

**AG ISSUES UPDATE**  
**Edited by Brad Hollabaugh**  
**November, 2012**

**Election Day is History for 2012**

The presidential election resulted in a second term for President Obama, who earned 303 electoral votes and a small majority of the popular vote based on results available at the time this article was prepared. (Florida's 29 electoral votes were still undecided.) In Congress, the Republican majority was maintained in the House and a Democrat majority held in the Senate.

Pennsylvania also sent Senator Bob Casey back for another term of office. Results in PA were typical with the most populous regions in the eastern and western parts of the state voting with a Democrat majority and most of the rest of the state voting Republican. However, PA's 20 electoral votes were clearly designated to the Democrat party with a five point margin in the popular vote.

In Mitt Romney's graceful concession, "he summoned all Americans to pray for Obama and urged the night's political winners to put partisan bickering aside and 'reach across the aisle' to tackle the nation's problems." (AP, Washington, 11/07/2012)

The country has spoken. However, the critical need for our grassroots work to educate our representatives and lobby for important Agricultural issues has not changed.

**Nearly \$1 Million in Federal Grants Awarded to Help Specialty Crop Industry Grow**

Twenty-one Pennsylvania projects were recently awarded nearly \$925,000 in federal grants to increase the visibility and market share of the state's produce, nursery, horticultural and nut products. The federal grants are part of the U.S. Department of Agriculture's Specialty Crop Block Grant Program, which was authorized under the federal Farm Bill.

The 21 funded projects address a range of priorities in the agriculture industry, including food safety, marketing, nutrition and sustainability. Grant recipients are selected by a state-appointed specialty crop advisory board and approved by the state agriculture secretary. Applications are then collectively submitted for approval to the U.S. Department of Agriculture's Agricultural Marketing Service.

Some of the grant recipients included

- The American Mushroom Institute: \$25,000 for grower food safety education and training and \$40,000 to expand the use of mushrooms in school meal programs;
- The Pennsylvania Apple Marketing Board: \$20,000 to promote Pennsylvania apples;
- The Pennsylvania Vegetable Marketing and Research Program: \$20,000 to promote Pennsylvania produce and \$30,000 to increase strategic partnerships to grow the industry
- More than \$439,000 was awarded to the Pennsylvania Department of Agriculture's bureaus of food distribution, food safety, market development and plant industry.

The grants will allow these bureaus to promote best agricultural practices, continue outreach and educational support of Good Agricultural Practices, support the PA Preferred® branding program and ensure the health of Pennsylvania's tree fruit industry.

For a complete summary of grants, visit [www.ams.usda.gov/scgp](http://www.ams.usda.gov/scgp).

### **2012 Census of Agriculture to be Mailed Soon**

Starting in December, farmers across Pennsylvania can expect to see 2012 Census of Agriculture forms arriving in their mailboxes. Conducted every five years by the U.S. Department of Agriculture, the Census of Agriculture is a complete count of the nation's farms and ranches, and the people who operate them. Participation by agriculture producers is crucial.

Results from the Census are used by USDA and other organizations to develop programs and strategies for the agriculture industry. Results will be used in considering future farm programs, transportation and telecommunications infrastructure, rural economic development, conservation programs and new agriculture technologies.

Additionally, Census data is used by companies and cooperatives to determine locations of new agriculture facilities and by lawmakers when determining farm policies and program. Census questionnaires will be mailed to farm and ranch owners in late December, with forms due back Feb. 4, 2013. Producers can complete the forms by mail, or through a secure website at [www.agcensus.usda.gov](http://www.agcensus.usda.gov).

Information provided by producers is kept confidential and data is only used for statistical purposes.

### **Governor Corbett Signs Legislation Updating State Vehicle Code**

Pennsylvania's farmers have gained substantial relief from long-standing problems associated with locally operated agricultural vehicles now that Governor Corbett has signed legislation to update the state vehicle code. This legislation allows farmers to legally move their farm vehicles to various farm or field sites.

Additional safety measures will also be required under certain conditions as part of the updated vehicle code. This legislation was supported by farmers across the state and PFB. Many companies have already met the new requirements for safety features on their equipment for road travel.

The changes to the vehicle code were accomplished through Senate Bill 390 and House Bills 2371 and 2372. The legislation increases the width allowance for farm implements of husbandry to 16 feet, increases the distance farm equipment and trucks that are used primarily around the home farm can travel from 25 miles to 50 miles and increases the distance a multi-purpose agriculture vehicle, such as a four-wheeler, can travel from two miles to five miles.

