers will register with FMCSA and self-certify they meet the requirements for a training provider.

Drivers required to complete the Entry-Level Driver Training (ELDT) will need to select a provider from the Training Provider Registry. Since providers are self-certifying, FMCSA recommends drivers to do a little due diligence before selecting a provider. The driver can use two different providers for the theory and BTW training as long as both are listed in the registry and compliant. However, the BTW (range and public road) training must be completed by the same provider. The rule does not mandate a number of hours or miles to be spent in the theory or BTW training.

Once the training is completed and the driver has proven to be satisfactory, the provider will submit the certificate to FMCSA. FMCSA will transmit it to the State Driver Licensing Agency. The State Driver Licensing Agency will update the driver's CDLIS record and verify the certificate prior to issuing the state administered skills and/or knowledge test. Drivers with a Commercial Learners Permit (CLP) prior to February 7, 2020 will not have to meet the requirements of the new ELDT process.

For more information & FAQ about the final rule, click here. For a PDF of the FMCSA presentation on the ELDT, click here.

Register Today for the Grain Industry Emerging Leader Program

The Minnesota Grain and Feed Association is excited to partner with the Northern Crops Institute (NCI) to bring you a premium leadership training course. The mission of the course is to prepare current grain industry personnel to transition to a managerial/leadership role. The course consists of two parts with participants having the flexibility to attend either part or both.

Part 1: Merchandising to Leadership

This course will provide an overview of grain merchandising as it applies to grain elevator management.

Objectives
- Understand the cash and futures markets
- Learn merchandising strategies
- Hear from industry professionals about their experiences in grain trading
- Learn about transportation and logistics of grain handling and shipping

Who Should Attend

This course is designed for anyone looking to expand their skill-set and understand the mechanics of grain merchandising as it relates to management. Current elevator employees and anyone with an interest in the topic will benefit from this comprehensive overview. Current merchandisers benefit by relating their role to the managerial aspects of the business.

Discounted rates are available for Association members and for early registration (**early registration deadline is Friday, November 1**). **Space for this program is limited, so don't delay.** Register at: http://www.northern-crops.com/training-courses/2019/12/17/grain-industry-emerging-leader-program

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Sustaining Sponsorship Spotlight – CoBank

Recently named to Global Finance magazine's list of the world's safest banks for 2019, CoBank is a $139 billion cooperative bank serving vital industries across rural America. The bank provides commercial loans, leases, export financing and other financial services to agribusinesses and rural power, water and communications providers in all 50 states. The bank also provides wholesale loans and other financial services to affiliated Farm Credit associations serving more than 70,000 farmers, ranchers and other rural borrowers in 23 states around the country.

CoBank is a member of the Farm Credit System, a nationwide network of banks and retail lending associations chartered to support the borrowing needs of U.S. agriculture, rural infrastructure and rural communities. Headquartered outside Denver, Colorado, CoBank serves customers from regional banking centers across the U.S. and also maintains an international representative office in Singapore.

Since 2015, when MGFA created the Sustaining Sponsor Program, the Association has been grateful to CoBank and all of our Sustaining Sponsors for their annual contribution and support of the various programs and services provided by the Association. Thank You!

MGFA Seeks Candidates for the Annual Community Service Award

Each year at the Annual Convention, the MGFA recognizes a member of the association who has demonstrated exceptional community service and leadership. Past recipients have provided good examples of community leadership and commitment, in the form of community, church and civic group volunteerism, serving as mayor, fire chief or county commissioner, serving on the school board, etc. If you know someone you think is deserving of this recognition, please let us know. A brief application (resume) form would need to be completed, along with the submission of career and family photos. The candidate chosen will be recognized at the convention general session, in the Spring edition of the MGFA member magazine, on our website and in a post-convention media press release. Complimentary convention registration and lodging will also be extended to this deserving individual. Please give this request some serious consideration! You can view the list of past recipients by going to www.mgfa.org > About Us > MGFA Community Service Award.

Pro-AG Farmers Cooperative Seeks Candidates for CEO - General Manager

Parkers Prairie is located 20 miles north of Alexandria (population 13,500); mid-way between Fargo / Moorhead and Minneapolis / St. Paul. Their trade area is in the heart of lake country. For additional information on the Cooperative, go to www.proagfarmers.com. For community and area information go to: www.lakesnwoods.com/parkersprairie.

