

MINUTES

AGRICULTURAL ADVISORY BOARD MEETING August 27, 2008

Rachel Carson State Office Building
Room 105, First Floor Conference Room
Harrisburg, PA

In Attendance – Members

Dr. Douglas Beegle, Pennsylvania State University
Larry Breech, PA Farmers Union
Michael Brendle, Poultry Producer
Kristin Crawford, representing Senator Michael Brubaker, PA Senate
Michael Firestine, Agri-business
Jennifer Harry, PA Farm Bureau
Jay Howes, representing Representative Art Hershey, PA House
Duane Hobbs, Agriculture Chemical Manufacture
Betsy Huber, PA Grange
Roxanne LeVan, USDA Farm Service Agency
Neil McAuliffe, representing Senator Michael O’Pake, PA Senate
David McElhaney, Livestock Producer
Cathy Curran Myers, PA Department of Environmental Protection
Walt Peechatka, PennAg
Brenda Shambaugh, PA Association of Conservation Districts
Bill Wehry, PA Department of Agriculture
William Wells Jr., Ornamental Horticulture
Thomas Williams, Dairy Producer

In Attendance - Agencies, Advisors, and Guests

Brian Brandt, American Farmland Trust
Karl Brown, State Conservation Commission
Shelly Dehoff, Lancaster County Conservation District
Ed Sanders, USDA Natural Resources Conservation Service
Tanya Dierolf
Steve Hoffman
Louis R. Sallie
Dan Snowden
Duke Adams
Mary Durand
Bob Gibson
Ray Powers
Frank Schneider

Mr. Michael Firestine, Chairperson, called the meeting to order at 10:10 a.m. He announced that the following members had asked to be excused:

Barry Frantz, USDA Natural Resources Conservation Service
Keith Masser, Vegetable Producer

Members of the Board introduced themselves, as did the various guests. Mr. William Wells moved that the Board accept the minutes from the April 16, 2008 meeting as written, and the motion carried.

Underground Storage Tank Operator Training Draft Proposed Regulations – Mr. Ray Powers, Division of Storage Tanks, Bureau of Waste Management, discussed the need to add comprehensive operator training provisions in order to correct ongoing problems with the operation, maintenance, monitoring, and performance of release detection practices at regulated underground storage tank (UST) facilities. Upgrading existing UST systems will help to control releases or reduce the impact of regulated substances from USTs to protect water resources, the environment, and citizens of Pennsylvania.

Operator training included verification of completed training for current Class A, B, and C operators, a current list of operators on the site, and written instructions or procedures for Class C operators.

The owner of USTs should prepare a list of designated operators. The list will represent the current Class A, B, and C operators for the UST facility and must include:

1. The name of each operator, class of operation trained for and the date each operator successfully completed initial training and refresher training, if any.
2. For Class A and B operators that are not permanently on-site or assigned to more than one facility, telephone numbers to contact the operators.
3. A copy of the certificates of training for Class A and B operators shall be on file and readily available, and a copy of the facility list of Class A, B, and C operator instructions or procedures shall be kept on-site and be immediately available for manned storage tank facilities and readily available for unmanned facilities.
4. Class C operator and owner contact information, including names and telephone numbers and any emergency information, shall be conspicuously posted at unmanned facilities.

Mr. Mike Firestine asked about the economic impact to farmers. Mr. Powers responded that a farm can train one individual or many to be Class A, B, or C operators. Fees for the training are up to the organization that does the training and currently the classes run from \$200 to \$500 in other states.

Mr. Firestine then asked how long the certification is good for, and Mr. Powers responded that certification would be good “indefinitely.”

Mr. Firestine asked that of the 28 agricultural operations that must follow these regulations are identified. Mr. Powers answered that the USTs must be at least 1,100 gallons or more since there is an exemption for farms and homeowner with USTs of 1,100 gallons or less.

Mr. Walt Peechatka asked how far past EPA regulations do PA regulations go. Mr. Powers answered that the PA regulations are to the same standard as EPA regulations and go no further.