## **Apple Cider Prices Spiking Due To Crop Losses From Spring Weather In Parts of US**

Pennsylvania supermarkets are selling the apple cider for as much as \$5.99 a gallon, up \$1 or \$2 over last year. Other stores like Target are selling half-gallons for \$3.99.

The reason for the price spikes has to do with the unusually warm spring weather that sent fruit trees into early bloom followed by a frost that zapped tree buds.

In some prime apple growing parts of the country, orchard owners lost a big bite out of their crops. About 90 percent of the apple crop in Michigan was hit and about 50 percent was wiped out in New York.

Luckily, Pennsylvania's apple crop — with the exception to the northern part of the state where some apple orchards experienced frost damage — looks great, said Karin Rodriguez, executive director of the Pennsylvania Apple Marketing Program. In fact, this year's apple production in Pennsylvania is up over last year. It's estimated the state will produce about 11 million bushels this year, Rodriguez said.

Still, it doesn't erase the fact that there remains a huge apple shortage on the East Coast. Demand is now sending apple prices soaring, and it remains to be seen whether it will stop shoppers from their cider purchases this holiday season.

## **American Farm Bureau Pushes Capital Gains Reform**

Farm Bureau is calling on Congress to reform capital gains taxes because it deters young farmers and ranchers from pursuing careers in production agriculture. The cumbersome tax makes it difficult for current farmers to pass on their operations to the next generation, AFBF said in a statement to the House Ways and Means and Senate Finance Committee's joint hearing on tax reform.

Capital gains taxes apply when land and buildings from a farm or ranch are transferred to a new or expanding farmer while the owner is still alive. This occurs when a farmer wants to expand an operation to take in another family member, or when retiring farmers seek to sell their business to a beginning farmer.

The added tax burden increases the chance that farm and ranch land will be sold for uses other than agriculture. Top capital gains tax rates will increase from 15 to 20 percent next year. Farm Bureau supports a permanent extension of the 15 percent rate.

## **Court Arguments Presented on AFBF/PFB Lawsuit against the EPA**

Attorneys for the American Farm Bureau Federation and Pennsylvania Farm Bureau presented arguments before Judge Sylvia H. Rambo in Federal District Court in Harrisburg recently to challenge the Environmental Protection Agency's Chesapeake Bay cleanup plan.

Farm Bureau and other agriculture organizations are challenging the EPA's authority to dictate how states will achieve water pollution reductions through the use of a "Total Maximum Daily Load" (TMDL) in the Chesapeake Bay. Farm Bureau attorneys argued the federal Clean Water Act gives states, not the federal government, the power to decide how pollution reductions in the bay will be met.

Attorneys for Farm Bureau argued the Chesapeake Bay model used by the EPA to support the TMDL is flawed, and the EPA failed to provide sufficient information on the model during a legally required public comment period.

Attending the session to show support were more than 30 PFB members, Farm Bureau staff from Pennsylvania and neighboring states, and AFBF. Farm Bureau filed suit against the EPA in January 2011, shortly after the EPA released its TMDL plan.

### **Pennsylvania Farm Bureau Produced Show to Available on PFB Website**

A half-hour program, featuring Pennsylvania Farm Bureau members discussing the importance of youth in agriculture, is available on PFB's website at [www.pfb.com](http://www.pfb.com). The show originally aired nationally on RFD-TV.

"Voices of Agriculture" tells the story of young people who have pursued, or are considering, careers in agriculture. While they come from different backgrounds, and commodity areas, each of the farmers profiled became interested in agriculture as either youths or young adults.

The show also touched upon an attempt by the federal Department of Labor to change the types of tasks youth were able to perform on farms. Had those changes gone through, it would have had a devastating impact on the ability to train and prepare the next generation of farmers.

### **USFRA Unveils FoodSource Online Information Destination**

The U.S. Farmers & Ranchers Alliance has unveiled USFRA FoodSource. The online resource was designed to provide accurate information about food in a one-stop destination.

"USFRA recognizes that consumers have questions and want to learn more about how their food gets from the farm to their plate," said Bob Stallman, chairman of USFRA and president of the American Farm Bureau Federation. "With so much information available to consumers today, we wanted to create one destination that compiled factual and unbiased information on food production. This new site, USFRA FoodSource, provides these resources and also adds the voice of farmers and ranchers responsible for raising and growing the food we eat."

USFRA FoodSource can be found at [www.fooddialogues.com](http://www.fooddialogues.com).