

AG ISSUES UPDATE

Edited by Sara Hricko

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USApple Updates

340 Apples per day? Yes!

The Alliance for Food and Farming, which represents growers of fruits and vegetables, has updated its Pesticide Residue Calculator to include the latest USDA testing data. USApple is a member of the Alliance. The residue calculator uses the USDA data and the analyses are conducted by the University of California Personal Chemical Exposure Program.

For apples, a child could eat 340 apples every day without any effect *even if* the apples had the highest pesticide residue data recorded for apples. For adult men and women, the residue calculator shows they could eat 1,190 and 850 apples, respectively, daily without effect from residues.

As USApple reports every year with the release of new data, the testing shows that 99 percent of the foods sampled had no detectable residues at all or residues found were well below safety levels set by the Environmental Protection Agency (EPA).

PA Farm Bureau

USDA's Value Added Producer Grant Due on April 17th

USDA's Value-Added Producer Grant Program is now open. USDA Rural Development will award approximately \$30 million in grant funding during this year's round. Applications are due by 11:59 p.m. ET on Thursday, April 17th.

Processors applying for this grant must also provide more than 50% of the agricultural commodities to be processed with added value under the grant.

There are two types of grants available, but each requires a 1:1 match.

1. Planning grants of up to \$75,000 to fund economic planning activities such as developing business and marketing plans and feasibility studies to establish viable marketing opportunities for value-added products; and

2. Working capital grants of up to \$250,000 to fund the operation of a value-added business venture; specifically, to pay for eligible expenses related to the processing and/or marketing of the value-added product.

PSU Ag and Shale Law

Pesticides: EPA Reopens, Extends Comment Period on Chlorpyrifos Proposed Rule

On February 20, 2025, the U.S. Environmental Protection Agency (EPA) published in the Federal Register a proposed rule (90 FR 9958) reopening and extending the comment period for the agency's December 2024 proposed rule revoking most tolerances for chlorpyrifos residues (89 FR 99184) "to give commenters more time to provide input." Also announced by EPA, the agency states that it "plans to issue an amended Proposed Interim Decision for chlorpyrifos for public comment followed by an Interim Decision in 2026." The comment period is now open until March 24, 2025 (EPA-HQ-OPP-2024-0431). *See also ALWR—Jan. 7, 2025, "EPA Announces Proposed Rule to Eliminate Chlorpyrifos in All but Eleven Crops."*

MORNING AG CLIPS

Pennsylvania Farm Bureau Encouraged By Agriculture's Inclusion in the 2025-26 State Budget Proposal

HARRISBURG, Pa. — Pennsylvania Farm Bureau is encouraged by Governor Josh Shapiro's 2025-26 budget proposal, which continues to prioritize investments in agriculture and programs that directly support Pennsylvania's farmers. The commitment to expanding resources for agricultural innovation, surplus food distribution, and economic development in rural communities reflects a strong understanding of the challenges and opportunities facing our industry.

One of the most notable proposals in this budget is the significant expansion of the Agriculture Innovation Grant, increasing funding from \$10 million to \$25 million. The overwhelming demand for this program—159 applications requesting a total of \$70 million—demonstrates the need for continued investment in innovative farming practices that strengthen Pennsylvania agriculture. With 88 grants awarded just last week, many of which directly benefit Farm Bureau members, this funding ensures that farmers have access to the tools and technology needed to remain competitive, improve sustainability, and enhance efficiency in their operations.

We are also pleased to see a \$4 million increase in funding for the Pennsylvania Agricultural Surplus System (PASS), reinforcing the state's commitment to both agriculture and food security. PASS is a critical program that connects Pennsylvania's farmers with charitable food networks, ensuring that surplus, high-quality agricultural products reach families in need instead of going to waste. By strengthening this program, the Governor's budget supports Pennsylvania farmers while also addressing food insecurity—an effort we strongly support.

This budget also continues the Commonwealth's strong commitment to protect animal health, in the form of renewed and expanded commitments to strengthen the state's diagnostic, disease response, biosecurity and recovery capabilities. It maintains level funding for the Animal Health & Diagnostic Commission and the University of Pennsylvania's veterinary school and includes \$2 million to keep Pennsylvania's new animal testing laboratory in the western part of the state operational, providing critical testing services for farmers to ensure their livestock remain healthy and viable.

