

**AG ISSUES UPDATE**  
**Edited by Brad Hollabaugh**  
**July 2017**

**USApple Weighs in With Trump Administration with Trade Concerns**

On Tuesday, July 11, a coalition of USApple and 17 other major producer organizations sent a letter to Commerce Secretary Wilbur Ross raising concerns with the Administration's potential decision to restrict the importation of steel and aluminum. Many countries that export steel to the U.S. are also large importers of U.S. agricultural products, including Mexico.

There is strong concern that if importation of steel is restricted, the impacted countries including Mexico, could impose retaliatory tariffs or stall efforts to resolve other current trade issues. The letter implores the Administration to "consider the consequences to the rest of the U.S. economy and avoid igniting a trade war through new restrictions on steel or aluminum trade."

In addition to the letter, Diane Kurrle followed up to discuss with White House staff specific apple examples of the potential impact. Shortly after the letter was sent, Jim Bair participated in a small meeting of business group CEOs with Secretary Ross. Bair raised the agriculture sector concerns and personally presented the letter to Secretary Ross and his top staff.

USApple will continue to follow this issue closely and will remain active in the agriculture trade coalition efforts. *Apple Bites - 7.12.17; Staff Contact: Diane Kurrle*

**USApple Files Comment Letter on Bifenthrin with EPA**

The agricultural community has been very concerned about the EPA's aggressive regulatory actions that could ultimately remove important crop protection chemicals from the marketplace, and have a far-reaching impact on pest management practices. One example is the case of bifenthrin (Brigade™, Capture™, Talstar™ and others), from a class of insecticides known as pyrethroids.

The concern of USApple and the broader agricultural community is that driven by pressure from anti-pesticide organizations, the Agency may be overreaching its legal authority by not utilizing a science-based approach in pesticide regulation.

In response to EPA's request for comments, USApple filed a comment letter that describes the importance of crop protection chemicals like bifenthrin, which is widely used by the apple industry in Integrated Pest Management (IPM). More importantly, bifenthrin is one of only a few compounds that effectively control the **Brown Marmorated Stink Bug (BMSB)**. The comment letter includes background on the use of bifenthrin in apple production and its importance as a tool to control the BMSB. *Apple Bites - 7.12.17; Staff Contact: Mark Seetin*

**EPA and Army Propose to Rescind Controversial WOTUS Rule**

In a major victory for the agricultural community, the EPA and the Army Corps of Engineers have proposed to rescind the controversial "Waters of the United States" (WOTUS) rule that was finalized in 2015. USApple was part of a broadly based agricultural coalition that opposed the rule on the basis that it represented an unjustified expansion of federal jurisdiction over streams and wetlands under the Clean Water Act.

The rule was universally opposed by the agriculture community as an unnecessary, and potentially illegal, expansion of federal authority onto what are currently privately-owned lands. Under the

Obama Administration rule, growers would have faced a difficult and often ambiguous situation in which federal agencies could exert their authority over land that was often far from a navigable water.

On February 28, President Trump signed an executive order directing the agencies to "review and reconsider" the 2015 rule. The action to rescind the rule is the first step in the process. The agencies have already begun deliberations and outreach on the second step of rulemaking involving a re-evaluation and revision of the definition of "waters of the United States" in accordance with the Executive Order.

Information on the EPA - Corps announcement is available at [www.epa.gov/wotus-rule](http://www.epa.gov/wotus-rule)  
*Apple Bites - 6.30.17, Staff Contact: Mark Seetin*

### **Deadline to Comply with New Water Rules for Produce Extended**

The U.S. Food and Drug Administration is pushing back the deadline for produce farmers to comply with new agricultural water regulations as it considers whether to simplify the requirements.

The agency is considering revising the rule in response to criticism that it is overly complex, making it difficult to understand and implement. The regulation, established by the Food Safety Modernization Act, sets microbial quality standards for agricultural water that comes into contact with produce in an effort to prevent contamination.

The FDA has not yet determined how long the compliance deadlines will be extended but said the delay will give the agency a chance to work with stakeholders and offer farmers an opportunity to review their practices. The original deadlines were staggered by farm size and the first round had been due to adhere to the new standards by January 2018. The extension does not apply to farms that grow sprouts.

