

**AG ISSUES UPDATE**  
**Edited by Brad Hollabaugh**  
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**USApple Secretary Colombini Speaks About NAFTA, Chinese Tariffs**

USApple Secretary Jeff Colombini spoke on April 26, 2018 at a press event in Acampo, Calif., alongside other California growers and state agriculture leaders, on the importance of maintaining the North American Free Trade Agreement (NAFTA) and duty-free access to the Chinese market. Speaking at a local family-owned winery and vineyards, Colombini lauded the importance of trade to the health and future of the entire apple industry.

"NAFTA is critical to the economic health of both the California and U.S. apple industries," Colombini told reporters. "Under the agreement, the apple industry has quadrupled its exports to Mexico and doubled its exports to Canada with combined purchases of nearly \$450 million per year."

Colombini also spoke about the impact of China's retaliatory tariffs on agriculture commodities, including a 15 percent tariff on U.S. apples. "This is a tremendous concern as China has significant growth potential because it doesn't grow the many apple varieties we grow and Chinese consumers are excited to experience those unique taste profiles," said Colombini. "The retaliatory tariffs imposed by China will hurt apple growers' ability to maintain and expand this emerging market.

"If the apples meant for export don't find homes overseas, they come here to California and they go to the East Coast. This leads to supply issues and impacts everyone's bottom line," concluded Colombini. (*Apple Bites* - 5.1.18)

**USApple Calls Out 'Dirty Dozen' Report, Gains Positive Coverage Throughout Country**

Debunking the Environmental Working Group's so called Dirty Dozen list last month, USApple's voice was heard on numerous NBC affiliate stations across the nation calling out EWG for misleading consumers. As we noted, to exceed the Environmental Protection Agency tolerances, a child would have to eat 154 servings of apples every day.

"Any report telling people not to eat fresh produce is beyond silly and potentially very harmful advice," said USApple President and CEO Jim Bair. "We can all agree that consuming more fruits and vegetables is one of the best things we can do for our health." The segment was picked up by local affiliates from Oregon to Iowa to South Carolina. (*Apple Bites* - 5.1.18)

**Farm Bill Advances in Congress**

The 2018 Farm Bill has cleared its first hurdle in Congress. The House Committee on Agriculture marked up and passed the legislation in early May, which means the bill could be put to a vote by the full chamber in the coming month.

A challenging budget environment has meant status quo or even cuts to some Farm Bill programs. Key specialty crop programs such as block grants, the Market Access Program (MAP), and the Specialty Crop Research Initiative are all funded at current levels.

Also included in the bill are provisions designed to improve federal crop insurance, conservation programs, specialty crops, research, and rural development.

### **USDA Reminds Farmers to Complete Census**

The U.S. Department of Agriculture's National Agricultural Statistics Service is reminding farmers who have not responded to the 2017 Census of Agriculture to do so as soon as possible to avoid phone and in-person follow ups.

Questionnaires for the census were mailed to producers at the end of last year and were due back in February. So far, the agency has received close to 41,000 completed surveys from Pennsylvania. But both the national and Pennsylvania return rates are lower than at this point in the 2012 Census.

"NASS is grateful for the response from producers to date, but it is important that the others who received a Census questionnaire join their neighbors, colleagues, friends, and family in being part of the Census count," said Northeastern Regional Director King Whetstone.

The agency has already started to conduct follow ups to remind farmers to complete the Census and to provide an opportunity to answer questions. The data from the Census will be released next year and is used by farmers and agribusinesses for planning and by legislators and policy makers for developing agriculture policy, such as the farm bill, and designing programs that help farmers and other residents of rural areas.

Federal law requires farmers to respond to the Census and also mandates that individual information be kept confidential. For more information or assistance with the questionnaire, visit [www.agcensus.usda.gov](http://www.agcensus.usda.gov) or call **888.424.7828**.

### **Brown Marmorated Stink Bug (BMSB) Numbers Increasing in the Northwest**

Numerous reports of BMSB in western Washington this spring are rising concerns about the potential damage that may be caused by this very destructive pest in western orchards, where BMSB populations have been building over the past several years.

