

AG ISSUES UPDATE

Edited by Brad Hollabaugh
June, 2016

House Members Weigh in on H-2A Delays

This week a letter was finalized from Members of the House of Representatives to the Secretary of Labor and the Administrator of the U.S. Citizenship and Immigration Services calling on them to streamline the H-2A program where possible and work to stop the delays that currently exist. USApple played a leadership role in organizing the letter and garnering support for it.

"For the past two years, H-2A employers have experienced unacceptable delays in the processing of labor certifications, visa petitions, and interviews for final border crossing and arrival on farms and ranches. We fully support efforts to ensure that both employers and employees comply with the statutory requirements of the H-2A program. We believe there are significant measures that the three agencies involved could, and should, put into place that do not require legislation or even a major regulatory change. Implementing these measures could significantly improve the situation for growers and ranchers while the agencies continue to fulfill their duties to protect the rights of domestic workers and provide for our homeland security."

Led by Reps. Newhouse (R-WA), DelBene (D-WA), Stefanik (NY) and Bishop (GA), the letter garnered more than 100 signatures. Virtually all of the members from apple growing districts signed including: Benishek (R-MI), Collins (R-NY), Costa (D-CA), Denham (D-CA), Farr (D-CA), Garamendi (D-CA.), Gibson (R-NY), Hanna (R-NY), Heck (D-WA), Herrera Beutler (R-WA), Huizenga (R-MI), Hurt (R-VA), Katko (R-NY), Kelly (R-PA), Kuster (D-NH), Labrador (R-ID), Larsen (D-WA), Maloney (D-NY), McMorris Rodgers (R-WA), McDermott (D-WA), Miller (R-MI), Moolenaar (R-MI), Nunes (R-CA), Perry (R-PA), Reed (R-NY), Reichert (R-WA), Simpson (R-ID), Slaughter (D-NY), Thompson (R-PA), Upton (R-MI) and Welch (D-VT).

The strong showing in the House is significant. Election year politics coupled with sensitivities on immigration and guest worker issues makes this level of support unusual and quite impressive. It is due in large part to the personal experience that many of these offices have had with constituents struggling to navigate the H-2A program and the ongoing effort by the apple industry and others to educate staff and keep the issue of labor "alive."

USApple and others in our coalition are working on a similar letter in the Senate. (USApple, *Apple Bites* - 6.14.16; Staff Contact: Diane Kurrle)

HHS Audit Critical of FDA Food Recall Program

A just released report from the Office of Inspector General (OIG) of the Department of Health and Human Services (HHS), the parent agency of the FDA, was critical of the FDA's food recall program.

In announcing the results of the audit, the OIG stated, "Our ongoing audit of FDA's food recall program found that FDA did not have an efficient and effective food recall initiation process that helps ensure the safety of the Nation's food supply. Specifically, FDA did not have policies and procedures to ensure that firms or responsible parties initiated voluntary food recalls promptly. As a result, consumers remained at risk of illness or death for several weeks after FDA was aware of a potentially hazardous food in the supply chain.

We suggest that FDA update its policies and procedures to instruct its recall staff to establish set timeframes for (1) FDA to request that firms voluntarily recall their products and (2) firms to initiate voluntary food recalls."

According to a number of news sources, Dr. Stephen Ostroff, FDA deputy commissioner for foods and veterinary medicine, said in a blog post, "The agency is now expediting changes already under way to strengthen its compliance and enforcement strategies, including voluntary and mandatory recalls. This includes, in individual situations, specifying timeframes for voluntary action by the firm and, if necessary, enforcement action by the agency." (USApple, *Apple Bites* - 6.14.16; Staff Contact: Mark Seetin)

Kurrle and Bancroft Team Up for Hill Visits

USApple Senior Vice President Diane Kurrle and Pennsylvania Apple Marketing Board Executive Director Julie Bancroft teamed up June 7 and 8 for apple meetings with the Pennsylvania congressional delegation.

Bancroft and Kurrle met with staff for Senators Bob Casey and Patrick Toomey as well as Reps. Shuster, Perry, Kelly, Thompson and Costello. Labor issues dominated the discussions and they used the opportunity to encourage the House members to sign-on to the H-2A letter being circulated by Rep. Dan Newhouse (R-WA) and others. Both Bancroft and Kurrle found the day to be mutually beneficial and provided an opportunity to further extend the apple reach in Congress. (USApple, *Apple Bites* - 6.14.16; Staff Contact: Diane Kurrle)

Pensions Set to Eat Up More of State Budget

Pennsylvania's public pension problem is only getting worse. And each day without legislative action to combat the \$55 billion in underfunded pension liability, the state's debt will only grow. In the coming years, Pennsylvania's pension obligation is set to take up an increasingly larger amount of public money.

