



Maryland Farm Bureau – 2010 Issues of Concern

The following issue summaries are provided for your consideration as you begin your policy development process. We believe that these issues may be the subjects of debate in Annapolis, in Washington or before your local government during 2011. Please call Valerie Connelly or Kurt Fuchs if you have any questions or need additional information. We thank you for your commitment to an inclusive and thorough policy development process in 2010!

State and Local Policy Issues:

Maryland Agland Preservation Foundation Funding: The MALPF Board of Directors has had an on-going discussion about the need to generate new funding for the program and to target new funding to the Priority Preservation Areas, which are authorized (and required for county program certification) by current law. The MALPF Task Force report from 2004 called for the PPAs and for the targeting of all new sources of funding for easement purchases in the PPAs. Unfortunately, the economy has significantly declined. There are no new sources of MALPF funding and the traditional source – transfer tax - has declined dramatically. Some on the board are asking whether the current MALPF funding formula should be changed to target more of the available funds to Priority Preservation Areas. Should existing funding be better targeted to preserve priority farms? Should counties with zoning laws designed to meet the PPA certification requirements be eligible for more funding for easement purchases than counties that do not zone according to PPA guidelines? Should the decision to target priority farms be left to a county's agland preservation board under the current MALPF funding formula?

Maryland Estate Tax Reform: During the last General Assembly session there were several bills to provide estate tax relief to Maryland farmers. Some of the bills targeted relief to all farmers. Others targeted relief to farms where the land was under a permanent agland preservation easement. If funding for reform is limited, should the state distinguish between those farms permanently preserved and those that are not? What are the pros and cons of providing estate tax relief to only farms already under easement? How should the estate tax law be reformed to better protect farmland from sale when the farm passes from one generation to the next?

Bay Clean-Up Funding: In order to reach the Bay clean-up goals, additional funding is likely to be needed to install the biological nitrogen removal technology at all waste water treatment plants in the state and to facilitate the replacement of failing septic systems with nitrogen removing systems. Additional funding will also be needed to cost-share cover crops and other farm BMPs. The so-called "flush fee" and "septic fee" were set at \$30 per year for all households eight years ago. The flush fee is dedicated to waste water treatment plant upgrades and the septic fee is used to pay for septic upgrades and farm cover crops. Should we support efforts to increase the fee to generate the funds necessary to complete the Bay clean-up program? If so, how much should the fee increase – by \$10, \$20 or \$30 per year?

Stormwater Management Requirements/ Impervious Surface Fees: Local governments will now be required to upgrade their stormwater management programs to meet Bay clean-up goals. The cost of retrofitting stormwater systems in municipal areas is very high. During the last General Assembly session legislation was debated to require local governments to assess a fee on impervious surfaces to raise the amount of funds necessary to install stormwater management programs. Given the fact that all sources of bay nutrients should have to do their part for reduction, should local governments raise fees to address their source of nutrients – stormwater runoff? If an impervious surface fee is authorized, how will this impact farms? Should farms be exempt from the fee if they meet their Bay clean-up baseline with on-farm BMPs?

Copper Wire Recycling: As a result of the increasingly hard economic times, incidences of copper wire theft from irrigation systems across the state have risen dramatically. Some farmers have even had their systems hit multiple times resulting in significant repair costs, lost man-hours and tremendous disruptions to irrigation during a time when much of the state is experiencing drought-like conditions. The stolen copper wiring is often taken to salvage yards and sold for scrap, in most cases, to unsuspecting yard operators. Although no one would like to disrupt the buying and selling of legally obtained copper, perhaps there is a need for better regulation and oversight to discourage and help prevent the vandalism and theft seen recently. Would you support tighter controls over the recycling of copper wire in order to limit the outlets for stolen material? What might that oversight look like? Should copper recycling be conducted by local public works departments or perhaps limited to certain days of the month at private recyclers to allow the presence of law enforcement officers to inspect the wire?

Statewide Sunday Hunting - Every year, Maryland farmers experience tremendous economic loss from the overpopulation of white-tailed and sika deer as they graze on corn, soybeans and just about any other crop to which they have access. Maryland Agricultural Statistics Service reported that last year alone, Maryland farmers estimated deer-related crop losses of over \$7.3 million. As a result, farmers and sportsmen alike seek more opportunities to reduce the state's deer herd. One of the most effective ways to do this is to increase the number of days that the average hunter can go afield, through options such as Sunday hunting on private lands. Allowing for an additional weekend day, enables hunters to go afield without having to take off work and can act as a backup if inclement weather prevents a Saturday hunt.

Each year the General Assembly debates multiple pieces of legislation related to the expansion of Sunday hunting of white-tailed (and sika) deer on private lands. This year alone, Sunday hunting was expanded in Allegany, Calvert, Charles, Garrett, St. Mary's and Talbot counties. The result has been the creation of varied levels of Sunday hunting opportunities from county to county causing confusion amongst hunters and law enforcement alike. With a majority of counties already enjoying some level of Sunday hunting of deer on private lands, would you support legislation creating one uniform statewide Sunday hunting framework? Would you support it in only those counties that currently allow Sunday hunting on private lands and allow for the remaining counties to "opt-in" in the future?

National Policy Issues:

The AFBF Board of Directors has approved the following issues for policy development for 2010-2011. These issues, on the national and international level, raise numerous questions needing further discussion by farmers and ranchers.

2012 Farm Bill: With the 2008 farm bill expiring in September 2012 congressional hearings on the next farm bill have begun. Discussion and debate will be taking place in an environment characterized by tight fiscal constraints, increasing aversion to spending programs and presidential-election-year dynamics. Thus, configuring the farm income safety net in a manner that addresses the market realities facing producers in the coming years may call for a fundamental change in program priorities. How do we modify the existing farm income safety net so that it provides meaningful protection from risk in this environment of declining budgets?

Commodity Warehouses: There is concern that current bonding and insurance has not provided adequate coverage for commodity producers. While there are federal warehouse oversight programs, these are currently voluntary programs and thus also fail to adequately protect commodity producers. What needs to be changed to ensure producers are protected?

Crop Insurance: In many respects, the federally supported crop insurance program overlaps with commodity support programs. The growing participation of producers in insurance programs as well as the improved product offerings suggests at least the potential for these programs to replace current farm safety net provisions in the next Farm Bill. Can crop insurance replace current safety net provisions and if so what would it encompass?

Dairy Policy: While no safety net could adequately compensate for the economic devastation dairy producers faced in 2009, many producers, industry organizations and policy makers believe that the current dairy safety net and milk pricing structures are outdated and do not effectively protect dairy producers. Despite small changes to formulas, data collection and reductions in the number of milk marketing orders USDA sets milk prices in a similar way to how it set prices in the post-Depression era. Is the price support program still relevant to today's dairy producers?

Food Safety: Since California and Arizona implemented two popular Leafy Green Product agreements, there has been a movement to develop similar programs at the national level. The Agriculture Departments Agricultural Marketing Service has published an advance notice of proposed rulemaking to create the National Leafy Greens Marketing Agreement (NLGMA) with the intent of enhancing food safety within the industry. Should AFBF support the NLGMA?

Incremental Beef Trade: Historically, the U.S. has taken a firm international position that countries should follow sound science and internationally recognized standards in setting trade and import policies. The issue is whether the U.S. should move away from this requirement and instead in some situations consider an "incremental" approach to opening foreign markets to U.S. beef exports. What are the potential opportunities and challenges, both in the short-term and in the long-term to be considered?