Agriculture remains the backbone of Pennsylvania's economy, and we appreciate the continued investment in programs that bolster our farmers, expand markets, and promote innovation in the industry. We look forward to working with the administration and the legislature to ensure that these priorities remain central as the budget process moves forward.— February 17th, 2025

Secretary Rollins Releases the First Tranche of Funding Under Review

WASHINGTON — Today, U.S. Secretary of Agriculture Brooke Rollins announced that USDA will release the first tranche of funding that was paused due to the review of funding in the Inflation Reduction Act (IRA).

In alignment with White House directives, Secretary Rollins will honor contracts that were already made directly to farmers. Specifically, USDA is releasing approximately \$20 million in contracts for the Environmental Quality Incentive Program, the Conservation Stewardship Program, and the Agricultural Conservation Easement Program.

“American farmers and ranchers are the backbone of our nation,” said Secretary Rollins. “They feed, fuel, and clothe our nation—and millions of people around the world. The past four years have been among the most difficult for American Agriculture, due in no small measure to Biden's disastrous policies of over-regulation, extreme environmental programs, and crippling inflation. Unfortunately, the Biden administration rushed out hundreds of millions of dollars of IRA funding that was supposed to be distributed over eight years. After careful review, it is clear that some of this funding went to programs that had nothing to do with agriculture—that is why we are still reviewing—whereas other funding was directed to farmers and ranchers who have since made investments in these programs. We will honor our commitments to American farmers and ranchers, and we will ensure they have the support they need to be the most competitive in the world.”

This is the first tranche of released funding, and additional announcements are forthcoming as soon as USDA continues to review IRA funding to ensure that we honor our sacred obligation to American

taxpayers—and to ensure that programs are focused on supporting farmers and ranchers, not DEIA programs or far-left climate programs. – February 20th, 2025

Beneficial Ownership Information is Back

COLUMBUS, Ohio — Yes, you read that right — the Beneficial Ownership Information (“BOI”) reporting requirements under the Corporate Transparency Act (“CTA”) are once again in effect. On Feb. 17, 2025, a federal judge lifted the stay he had issued on January 7 in *Smith v. U.S. Department of Treasury*, which had temporarily halted the Government from enforcing BOI reporting requirements nationwide. This recent ruling eliminates all nationwide barriers that had been hindering the enforcement of the CTA. As a result, millions of businesses must now comply with BOI reporting requirements or face the risk of civil and/or criminal penalties.

Updated Deadlines

On February 18, 2025, the U.S. Department of the Treasury’s Financial Crimes Enforcement Network (“FinCEN”) issued a notice outlining the following key updates:

1. Most reporting companies, unless subject to a later deadline (such as disaster relief extensions), now have until March 21, 2025, to submit their initial, updated, or corrected BOI report to FinCEN.
2. If FinCEN determines that additional time is needed for compliance, it will issue another notice before the March 21, 2025, deadline with any further changes.
3. The named plaintiffs in *National Small Business United v. Yellen* are still not required to report their BOI to FinCEN at this time.

A Quick Recap: What is the Corporate Transparency Act?

Enacted in 2021, the CTA is a federal law designed to combat financial crimes like money laundering, tax evasion, and fraud by enhancing business ownership transparency. It mandates that certain domestic and foreign entities disclose their beneficial owners—individuals who ultimately own or control the company—to FinCEN.

Who Must File Beneficial Ownership Information?

Entities designated as “reporting companies” must submit their BOI to FinCEN by March 21. This includes corporations, limited liability companies (“LLCs”), and similar entities registered with their state’s Secretary of State or an equivalent authority to conduct business. However, certain entities are exempt from BOI reporting requirements, including:

1. Publicly traded companies which are already subject to SEC reporting requirements.
2. Large operating companies that meet specific employee and revenue thresholds.
3. Certain regulated entities, such as banks and credit unions.

What Information Must be Filed

When completing the BOI Report, two sets of information must be submitted to FinCEN. First, the “reporting company” must provide details about itself. Then, the company must submit information about its beneficial owners.

Reporting companies will need to provide the following information:

1. The reporting company’s legal name;
2. Tax identification number;
3. Jurisdiction of formation; and
4. Current U.S. address.

