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## **“Win-Win” Plan Rewards Clean Farmers, Reduces Pesticide Use Innovative Mill Fee Proposal Could Bring \$60 Million to Farmers, Save State Money**

Global competition, suburban encroachment, tighter regulations, and rising input costs are making farming in California more difficult and, in some cases, less profitable. At the same time, pesticide pollution from farming is causing significant harm to California’s surface and groundwater, air quality, and human health. But there is a way to reduce pesticide use, protect the environment, and help farmers stay competitive according to a new report, “Investing In Clean Agriculture: How California Can Strengthen Agriculture, Reduce Pollution And Save Money,” published today by the Pacific Institute.

“Business as usual isn’t working for our state,” declared Dr. Gary H. Wolff, author of the report and Principal Economist and Engineer with the Pacific Institute of Oakland, California. “Our plan will reduce pesticide use, protect public health, preserve the environment, and help California’s farmers stay competitive in a rapidly changing economy. We think this will be a win for consumers, a win for taxpayers, and a win for agriculture.”

A US Geological Survey study of groundwater wells in the San Joaquin-Tulare Basin found at least one pesticide in 59 of 100 samples. But current efforts to reduce pesticide pollution are caught up in the courts. The rebate approach creates a voluntary incentive to reduce pesticide use while leaving it up to farmers to figure out the best way forward.

“The Pacific Institute’s innovative proposal will reward farmers who are willing to learn about farming practices that protect water quality,” noted Leland Swenson of the Community Alliance With Family Farmers. “It is a voluntary and incentive-based way for farmers to respond to water quality regulations and keep pesticides out of drinking water.”

The report describes how farmers can be rewarded for learning voluntarily about sustainable agricultural practices. A modest increase in the statewide “mill” fee, now levied on pesticides, is returned to farmers who take a short course on sustainable agriculture techniques and storm runoff management. This helps farmers stay competitive while reducing pesticide use – which will protect human health, preserve the environment, and eventually save taxpayers money by reducing medical costs.

“Everybody wins if we can reduce our dependence on pesticides,” said Jonathan Kaplan of NRDC. “As the head of California’s Department of Pesticide Regulation just stated, ‘Integrated Pest Management is good for our economy as well as our environment’.”

The report estimates that the voluntary program and fee increase could bring \$60 million per year into the agricultural sector while also bringing the most cutting edge research on sustainable farming techniques to those in the field.

The full report is available online without charge: [http://pacinst.org/reports/clean\\_ag](http://pacinst.org/reports/clean_ag)

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# Investing in Clean Agriculture Fact Sheet

By the Pacific Institute of Oakland, California ([www.pacinst.org](http://www.pacinst.org)), 2/8/05

**The Problem:** Pesticide pollution from farm run off is contaminating our air and water, which harms workers, the environment, and public health.

- Pollution in runoff from farms affects the water supply of at least 20 million Californians. (“Investing in Clean Agriculture,” Pg. 8)
- At least one kind of pesticide contamination was found in 59 of 100 domestic groundwater wells in the San Joaquin-Tulare Basin according to a 1998 US Geological Survey report. (“Investing in Clean Agriculture,” Pg. 12, Box 2)
- Some 175 million pounds of regulated pesticide applications were reported in 2003, a 4 percent increase from 2002 according to just-released data from the California Department of Pesticide Regulations (DPR). Although year-to-year variations are normal, this continues the trend noted in our report and has spurred the head of DPR to begin a new push for Integrated Pest Management (IPM). (Department of Pesticide Regulation, 1/26/05)
- Use of chemicals classified as reproductive toxins also increased from 2002 to 2003 with a 2 percent increase in pounds applied and a 1 percent increase in cumulative acres treated. A similar pattern applied to suspected carcinogens as use of these chemicals grew 7 percent by weight and 11 percent in cumulative acres treated. (DPR, 1/26/05)
- According to Mary-Ann Warmerdam, head of California DPR, “the need for least-toxic pest management methods has never been greater” because “agriculture faces legal and legislative mandates to improve air and water quality, while urban areas are under similar pressure to reduce runoff and pesticide risks in schools.” (DPR, 1/26/05)

**The Solution:** Encouraging clean agriculture without harsh regulations by using financial rewards and voluntary programs.

- The Pacific Institute’s proposal is voluntary and leaves it to farmers to best decide how to reduce pesticide use. Our proposal could net farmers up to \$60 million more in incentive payments than they would pay in higher Mill fees. (“Investing in Clean Agriculture,” Pg. 7)
- According Mary-Ann Warmerdam, head of California DPR, “IPM projects sponsored by DPR have already demonstrated success in these areas.” And, “our experience shows that IPM is good for our economy as well as our environment.” Creating “a win-win situation for business, workers and the public, and for our air and water.” (DPR, 1/26/05)

## Sources:

“DPR releases 2003 pesticide use data; Director emphasizes reduced-risk strategy” By California Department of Pesticide Regulation. January 26, 2005. Release is available online: <http://www.cdpr.ca.gov/docs/pressrls/2005/050126.htm>

“Investing in Clean Agriculture: How California Can Strengthen Agriculture, Reduce Pollution and Save Money.” By Dr. Gary H. Wolff, Principal Economist and Engineer, Pacific Institute of Oakland, California. January 2005. Report is available online: [http://pacinst.org/reports/clean\\_ag](http://pacinst.org/reports/clean_ag)