AG ISSUES UPDATE Edited by Brad Hollabaugh June, 2012

DOL Formally Withdraws Child Labor Proposal

The Labor Department has formally withdrawn its proposed child labor regulation and published a notice stating this in the Federal Register, as required by law. DOL officials have stated their intention to work with agricultural groups to promote farm safety.

AFBF participated in a meeting with DOL officials last week to discuss child safety programs currently available and explore what support role, if any, the Agriculture Department can have in furthering the success of those programs. Additional meetings are planned and will include representatives from FFA, 4-H, the Association of Ag Educators, National Farmers Union and the National Association of State Departments of Agriculture.

Senators Adopt Budget that Restores Most Agriculture Funding

Pennsylvania Senators have adopted a budget, with strong bipartisan support, that restores funding to several agricultural programs that were cut in the budget proposed earlier this year by Gov. Tom Corbett.

Funding for agriculture programs like Cooperative Extension as well as research and funding for fairs would paid for through the state's General Fund, instead of the Race Horse Development Fund, as Corbett has proposed.

A budget advanced by Corbett in February called for the elimination of programs such as the Center for Dairy Excellence, agriculture research, commodity promotion and some livestock shows. Under the budget adopted by the Senate, funding is returned to last year's level. Senators also added \$500,000 in funding for the trademark licensing of the "PA Preferred" program.

Many agriculture organizations were concerned that the elimination of some state programs would be detrimental to both agriculture and consumers. The budget adopted by the Senate does call for funding farmland preservation for the next two years from the sale of bonds from the Growing Greener Two. However, after that two-year period is completed, farmland preservation funding will again be paid through cigarette tax revenue.

The Pennsylvania Department of Agriculture receives about \$20 million annually from the cigarette tax fund for farmland preservation.

Members of the House of Representatives must also approve a budget, and Gov. Corbett has to agree to the spending plan.

PA House Committee Clears Vehicle Code Bill

Legislation that would modernize the state's Vehicle Code governing farm equipment has been passed by the House Agriculture & Rural Affairs Committee. It now moves on to the full House for consideration. Committee members approved five bills that will update the state's

Vehicle Code to allow farmers to safely and legally move equipment between farms and the field.

The bills would increase the width allowances for farm implements of husbandry to 16 feet, for both daytime and nighttime use. Implements wider than 14 feet 6 inches would be required to have an escort vehicle when operated or moved on roads. And when operated at night, these implements would also be required to comply with special lighting requirements.

Other amendments would increase the distance that Type C farm trucks exempt from registration (over 17,000 pounds with annual inspection) may be operated to 50 miles from or between farms; increase the distance that multipurpose vehicles may be used between farms to five miles; and automatically exempt trailers towed by implements and farm trucks from registration requirements when operated within 50 miles of the farm.

PFB Testifies in Support of Bill to Expand Scope of Liability Protection for Landowners Pennsylvania Farm Bureau testified recently before a House committee in support of amendments to the Recreational Use of Land and Water Act proposed in House Bill 1495.

The bill, proposed by Dan Moul, R-Adams, would expand the act's protection from landowner liability to include motorized activities (motorcycle, ATV and snowmobile riding) and land features normally associated with recreational use (such as trails, boat ramps, fishing piers and parking areas).

Landowners opening their lands to the public without charge for recreational use are protected from liability under this law. The bill clarifies the conditions under which landowners would not be protected under the Act to reflect what most believe to be the law's original intent - where the owner intended to cause harm or showed utter indifference to the safety of others. If a landowner is sued and a judge rules they are protected by the act, under the bill, that landowner would be entitled to receive attorney fees incurred in the defense.

John Bell, PFB's Governmental Affairs Counsel, said the bill significantly addresses landowners' concerns about liability and will increase their willingness to open private lands for recreational use.

Senate Passes Bill Protecting Landowners from Game Code Violations

The Pennsylvania Senate has unanimously approved a bill that prevents landowners from being prosecuted for Pennsylvania Game Code violations committed by hunters who are given permission to use the property.

Senate Bill 1403, sponsored by Sen. Richard Alloway, R-Franklin, chair of the Game and Fisheries Committee, clarifies that landowners cannot be held liable for a hunter's violation of the game code simply because he or she gave permission to take game or wildlife on their land.

For example, if a farmer gives a hunter permission to hunt on his land, and that hunter takes an animal out of season, the farmer cannot be held liable for the Game Code violation. There

is an exception made, however, if a fee, payment or gratuity is paid by the hunter to the landowner. The legislation now heads to the House for consideration.

Penn State part of USDA Stink Bug Study

Penn State has started work on its portion of a \$57 million study funded by the U.S. Department of Agriculture that will develop sustainable pest-management practices for stink bugs. University researchers are studying stink bug biology and behavior and developing a monitoring and management tools and practices that can be provided to producers.

One of the goals is to use integrated pest management practices to control stink bugs. IPM uses methods like biological controls, pheromones for mating disruptions and other new techniques instead of relying just on pesticides.