Ms. Brenda Shambaugh asked if a Class A or Class B operator needs to be on-site at all times. Mr. Powers responded that only Class C operators need to be on-site when the USTs are being utilized.

Mr. Tom Williams asked if the goal was to eliminate all USTs and make them all above ground.

Mr. Williams also asked about Department of Homeland Security's thoughts on above ground storage tanks. Mr. Powers responded that the trend has been to move to more above ground storage tanks but that DEP is not trying to do that with these regulations and that he could not answer for Homeland Security.

BMP Challenge - Brian Brandt of American Farmland Trust (AFT) spoke about the Best Management Practices (BMP) Challenge, which aims to provide risk management protection.

Mr. Brandt explained that the AFT is a private, nonprofit, 26-year-old organization that is interested in farmland preservation and protection, environmental sustainability, and within the last 6 months an agricultural environment campaign (nutrient and carbon trading).

An example of the risk management protection offered through the BMP challenge would be yield and income risk protection for corn farmers who adopt water quality BMPs. Mr. Brandt pointed out that there

are water quality problems across the globe, and we need to work together on stewardship of our water resources.

Another part of the BMP challenge has to do with Pennsylvania's Nutrient Reduction Commitments. Mr. Brandt stated that much has already been done in this area:

- Through 2006, PA reduced nitrogen loadings to the Chesapeake Bay by 25.8 million lbs (45% of goal).
- PA farmers are responsible for more than half of all nutrient reductions in the multi-state watershed.

It was noted that there is a lot more to do in regard to nutrient reduction:

- 32 million lbs left to go.
- 25 million lbs to come from farmlands.
- With more than 40,000 farms, that averages to about 600 lbs of reduction per farm.

A 2005 corn farmer survey included 700 farmers, each planting 850 acres of crops per year on average. Some progress was made, as 54% have reduced fertilizer over the past five years. The survey found that there is good potential for basic and advanced practice adoption, as:

- 16% do not credit nutrients from soybeans.
- 25% do not credit nutrients in manure.
- 67% do not use a variable rate.
- 88% do not use in-season testing/application.

It became obvious that farmers need to see results before committing to any major changes, especially as nutrient management is not an exact science. The survey showed that 46% of farmers wanted to see proof of success before changing practices, and that 80% would be interested in reducing fertilizer rates if income were guaranteed.

The 2008 Enhanced Nutrient Management Program works with corn farmers in the Chesapeake Bay Watershed (PA, MD, and VA) to test methods to reduce nutrient applications without negatively affecting the economics of farming.

The project provides a yield guarantee and incentive payment for farmers reducing fertilizer application 5-15% below current recommendations. The results showed a slight loss in yield, but an average of nearly 11.00 in nutrient savings. Guaranteed payouts were made for 30 of 36 fields. The total payment amount was 123,099.67, with an average payment amount of 34.63/acre.

Mr. Larry Breech commented that strip trails are historically inaccurate and asked if any random trials have been completed. He commented that they need to be scientific trails with a percent accuracy. Mr. Brandt answered that this is a farmer education program and at this time only strip trials have been completed but that AFT may work towards some University trails. He thanked Mr. Breech for his comments and stated that this is one of the reasons AFT wanted to come to this meeting.

Mr. Breech commented that many farmers would not participate in this type of program for several reasons that include: 1) Loss of yield bragging rights with neighbors, 2) insurance payment is looked at as a welfare payment, 3) BMP is the wrong term, and 4) farmers bottom line is the most important.

Dr. Douglas Beegle commented that he supports the BMP Challenge but has problems with the enhanced BMP challenge, seeing that we are asking farmers to cut nitrogen by 15% of the PSU recommended rate. If we ask them to cut by this percentage, are we giving them the wrong message, that the PSU recommended rates are to high to begin with. Mr. Brandt agreed with Dr. Beegle's sentiments, but also pointed out that this program is farm specific where PSU recommended rates are statewide. Mr. Brandt also mentioned that AFT recommended a Pre-sidedress Nitrate Test (PSNT) or Chlorophyll meter test. He thanked Dr. Beegle for his comments and again restated that this is one of the reasons AFT wanted to come to this meeting.