In 2017, the state is projected to spend \$527 million more than the previous year on pension payments. By 2021, the state will use \$3.6 billion of taxpayer dollars for pension payments. That shrinks the amount of money available for other needs, like State Police, road construction and agriculture programs—without an increase in taxes for a new source of revenue.

The good news is, however, Pennsylvania is expected to reach the peak of its pension debt during the 2017-2018 fiscal year—at \$63.9 billion—and will soon begin a long climb towards solvency.

Pennsylvania has two public pension systems—one for state government workers and the other for school district employees. A number of factors have led to the state's current pension crisis, including poor market performance and underfunding by previous legislative actions. Employees enrolled in both systems have repeatedly met their obligation by contributing into the system.

School districts across the state are also facing similar problems. Each of the state's 500 school districts have approached the problem differently, but the common theme is that school budgets will be increasingly dedicated to pension payments, at the detriment of other programs and spending. It's likely that many school districts will turn to increased property taxes to pay for pension obligations. As farmers are the largest landowners in many school districts, the tax burden will unfairly fall to them.

USDA Survey Points to Honey Bee Troubles

For the first time, the U.S. Department of Agriculture has conducted a survey aimed at measuring the extent of honey bee loss due to colony collapse disorder. The survey of 23,000 bee keepers—including hobbyists with smaller colonies—shows an 8 percent decline in colonies between 2015 and 2016. Survey data also shows that Varroa mites are the leading stressor affecting larger colonies. The initial survey data is important because it establishes a baseline comparison against future honey bee losses.

Bee keepers across the country have been confronting colony collapse disorder, which causes significant die-off of bees over the winter. Scientists believe a host of factors, including mites, poor genetics and nutrition, are causing a decline in honey bee health. USDA staff are also conducting several research projects aimed at gaining a greater understanding of what is impacting honey bee colonies. That research includes:

- A national bee gene bank organized by the Agricultural Research Service will help preserve the genetic diversity of honey bees, and examine the traits that help those bees' better combat pests or disease.
- Examining seasonal pollens to determine if it impacts bees' immune response to stress—and if location has any impact.
- A project to determine the rate of colony survival, and return on investments, based on two strategies for controlling Varroa mites.

Pension Reform Plan Passes State House Committee

A state House committee approved a hybrid pension reform plan that would move some workers to defined contribution plan. House Bill 1499 (Rep. Mike Tobash, R-Schuylkill / Dauphin) would create a two-tiered system for new employees, in a move to address the state's mounting public pension debt. The bill now heads to the full House for consideration.

The bill calls for converting new employees to a 401(k)-style system for school district and state workers earning more than \$50,000 per year and for all income earned after 25 years of service, according to the *Patriot-News*. All new hires would start with a baseline pension based on a formula that includes years of service multiplied by 2 percent of final average salary, the newspaper reported.

Tobash said the bill is needed to address the state's \$50 billion public pension debt, saving \$9.9 billion over a 30-year period. "This bill seeks to stop the bleeding from within the current systems," he said. "It's the first step in making progress with this massive issue."

Pennsylvania's two "defined benefit" public pensions—one for school employees and the other for state government workers—are underfunded due to poor market performance and other factors. Converting to a "defined contribution" type plan would help to create a more sustainable pension system for public employees.

PFB Reiterates Opposition to Sunday Hunting in Hearing

Pennsylvania Farm Bureau does not believe the quest to grow the ranks of hunters will be solved allowing Sunday hunting. Instead, the move may harm relationships built between farmers and landowners, PFB said in testimony before the Senate Game and Fisheries Committee.

Senate Bill 1070, introduced by Sen. Jim Brewster and sitting in the committee, would allow the Pennsylvania Game Commission to expand current Sunday hunting options.

Joel Rotz, Pennsylvania Farm Bureau's senior director of state government affairs, said categorizing the restriction on Sunday hunting as an "arcane blue law" fails to acknowledge those who will be most closely impacted by that repeal—farm families.

"What is most frustrating to farmers in this debate is the arrogance of the assumption that private land should be available to hunters seven days a week with no recognition of the fact that farms are not only privately-owned businesses, but family homesteads as well," Rotz said.

While proponents have argued opening Sundays will allow more youth to hunt, they fail to acknowledge that youth sports and other activities already occur throughout the weekend, Rotz said. Pennsylvania farmers support additional days afield, as long as they are not held on Sundays. And there are options the Game Commission can consider—without needing approval from the General Assembly. For instance, the Game Commission could open a youth, rifled deer season on the Friday following Thanksgiving.