COMPANY HIGHLIGHTS - The board of Directors of this very financially sound $100 million cooperative headquartered in Parkers Prairie, MN is seeking a replacement for their retiring CEO-GM. Products and Services include: Grain marketing, storage & shipping, full service agronomy, Feed manufacturing & sales - bag & bulk, Seed, Petroleum, Propane, Country Store, Farm Supplies and milk marketing. The Cooperative operates facilities & services in ten communities including Alexandria, Clarissa, Garfield, Parkers Prairie, Brandon, Browerville, Henning, Eagle Bend, Hoffman and Urbank. The company's Grain handle is 13.3 million bushels, with a new unit train loader on the C.P in Hoffman, built to accommodate up to 133 cars; plus 4 truck facilities. They operate 4 Agronomy service centers and 2 feed manufacturing plants plus several retail farm store / bag feed locations, bulk petroleum and a Country Store. They also own 50% of a bulk petroleum LLC with another cooperative.

The cooperative is governed by a nine person board of directors. Eighty full time employees, plus 15-20 part-time employees and 25 seasonal employees provide excellent service to the member patrons. A full employee benefits package including a 401K plan with company match is offered to employees.

REQUIREMENTS - Preferred candidates will have a minimum of 5 years management level experience in Grain operations and Ag Business. Must have a background in grain merchandising, storage and shipment. Prefer experience with Agronomy operations; experience in other products handled helpful. Must possess excellent communication and leadership skills with a thorough understanding of finance, operational controls and planning.

APPLICATION DEADLINE - October 31st, 2019

TO APPLY - Send resume plus 3 references to:

Lee Uldbjerg: uldbjergconsulting@gmail.com; Phone: 320-894-5351 and
Larry Wojchik: lewojchik@gmail.com; Phone: 715-781-2906

Research Brief: Could African Swine Fever Make Its Way Into the U.S.?

African swine fever (ASF), a disease only contagious in pigs and wild boars, has been spreading across the Caucasus region, Europe and Asia since 2007, but has not yet reached the United States. Since the 2018 outbreak in China, the country has slaughtered an estimated 1,170,000 animals.

Following the recent spread of ASF in Asia and western Europe, a team of researchers from around the world, including some from the University of Minnesota College of Veterinary Medicine, set out to measure the risk of ASF entering the United States through the smuggling of pork products in air passenger luggage. Their findings were recently published in the journal Scientific Reports.

The study found:

- the risk of ASF arriving in the United States has nearly doubled since the ASF epidemic began in 2018;
- five specific airports account for over 90% of the potential risk: Newark-New Jersey, George Bush-Houston-Texas, Los Angeles-California, John F. Kennedy-New York and San Jose-California; and
- there is a high probability that the ASF virus is already reaching the U.S. borders through smuggling of pork products; however, likely due to the work of United States Customs and Border Protection, the virus has not entered the country.

“If ASF were to enter the United States, its spread would cause immense economic damage to the pork industry and food production more broadly, leading to the loss of billions of dollars for swine producers,” said study co-author Andres Perez, director of the Center for Animal Health and Food Safety. “Our study’s findings can help support decision-making for disease surveillance strategies in the U.S. swine industry and transportation hubs.”

Perez said that the University of Minnesota Center for Animal Health and Food Safety will continue working closely with Minnesota and U.S. swine veterinarians and producers to increase preparedness and awareness to prevent or mitigate the impact of a hypothetical ASF epidemic.

Perez's expertise includes veterinary epidemiology, prevention and control of food animal diseases and swine health.

Source: AgWeb

Harvest Progress and the Effects on Barge Transportation Markets

The availability of grain is a factor in determining the demand for grain transportation. Using 2019 harvest progress data, this feature examines the relationship between harvest progress and demand for transportation by barge. It shows the current harvest progress is influencing barge transportation.

Pace of the Corn and Soybean Harvests Across the United States
Currently the percentage of harvesting completed is low in general but varies among States, largely depending on how favorable the year's weather was for planting and growing crops in different parts of the country. According to USDA's National Agricultural Statistics Service (NASS), as of October 21, 30 percent of corn and 46 percent of soybeans has been harvested, versus 47 percent and 64 percent, respectively, for the previous 5-year average. This shortfall from the average is partly due to delayed planting from poor weather in the spring, which also caused crop maturity to lag. For example, Illinois and Missouri are 34 percentage points and 22 percentage points, respectively, behind their prior 5-year-average corn harvest progress. Similarly, North Dakota, South Dakota, and Minnesota are 61 points, 43 points, and 39 points, respectively, behind their normal soybean harvest progress. Even where crops have matured, autumn rain in the Midwest has further delayed harvesting. States that have had drier weather, such as North Carolina, have made greater progress than those with wetter fall months.

Harvest Progress and Barge Transportation
Although poor weather and navigation conditions negatively affected overall barge traffic in 2019, the impact has varied by region. The States where harvest has progressed at or above the normal pace (like Texas and North Carolina) either do not use the Mississippi River for barge shipments or (like Tennessee, Mississippi, and Louisiana) have access to the waterways below the locking system. This situation has resulted in a larger share of barges arriving in the Gulf that have not transited the locks. In 2019, 44 percent of the barges being unloaded in New Orleans from July 28 through October 19 did not come through the locks, compared to 40 percent in the same period in 2018.