The BMSB originated in China, coming to Allentown, PA, in the U.S. in the late 1990s. Its destructive potential was not known until the 2010 apple harvest, when the BMSB population exploded and as much as 20 percent of the Mid-Atlantic fruit and vegetable crops were destroyed. The devastation in 2010 resulted in USApple leading the successful effort in getting the first Specialty Crop Research Initiative (SCRI) 5-year \$11 million research program that was conducted from 2011-2016.

At the time, it was the largest SCRI grant to date. Building on the knowledge gained in the first 5-year program, USApple again spearheaded the effort that led to a second SCRI 5-year

BMSB research project (another \$11 million) that runs from 2017-2022. The knowledge gained from the two BMSB research programs gives growers the benefit of monitoring and control methodologies developed by the research.

It is important for the growers to take the situation seriously - the BMSB can explode in numbers and do devastating damage in just a few days. Western growers who may not be familiar with this pest can greatly benefit from the results of the SCRI research. The website STOPBMSB.org contains a wealth of information in areas including detection, control options, IPM applications and many other topics related to controlling this most destructive pest. The website also lists the scientists who are working on the latest research project. (***Apple Bites* - 5.1.18**)

### **State House Passes Small Business Tax Overhaul Bills**

The state House recently passed two bills that bring state laws governing small business taxation more in line with federal standards. The bills, which now head to the state Senate for consideration, are part of a tax reform package that would also help level the playing field between small businesses and corporations.

House Bill 331, sponsored by Rep. Stephen Bloom of Cumberland County, would bring Pennsylvania tax laws in line with federal standards of “like-kind” exchanges. Federal law allows for a tax deferral when property is exchanged for similar property, but Pennsylvania does not have any such provisions.

House Bill 333, sponsored by Rep. Eric Nelson of Westmoreland County, would bring state tax laws for Section 179 depreciation in line with federal standards. At the federal level, Section 179 allows small business owners to deduct the purchase of qualifying equipment up to \$500,000 during the tax year. Currently, Pennsylvania limits deductions for small businesses under Section 179 to \$25,000, while allowing businesses registered as C-corporations to use the full \$500,000 deduction as allowed by IRS law.

### **Governor Signs Bill Extending Safe Harbor to Local Taxes**

Farm and other businesses will soon have an easier time estimating local tax payments. Gov. Tom Wolf recently signed House Bill 866, sponsored by Rep. George Dunbar of Westmoreland County, into law.

Previously, the state and federal governments allowed farms and other businesses to estimate tax payments based on the previous year’s tax liability but local taxing bodies did not give those same “safe harbor” provisions. The new law extends those provisions to local taxes.

Pennsylvania Farm Bureau supported the bill and believes farmers should be allowed to estimate based on the previous tax year 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.

### **Rural Broadband Bill Advances in General Assembly**

A bill that would direct the state to determine whether state-owned property and other assets could be leveraged to help expand access to high-speed internet in rural areas has cleared its first hurdle in the state House.

House Bill 1642, sponsored by Rep. Kristin Phillips-Hill of York County, passed the House State Government Committee and now heads to the full chamber for consideration. The committee's vote came the same day that Pennsylvania Farm Bureau held a news conference with members and lawmakers calling for measures to expand access to broadband internet.

PFB supports the bill and believes it is one of many steps that state government needs to take in order to expand broadband services to rural areas. Many rural families face few, if any, choices for high speed internet and have to make do with often more-expensive, less-reliable and lower-quality service than many urban and suburban residents. At the same time, a high-speed connection is becoming more and more important to success in agriculture, business and family life.

### **Governor Signs Bill Reducing Red Tape for High Tunnels**

A proposal to make it easier for farmers to build high tunnel structures so they can meet growing demand for local fruits and vegetables is now law. Gov. Tom Wolf signed House Bill 1486, which prevents municipalities from requiring that farmers submit stormwater management plans on high tunnel structures that meet common sense guidelines clearly outlined in the bill.

"This is a victory for farmers across the Commonwealth, who are helping to meet increased consumer demand for locally-grown fresh fruits and vegetables," said Rick Ebert, president of Pennsylvania Farm Bureau, which was a leading advocate for the legislation. "High tunnel structures, which are also called 'hoop houses', clearly should not be required to meet the same regulatory standards as permanent commercial office buildings or housing developments."