Stink bugs have been causing problems in the United State the past few years, particularly with fruit growers. The invasive species, natives to Asia feasts on fruits causing damaging and making them unsellable on the wholesale market. They have also been found to feed on corn and soybeans.

"It's too soon to tell what type of affect the mild winter and warm spring will have on stink bug populations," said Greg Krawczyk, extension tree-fruit entomologist with Penn State."Warm March weather and the early emergence of plants gave stink bugs plenty to feed on. A cooler April could have thinned the population back some," he said.

Pennsylvania Congressman Serving on Committee to Finalize Transportation Reauthorization

Rep. Bill Shuster, R-Blair, is one of 47 members of Congress serving on a special conference committee convened to reconcile differences between transportation reauthorization bills adopted by the House and Senate.

Among the items adopted by the Senate in its transportation reauthorization is key language sought by the Pennsylvania Farm Bureau to clarify rules for farmers hauling equipment and materials to market.

An amendment to the transportation bill, offered by Sen. Patrick Toomey, R-Pennsylvania, would not require states to pass regulations that would subject farmers to requirements such as medical cards, driver hour logs and pre and post vehicle safety inspections for operators of farm trucks. That includes farm vehicles and truck trailer combinations used in carrying the farm's supplies, products and machinery for trips operated entirely within the farmer's home state and within a 150-mile radius of the farm, if the vehicle crosses state lines.

Vilsack Visits Penn State, Acknowledges Need to Fund Research

During a recent appearance at Penn State, U.S. Agriculture Secretary Tom Vilsack highlighted the need to invest in agriculture education and research.

"We will be a government that spends less money, but one that must increase investment in education and research," he said. "The research that's been done over the last 30 years is

nothing short of remarkable. It's happening here, and it's a result of partnerships between Penn State and government entities like USDA."

Penn State is currently working on more than 65 USDA research grants, totaling \$30 million, the department said. Included among these grants is a study of honey bee health and pollinator services, as well as the evaluation of regional food systems.

"Funding university research and extension systems is difficult in an era of reduced government spending," said Bruce McPheron, dean of the College of Agricultural Sciences. Vilsack visited Penn State as part of the commemoration of the 150th anniversaries of the U.S. Department of Agriculture and the act that created the land-grant university system.

Senate Agriculture Committee Approves Farm Bill

Members of the Senate Agriculture Committee have approved a Farm Bill, which now faces full Senate approval. The American Farm Bureau said the bill, while not perfect, presents a solid framework for further work, and approving a Farm Bill this year is critical.

"We will continue to seek improvements in several areas as this bill moves forward, particularly in how to provide more equity among commodities, and ways to better address deep, catastrophic losses. Now that this first phase has been completed, we will continue to assist Senators in any way we can to assemble a final Senate bill that addresses the challenges and risks faced by today's farm families," AFBF President Bob Stallman said.

Highlights from the bill include measures that will reduce about \$23 billion from the federal deficit by cutting direct payments consolidating 23 programs into 13 and cracking down on food assistance abuse. The bill also calls for strengthening crop insurance and expands access for losses from bad weather. Plans also call for expanding export opportunities and helping the creation of more farm-to-markets and farm-to-school opportunities.

MAP Funding at Risk

In mid June, Senator Coburn was expected to offer an amendment to the Farm Bill that would reduce important funding for the Market Access Program (MAP). MAP is an extremely important program for U.S. apple growers and the entire apple industry. Funding from MAP is used to promote apple exports, which comprise over a quarter of annual U.S. apple production. In FY11, the apple industry received \$6 million in export market development funds from the MAP program. These funds were matched by grower dollars to promote apples in over 25 countries throughout the world.

Since this program's inception in 1986, the U.S apple industry has expanded fresh apple exports by nearly 150 percent, due in large part to the foreign promotions made possible by MAP. In 2011, approximately 28 percent of U.S. fresh apple production was exported, with a value of nearly \$900 million. When adjusted for imported apples, the net result is a positive contribution from apple exports to the U.S. balance of trade of over \$741 million. In the case of apples, the return on investment for MAP is over 12,000 percent.

As the return on investment indicates, the direct benefit to the U.S. economy from MAP

supported export income dwarfs the costs of the program. It simply does not make economic sense to eliminate a program that provides such a major benefit to our balance of trade, the U.S. economy and the U.S. apple industry.

Although the outcome is not known at the time of publication, we hope that the action of growers will have prevented the reduction in MAP funding under the new Farm Bill.

AFBF Encourages Crop Insurance Support at Hearing

Speaking before a Congressional subcommittee recently, American Farm Bureau Federation President Bob Stallman emphasized the organization's support of crop insurance programs in the upcoming Farm Bill.

Stallman, addressing the House Agriculture Subcommittee on General Farm Commodities and Risk Management, said AFBF's approach could provide a safety net for farmers, but also stay within budget realities.

"Continuation of a multi-legged stool remains the best approach for providing a fair and effective safety net, which should consist of a strong crop insurance program, continuation of the current marketing loan provisions and a catastrophic revenue loss program," said Stallman.