For their beneficial owners, reporting companies will need the following information:

1. Full legal name;
2. Residential address;
3. A form of identification, which must be either a state issued driver’s license, a state/local/tribe-issued ID, a U.S. passport, or a foreign passport; and
4. An image of the identification used in number 3 above.

See our law bulletin for more details on reporting requirements.

Where Can I File a BOI Report?

Businesses can complete all BOI reporting by visiting the FinCEN website. There is no cost to file a BOI report. However, if a business engages a tax professional, attorney, or other third party to file a BOI report on its behalf, the business will be responsible for covering any professional fees associated with the preparation and submission of the report.

Penalties.

Noncompliance with the CTA and its BOI reporting requirements can result in substantial civil and/or criminal penalties, including:

1. A daily fine of \$591 (adjusted for inflation) for each day the violation persists.
2. A criminal fine of up to \$10,000 and/or up to 2 years of imprisonment.

Looking Ahead: Ongoing Legal Challenges.

While current court rulings permit the CTA to proceed with its BOI reporting requirements, the legal battles are far from over. Several cases challenging the constitutionality of the CTA are still ongoing. Additionally, proposed legislation in both the House and Senate aims to repeal the CTA. H.R.425 and S.100, both titled the *Repealing Big Brother Overreach Act*, seek to fully overturn the CTA but have not yet made it through committee.

There has also been some movement on some recently proposed legislation that aims to extend the reporting deadlines under the CTA. The *Protect Small Businesses from Excessive Paperwork Act of 2025* seeks to push the BOI filing deadline for most businesses to January 1, 2026. The bill has already passed the House of Representatives and has been introduced in the Senate and referred to the Committee on Banking, Housing, and Urban Affairs.

What Businesses Should Do Now.

With BOI reporting obligations reinstated, business should take immediate steps to comply:

1. Determine if You Must Report. You can review our law bulletin or FinCEN’s website and resources to confirm whether your company qualifies as a “reporting company.”
2. Identify Beneficial Owners. Gather the necessary information on individuals who own at least 25% of the company or exert substantial control over the company.
3. Timely File Reports to Avoid Penalties. Submit BOI reports electronically via FinCEN’s secure filing system.
4. Monitor Ongoing Legal Developments. Given ongoing legal challenges, businesses should stay informed about potential changes to the CTA’s enforcement.

Final Thoughts

The Corporate Transparency Act is here to stay—at least for now. The federal government’s ongoing efforts to enforce the CTA and its BOI reporting requirements highlight its commitment to corporate transparency and anti-money laundering initiatives. Companies should ensure they comply with their obligations to avoid costly penalties while staying alert to potential future legal changes. – February 25th, 2025

New Business Builder Grant Open to Northeast Farm and Food Businesses

MONTPELIER, Vt. — The Northeast Regional Food Business Center recently launched the first round of Business Builder sub-awards, designed to strengthen local and regional food systems by providing direct funding to small- and mid-sized farm and food businesses in the Northeast.

\$10 million will be made available in this grant round, with awards ranging from \$15,000 to \$100,000 to support businesses in scaling their operations, expanding markets, and connecting various segments of the regional food supply chain.

Eligible applicants include farm and local food businesses as well as non-profits operating along the supply chain, including aggregators, distributors, and retailers. Applicants must have \$1 million or less in annual sales or \$350,000 or less in annual sales, depending on the funding track. Projects must be focused on food produced regionally for human consumption.

Applicants may apply to one of three specialized funding tracks:

- Track 1: Equipment (\$25,000 – \$50,000) – Supports the purchase of special-purpose equipment for post-harvest activities, including processing, storage, and transportation. Businesses with \$350,000 or less in annual sales are eligible to apply.
- Track 2: Business Development (\$15,000 – \$25,000) – Supports business financial acumen and industry knowledge. Businesses with \$350,000 or less in annual sales are eligible to apply.
- Track 3: Product & Market Expansion (\$50,000 – \$100,000) – Assists businesses in expansion through new products, broader markets and wider distribution. Businesses with \$1M or less in annual sales are eligible to apply.

This grant cannot fund: purchasing land, buildings, or real estate; construction, demolition, or major rehabilitation of any building, structure, or land; non-specialized equipment, such as tractors or trailers; or costs associated with the production of an agricultural product, such as seeds or fertilizer.

Applications are due by April 7th. Awardees will be announced in July, and funded projects are anticipated to begin activities in August. – March 3rd, 2025