More and more farmers are looking to use high tunnels to extend the growing season for fruits and vegetables. But the burdensome paperwork, delay and cost often imposed by local regulations can make high tunnels cost prohibitive for many farmers.

### **Bill Strengthening Hunting-Related Trespass Laws Clears Committee**

A bill that would strengthen Pennsylvania's hunting-related trespass laws to deter hunting on private land without permission has cleared its first hurdle in the General Assembly.

House Bill 1603, sponsored by Rep. Brett Miller of Lancaster County, was advanced by the House Game and Fisheries Committee and now heads to the full chamber for consideration.

Currently, hunting-related trespass is a secondary offense, which means a hunter must be found in violation of another offense before a Game Warden or other law enforcement officer can cite him or her for it. This bill would make hunting-related trespass a primary

offense, enabling officers to cite hunters who are caught hunting on private land without permission regardless of whether another violation occurred. In addition, repeat offenders would face the suspension of their hunting privileges.

### **Penn State to Administer Agricultural Mediation Program**

Penn State Law's Center for Agricultural and Shale Law will take over the administration of a program that mediates disputes involving U.S. Department of Agriculture rulings.

The Pennsylvania Agricultural Mediation Program had previously been run by the state Department of Agriculture. The program is funded through USDA.

"We are very appreciative of the work that the Department of Agriculture has done in establishing and operating the Pennsylvania Agricultural Mediation Program, and we look forward to having the Center for Agricultural and Shale Law continue the development of this important program," said Ross Pifer, the center's director. "This program will provide another opportunity for the center to serve Pennsylvania's agricultural community consistent with Penn State's land-grant mission."

When there is a dispute over a ruling, the farmer may use mediation to reach a solution rather than file an appeal with USDA. The program is free for eligible producers and can be used to settle disputes over matters such as wetland determinations, compliance with farm and conservation programs, agricultural loans made or guaranteed by USDA, rural water loan programs, pesticides and more.

For more information, visit [pennstatelaw.psu.edu/pennsylvania-agricultural-mediation-program](http://pennstatelaw.psu.edu/pennsylvania-agricultural-mediation-program) or contact Gaby Gilbeau, program coordinator, at **814.863.6441** or [agmediation@pennstatelaw.psu.edu](mailto:agmediation@pennstatelaw.psu.edu).

### **Community Efforts Needed to Control the Spread of the Spotted Lanternfly**

Community efforts in conjunction with orchardists, nursery owners, grape growers and others in southeastern Pennsylvania may be key to controlling the spread of the Spotted Lanternfly in 2018. The pest is particularly destructive to grapes, tree-fruit, hardwoods and nursery plants threatening \$18 billion of agricultural commodities grown in the state each year.

The Pennsylvania Department of Agriculture urges residents to "look before you leave" and inspect vehicles and other items before leaving the quarantined area that encompasses 13 southeastern counties. Residents need to recognize egg masses which can then be destroyed. Nymphs and adults may be swatted or vacuumed. Killing one female eliminates 100 eggs. Penn State Extension is prepared to provide information on systemic and contact pesticides that provide effective control of Spotted Lanternfly infestations.

### **Help Us Spread the Word: Educator's Ag Institute**

The Pennsylvania Friends of Agriculture Foundation is committed to growing agriculture literacy. And one way the foundation achieves that goal is by helping educators develop lesson plans based on agriculture.

The foundation, a charitable organization supported by Pennsylvania Farm Bureau, is hosting the Educator's Ag Institute this summer at Penn State. This year's institute, planned for July 8-12, will give teachers an up close and personal look at farming practices, and how they can use agriculture as the basis for lesson plans.

While at the conference, educators will tour a number of Penn State's agriculture facilities, participate in hands-on lessons and leave with a host of materials for use in their classrooms.

The Educator's Ag Institute is open to new educators, along with those who have previously attended our Ag in the Classroom workshop. Participants will also tour several area farms and hear from farmers about how they grow food, care for and feed their animals, and how the farm is run. Educators will receive Act 48 credits and/or can register for continuing education credits through Penn State.

Please consider sharing information about this valuable workshop with educators in your area. For more information, contact the foundation at **717.731.3556** or [www.pfb.com/aginstitute](http://www.pfb.com/aginstitute).