Members of Congress held the hearing to review commodity programs and crop insurance options for the 2012 farm bill. Stallman based his testimony on the assumption the House Agriculture Committee will draft a Farm Bill that cuts \$23 billion in the next 10 years. AFBF has prioritized strengthening crop insurance and developing a commodity title that encourages producers to follow market signals, rather than anticipated government payments.

USDA Seeks Peer Reviewers for Farmers Market Program

The Agriculture Department invites individuals to share their expertise in reviewing project proposals for the 2012 Farmers Market Promotion Program grants.

The Farmers Market Promotion Program is a competitive grant process designed to expand farmer-to-consumer market opportunities in the U.S. Approximately \$10 million is available for marketing operations such as farmers' markets, community supported agriculture, roadside stands and Agritourism.

Prospective reviewers should have a general knowledge of how locally based, direct farm-to-consumer marketing programs operate. They must also be able to commit approximately 50 to 60 hours during the month of July. Reviewers will evaluate, score and comment on approximately 25 proposals and participate in team discussions for group consensus on final project scores and rankings. There is no travel involved, so interested individuals may participate from anywhere in the country.

USDA is particularly interested in reviewers with diverse perspectives and critical judgment who are:

- Farmers with direct marketing experience
- Members of agricultural cooperatives, producer networks or associations
- Employees from non-profits, public benefit and economic development corporations
- Regional farmers' market authorities or managers
- Federal, state, local or tribal government employees
- Individuals with experience in implementing electronic benefits transfer projects

For additional information or to download an application, visit http://www.ams.usda.gov/AMSv1.0/FMPP

Farmland Values Remain at Record-high Level

According to a recent article from Reuters, strong prices for crops and continued higher farm income caused farmland values to soar during the first quarter of 2012. Farmland sales were strongest in the Plains but also described as firm in the Midwest Corn Belt, according to information compiled by the Federal Reserve.

Non-irrigated cropland in the Plains increased 25 percent in value compared to one year ago, while irrigated farmland was worth 32 percent more. The year-over-year percentage increase in irrigated farmland was the largest ever in the 30 years the survey has been conducted. Compared to one year ago, farmland values in the Corn Belt were up 19 percent compared to the prior year.

USDA Proceeds with Office Consolidation Plan

USDA has announced its decision on Farm Service Agency county office consolidations proposed in January. In total, FSA will consolidate 125 of the 131 offices originally proposed for consolidation with other USDA service centers, consistent with provisions of the 2008 farm bill. Under its Blueprint for Stronger Service, USDA is aiming to modernize and accelerate service delivery while improving the customer experience through use of innovative technologies and business solutions. This includes USDA's plan to close or consolidate 259 domestic offices including the FSA offices, additional facilities and labs, and seven foreign offices.

Two sets of criteria were used to identify FSA offices for consolidation. First, USDA identified FSA offices located less than 20 miles from another FSA office that had two or fewer permanent, full-time employees. Additionally, the proposal included all FSA offices with zero permanent employees regardless of location.

FSA will provide farmers and ranchers affected by consolidations an opportunity to choose the most convenient neighboring county office to conduct their future business. In addition, all employees in a closing office will be provided an opportunity to continue their work with FSA.

Seven Pennsylvania County FSA offices will be consolidated, a process that became effective May 29,2012. The list of counties to be consolidated and each respective receiving office follows:

Closing office

Receiving office

Blair County, Hollidaysburg
Carbon County, Lehighton
Fulton County, McConnellsburg
Lebanon County, Lebanon
Mifllin County, Burnham
Perry County, New Bloomfield
Wyoming County, Tunkhannock

Huntingdon County, Huntingdon Northampton/Lehigh County, Bethlehem Franklin County, Chambersburg Lancaster County, Lancaster Juniata County, Mifllintown Juniata County, Mifllintown Susquehanna County, Montrose

A complete list of FSA county offices affected by the recent decision is available online at http://www.fsa.usda.gov/officeconsolidations.

The Food Dialogues Head to Hollywood

The Food Dialogues hosted by the U.S. Farmers and Ranchers Alliance is heading to Hollywood...Los Angeles to be more precise. Four separate discussions are planned over two days in June to bring together entertainment movers and shakers, chefs, academics, large restaurant operators, journalists, local leaders, farmers and ranchers for an in-depth conversation about food. The panel discussions will take place at an event called "Lights, Camera, Food: Perceptions and Realities of Farming and Ranching in America," which also will be available online at www.fooddialogues.com.

"We are pleased to bring this type of conversation to the forefront in a pivotal location like Los Angeles," said Bob Stallman, chairman of USFRA and president of the American Farm Bureau Federation. "We chose Los Angeles because of the influence the region and its opinion leaders have on popular culture and trends that affect the entire nation—including how we view our food. These in-depth discussions will not only move the conversation forward about how food is grown and raised, but it will also give those in the agricultural industry the opportunity to learn more from consumers and their needs and expectations for the food-growing industries."

The full list of panelists will be announced prior to the events in Los Angeles. Two of the four panel discussions will be streamed live online on June 20 and June 21 from 10 a.m. to 12 p.m. PDT. Those on Twitter can take part by following @USFRA using #FoodD as the hashtag.