"This is just one example of some creative thinking that the Game Commission can act upon without any involvement by the General Assembly and while not interfering on others' use of public and private lands on Sundays," Rotz said.

While landowners are welcoming of additional hunting opportunities, a survey suggests 80 percent of landowners do not support an expansion of Sunday hunting. In addition, 18

percent of those respondents said they would close their land if Sunday hunting was expanded. Private land represents the vast majority of land open to hunting.

Farmers and landowners have concerns about trespassing—whether intentional or otherwise. If just one percent of the estimated 950,000 hunters trespass on private property “it is 9,500 instances of someone violating the privacy of the landowner and his or her own family,” Rotz said.

Keeping the current Sunday hunting restrictions in place has long been a stance of our farmer members, developed through our grassroots policy process. Farmers are not convinced that opening Sundays to hunting can be done in a way that will alleviate their concerns, Rotz said. Instead, farmers want to continue to develop programs that assist with wildlife damage, while allowing hunter access.

IRRC Rejects Proposal to Cap Generating Systems Qualifying for Net Metering

The Independent Regulatory Review Commission rejected a proposal from the Pennsylvania Public Utility Commission that would have capped the capacity of generating systems operated on farms and private lands that would receive “net metering” treatment of excess electricity supplied to the public. “Net metering” essentially allows farmers and other generators of renewable energy to receive a rate on excess electricity supplied that offsets the retail rate they pay for electricity they consume.

The PUC had proposed to cap the generating capacity of systems qualifying for net metering treatment at 200 percent of the annual amount of electricity the generator’s actually uses. Net metering is one way that renewable energy users are able to pay back the costs of the system. Farmers have utilized methane, wind and solar systems on their properties to run their businesses. Net metering helps pay down those up-front operating costs. Pennsylvania Farm Bureau opposes caps on net-metering, and lobbied the PUC and General Assembly against adoption of proposed regulations during the public comment period.

“Development of solar and wind energy systems provide farmers the opportunity to manage their farms in a more economically efficient and environmentally efficient manner,” PFB said in comments.

USFRA Workshop: Help Farmers and Ranchers Talk to Consumers about Sustainability

Participants can learn new ways to talk to consumers about sustainable farming and ranching during a workshop at Ag Progress Days this summer. The U.S. Farmers and Ranchers Alliance (USFRA), in conjunction with Pennsylvania Farm Bureau (PFB) and Penn State University’s College of Agricultural Sciences, will host the workshop on August 16 at 2:30 p.m.

The training session, which is free and open to farmers and ranchers, will focus on new messaging that can be used when talking with and answering questions from consumers

about sustainability. It will be held in the Special Events Building on the Ag Progress Days grounds in Centre County.

USFRA conducted research to determine the key areas of sustainability that consumers are most concerned about. They include, water, air, soil, and habitat. The training session will provide tools, including hard copy takeaways, for communicating your message of sustainability in those key areas. The event is one of several training sessions USFRA will host throughout the summer of 2016. USFRA, of which PFB is a member, was created to earn consumer trust in U.S. food and agriculture.

USDA Creates Website for Beginning Farmers

The USDA has launched a website to guide those who are pursuing a career in farming. The user has access to specific information such as risk management, taxes, labor and farm safety and will be able to design a business plan. A section is devoted to women interested in farming. The site is designed to help younger producers enter farming as older producers prepare to retire. The website is *newfarmers.usda.gov/women-ag-success-stories*.

Pennsylvania Lifts Poultry Ban at Fairs, Farm Show

Pennsylvania has lifted the year-long ban on showing poultry at local fairs, opening the possibility for youth to compete at summer events. In addition, the lifting of the ban will allow poultry exhibits to return to the 2017 Pennsylvania Farm Show. The ban was put in place last summer to help prevent the spread of Highly Pathogenic Avian Influenza.

The ban will resume immediately if avian influenza is found in Pennsylvania or a contiguous state. To date, no cases of the virus have been discovered in the state's poultry flock. However, the disease impacted numerous Midwest states, causing significant declines in poultry populations. Pennsylvania instituted several rules to prevent the spread of avian influenza into the state—or contain it if discovered locally. That included a moratorium on poultry displays at the Farm Show and county fairs.

“Through the efforts of many, we’re fortunate that Pennsylvania and the United States is not currently experiencing HPAI. This gives us the comfort level to lift the poultry ban,” said Agriculture Secretary Russell Redding. “The prospect of another outbreak is always there, which is why we have to remain vigilant, have flock plans in place and continue practicing good biosecurity measures.”

The Pennsylvania Department of Agriculture is developing a 30-day testing protocol for any poultry exhibits at county fairs. Any poultry must be tested for avian influenza within 30 days prior to the opening date of an exhibit.