The Ohio River and its tributaries run through States such as Pennsylvania, Tennessee, and Kentucky that have experienced rapid harvest progress. Because of that fast progress, the locking portion of the river system has experienced high volumes of grain traffic for the year and high recent soybean shipments. At the Olmsted Lock and Dam near the Ohio's confluence with the Mississippi, movements from July 28 through October 19 showed a 24-percent decrease in overall grain shipments from 2018 to 2019. However, at the same location and for the same July-to-October time-span, movements showed nearly a 4-percent increase in soybean shipments from 2018 to 2019. Some States that access the Ohio River, such as Kentucky and Tennessee, are ahead of their average harvest rates while other States that also access the river are behind schedule. Those that are behind—like Illinois, Ohio, and Indiana—produce significantly more grain, corn in particular. For the delayed States, the delays are greater for corn than for soybeans.

Because of slow harvest progress in the North and Midwest, the market for grain shipment by barge has recently been slow, reflected by low barge demand and low rates in the Twin Cities, mid-Mississippi River, and Illinois River. In contrast, rates have recently been higher on the Ohio River and on the "Memphis-to-Cairo" stretch of the Mississippi, a more southern area where Tennessee and Kentucky have river access. However, it is important to note that even in these areas, this year's rates have still generally fallen behind their 5-year averages.

If Northern States do not make adequate progress before the upper portions of the Mississippi close due to freezing, barge transportation will become unavailable, and grain purveyors who would normally ship grain by barge will be forced either to store until the river reopens or ship via a different mode. A decision to store could create high demand for barge shipping in the spring months when the river has reopened.

Source: USDA Grain Transportation Report

Rail Transportation: “We Are In a Freight Recession”

No news is good news—or at least that’s how it seems when the Association of American Railroads (AAR) reports on U.S. rail traffic. But according to some industry analysts, the U.S. Class I freight rail industry is in a recession.

For the week ended Oct. 19, 2019—i.e., **the 42nd straight week of U.S. traffic downturn**—total U.S. weekly rail traffic was 507,381 carloads and intermodal units, down 8.6% compared with the same week last year, according to AAR.

Total carloads for this week were 245,002 carloads, down 7.8% compared with the same week in 2018, while U.S. weekly intermodal volume was 262,379 containers and trailers, down 9.3% compared to 2018.

Two of the 10 carload commodity groups posted an increase compared with the same week in 2018. They were chemicals, up 954 carloads, to 31,720; and petroleum and petroleum products, up 757 carloads, to 12,718. Commodity groups that posted decreases compared with the same week in 2018 included commodities such as coal, down 10,991 carloads, to 75,083; metallic ores and metals, down 3,640 carloads, to 19,706; and motor vehicles and parts, down 2,456 carloads, to 14,749.

“It’s time to call it out: U.S. Class I rail freight is in a recession,” says railroad economist and *Railway Age* Contributing Editor Jim Blaze. “Any traffic volume approaching a 10% year-over-year drop is a clear warning sign. This is particularly bad news if the flagship service is intermodal. The U.S. rail market has seen three quarters of decline year-over-year. That more than satisfies the classical two quarters of decline, or contraction, in GDP terms. A recession occurs when there are two or more consecutive quarters of negative economic growth.

“When an economy is facing recession, business sales and revenues decrease, which cause businesses to stop expanding. Based on my 21 years working mostly on the executive floors at Conrail, I have seen this kind of trending decline data pattern before. It eats away at the confidence level of the so-called ‘inner core’ of rail executive officers.

“The typical response of executives who have watched railroads lose market share for decades is to cut back on peripheral expenses and cut capex budgets for the coming month or year, and to find ways to aggressively cut variable expenses per train start.

“Since the railroad companies do not directly sell retail intermodal services themselves, but reply upon others ‘to carry their water’ so to speak, the natural tendency is to corporately retrench. A few, such as BNSF or CN, might try to buck the recessionary corporate fear. But overall, a negative fear permeates companies that are too often a shipper’s second choice.

“I have witnessed this pattern as a railwayman before.”

For the first 42 weeks of 2019, U.S. railroads reported cumulative volume of 10,600,083 carloads, down 4.1% from the same point last year; and 11,187,351 intermodal units, down 4.3% from last year. Total combined U.S. traffic for the first 42 weeks of 2019 was 21,787,434 carloads and intermodal units, a decrease of 4.2% compared to last year.

Source: Railway Age

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