### **Parts of State Budget Finalized**

The main part of Pennsylvania's 2017-2018 budget is now law although, as of mid-July, funding for some programs — including several important to agriculture — remained in flux.

Gov. Tom Wolf allowed the spending plan, which passed the General Assembly June 30, to become law without his signature as lawmakers continued to hash out a plan to raise the money needed to cover a \$2 billion gap between the spending called for and available revenue.

The plan funds the state Department of Agriculture's general operations at just more than \$31 million, restoring \$1.5 million that officials had said was crucial for programs such as PA Preferred, Farmland Preservation and food inspection. But the outlook for other agriculture priorities was unclear.

The state Senate passed a separate bill fully restoring the state's \$30 million contribution to the University of Pennsylvania School of Veterinary Medicine, which plays a critical role in helping farmers produce healthy food, monitor for diseases and train the next generation of Pennsylvania veterinarians. But that bill had not passed the House as of mid-July.

Funding for Penn State Extension also remained in flux as of mid-July. That spending bill passed the Senate but not the House.

### **PA. Pension Overhaul Becomes Law, Further Action Sought**

A long-sought effort to overhaul Pennsylvania's public pension system and shift the responsibility of making up future funding shortfalls away from taxpayers is finally law.

The General Assembly passed and Gov. Tom Wolf signed legislation that ends defined-benefit pensions for new state and public school employees and, instead, offers workers a choice between three retirement plans that combine elements of traditional pensions and 401(k)-style plans.

But while the change limits taxpayers' risk of being on the hook for major shortfalls in the future, it does not address the more than \$70 billion unfunded liability in the current pension system that is straining state budgets and prompting school districts to cut programs and raise property taxes.

"While changes under the new pension law will likely be helpful in the future, the absence of a meaningful plan to reduce the current pension debt load will continue to drain Pennsylvania's financial resources and likely result in higher real estate property taxes for landowners and cuts to services in many school districts across the Commonwealth," said PFB President Rick Ebert. "Because farmers need to own large amounts of land to remain economically viable, they are often hit the hardest by increasing property taxes."

### **Noxious Weeds Update Passes Senate Committee**

An update to the state laws governing control of noxious weeds has cleared its first hurdle in the state Senate. House Bill 790, by Rep. Eddie Day Pashinski of Luzerne County, was approved by the Senate Agriculture and Rural Affairs Committee and now heads to the full chamber for consideration.

The measure would add to the list of noxious weeds to be controlled several new species that are adversely affecting agriculture. It would also, by default, include weeds that are on the federal list and allow the state Controlled Plant and Noxious Weed Committee to conduct studies to add or delete plants from the list. The bill would also allow beneficial weeds with the potential to become invasive — such as *Miscanthus*, which is used for biofuel — to be cultivated in a controlled environment with a permit for research.

### **State Senate Committee Approves Wind Power Bill**

A state Senate committee has approved a bill that would allow construction of wind turbines on preserved farmland.

House Bill 187, sponsored by Rep. Curtis Sonney of Erie County, was approved by the Senate Agriculture and Rural Affairs Committee and now heads to the full chamber for consideration. The plan would allow the owner of preserved farmland with 50 or more acres to grant a right-of-way for the installation of a wind power generating system. Now, such landowners may grant rights-of-way for other utilities, such as water, sewage, electric, telephone, underground mining and gas- or oil-product lines. The bill would add wind power to that list.

### **Bill Extending Safe Harbor to Local Taxes Advances**

A bill that would make it easier for farmers to estimate local tax payments is advancing in the state Senate. Now, the state and federal governments allow farms and other businesses to estimate tax payments based on the previous year's tax liability. But local taxing bodies don't give those same "safe harbor" provisions. House Bill 866, sponsored by Rep. George Dunbar of Westmoreland County, would extend those provisions to local taxes.

The bill cleared the Senate Finance Committee and will now be considered by the full chamber. It already passed the House. Estimating based on the previous tax year is important to farmers given the difficulty in predicting farm income, which varies widely from year to year and is influenced by market forces, commodity prices and input costs.

### **Agricultural Lands Condemnation Approval Board Alternates Bill Passes House**

A bill that would give the farming community two alternate members on the state Agricultural Lands Condemnation Board has passed the state House.

House Bill 1518, sponsored by Rep. Martin Causer of McKean County, now heads to the Senate for consideration. The board, which meets as needed to review the condemnation of farmland enrolled in Agriculture Security Areas or farmland preservation for highway projects and other measures, includes secretaries from four state agencies and two farmers. The secretaries can select an alternate member to attend meetings if they're not able to make it but the farmers cannot. The bill would change that, allowing two alternate farmer board members, who would be appointed by the governor with consent of the Senate.

### **Agriculture Education Bill Clears State House**

An effort to beef up agriculture education in Pennsylvania's public schools has cleared the state House. House Bill 944, by Rep. Mark Keller of Perry County, now heads to the Senate for consideration.

The measure would combine now-separate efforts into a new Commission for Agricultural Education, which would be responsible for developing agricultural educational standards and curriculum, connecting students with careers in agriculture, and help facilitate FFA.

### **Pennsylvania Agricultural Surplus Program Reaches Milestone**

Four million pounds of food has gone to Pennsylvanians struggling with hunger through a state program that helps connect farmers' surplus with families in need.

The Pennsylvania Agricultural Surplus Program helps offset the cost of harvesting, producing and packing goods to be donated, making it easier for farmers and processors to see that their surpluses go to good use.

The program was created in 2010 and first funded in the 2015-2016 state budget. Since then, 78 producers from 39 counties have donated surplus dairy products, produce and meat to food banks, serving 558,000 households statewide, according to the state Department of Agriculture.

### **Certification Requirements for Flying Agricultural Drones**

The FAA estimates that 21 percent of commercial drones are flown for agricultural purposes for checking yields, field mapping and producing aerial photos. However, some drones may be used to apply pesticides, herbicides and other crop products which are regulated by the FAA and require pilot certification like crop duster pilots.

Applying pesticides, fungicides, herbicides, seeds or water with drones will require FAA certifications under Part 107 and Part 137. Appropriating the required FAA certifications for crop application purposes will meet the conditions to fly legally and avoid any regulatory penalties.

### **New CRISPR Technology May Help Control Insect Damage to Crops**

CRISPR is a new technology that applies gene editing techniques that are different from procedures used to create GMOs. The technology utilizes unique gene editing techniques that improve plants and livestock and may possibly be used to manage agricultural insect pests. Gene editing could potentially disrupt the reproduction cycle and feeding ability of insects or alter their immune system.

Scientists envision using CRISPR to reverse pesticide resistance in insect populations and provide effective control of mosquitoes to reduce exposure to deadly diseases. An extensive regulatory review by various government agencies would need to be conducted before the altered insects are released into the environment.

### **Pennsylvania To Help Develop Civic-Engagement Approach to Water Quality**

Penn State is leading the charge on a project to design a universal model for civic engagement that transforms the way water-availability issues are approached in agriculture. The team of institutions working on the project received an almost \$2.2 million federal grant to fund its first year of research in a four-year, \$5 million planned study.

The availability of clean, quality water both for and from agriculture has remained a pressing issue and has become a more intense problem as competition for water between industries continues to grow. Agriculture requires water for crop and animal production and processing, but is competing with the demands of residential and municipal consumption, instream flows, and industrial and energy production. Both urban runoff and agricultural runoff can contribute to degrading water quality, researchers said, so it is important that the methods used to solve water issues address both sources.

Water quality management is of a heightened concern in Pennsylvania due to its association with the Susquehanna River, Chesapeake Bay, and tributaries to the Ohio and Mississippi River systems.

### **Researchers Seek to Extend Northeast Berry Season**

A team of researchers from Penn State is beginning to unearth the secrets of extending the growing season for strawberries and raspberries in the northeastern US. Locally, the length of the strawberry harvest is roughly one month, with the raspberry harvest being about the same. For berry producers and lovers alike, these seasons are much too short.

Researchers have been conducting trials in growing tunnels, which are similar to greenhouses, except they are cheaper to build and the plants are planted directly into the soil. Two types of tunnels, high (six feet or higher) and low (three feet or lower) are being used in an attempt to extend the berry growing season. Compared to open field planting, these tunnels have improved temperature and moisture control and offer better harvest quality and yield. They also aid in pest management.

Over the past several years, this research team has been able to extend the strawberry growing season from four weeks to five months and the raspberry growing season from three to four weeks to four months. Yields have also increased dramatically compared to open field planting, at least doubling depending on the exact production methods used.