Dr. Beegle also asked about the sustainability (cost effectiveness) of the BMP Challenge if every year shows a loss. Mr. Brandt answered that one of the purposes of the challenge is to see if the practice is viable or not. He also noted that this is an insurance policy and totally voluntary. Deputy Secretary Cathy Curran Myers also stated that it is cost effective to cut nitrogen to the Bay, generate tradable credits, and then sell those credits to an operation that needs them. She mentioned that no farmers in PA chose the 5% or 10% reduction options, but that they all chose the 15% reduction option. She also commented that the PSU recommended application rates are very good but that we need to get more operations to follow them.

Dr. Beegle commented that by using the term "BMP," we are sending out the wrong message on this program and maybe it should be called an insurance program.

Ms. Shambaugh commented that the AFT should target new farms that do not use crop consultants, soil tests, etc., to show them results. Mr. Brandt commented that AFT plans to do some of this.

Farm Bill Update - Ed Sanders, USDA Natural Resources Conservation Service, gave an update on the 2008 Farm Bill and touched on various points:

- **Conservation Innovation Grants** – program has been reauthorized. Emphasis on innovative technologies and increased participation of specialty crop producers.
- **Wildlife Habitat Incentives Program (WHIP)** - \$85 million has been authorized each year for 2008-2012 for private agricultural land, tribal lands and nonindustrial forestland. Annual payment limits to a person or legal entity of not more than \$50,000.
- **Agricultural Management Assistance (AMA)** - Annual payment limit of \$50,000 per person. Authorizes \$15 million for each of fiscal years 2008–2012.
- **Farm and Ranch Lands Protection Program (FRPP)** - Reauthorizes FRPP through 2012. Changes role from acquisition of an interest in easements to providing cost-share to eligible entities.
- **Grassland Reserve Program (GRP)** - Additional 1,220,000 acres in the period of fiscal years 2009-2012. Removes dollar cap. Limits rental agreement options to 10-15 and 20 years. Annual \$50,000 payment limitation per person for rental agreements and an annual \$50,000 payment limitation per person for restoration agreement payments.
- **Healthy Forest Reserve Program (HFRP)** – Assists landowners restore and protect forest land resources and at risk species. \$9,750,000 each of fiscal years 2009-2012. Limits funding to 40% for 10-year cost-share agreements and 60% for easements.
- **Conservation Reserve Program (CRP)** – Removes marginal croplands from production and encourages environmental enhancement on those lands, provides new wildlife habitat program initiative, reauthorizes and expands the flooded farmlands component of CRP, \$50,000 per person annual payment limit.
- **Wetlands Reserve Program (WRP)** – Reauthorized through 2012. Overall program acreage cap 3,041,200 acres (adds 766,200 acres). Changes easement compensation to the lowest of: fair market value of the land enrolled based on a Uniform Standards of Professional Appraisal Practices appraisal or a market survey.
- **Wetlands Reserve Enhancement Program (WREP)** – Special Wetland programs with states, tribes, or NGO's reserved rights pilot program. Flooded cropland or grassland.
- **Conservation Security Program (Old CSP)** – Continues funding for current contract holders for signups conducted during fiscal years 2004-2008. No new enrollments.
- **Conservation Stewardship Program (New CSP)** – The new CSP will focus on encouraging new conservation, rewarding producers for high levels of additional stewardship, and addressing local priority resource concerns. Authorized 2009-2017. 12,769,000 acres may be enrolled each year. Applicants must account for stewardship activities covering their entire agricultural operation.

- **CONSERVATION PROGRAMS – NEW INITIATIVES:**
 - **Chesapeake Bay Watershed Program**
 - Provides assistance to producers to minimize nutrient and sediment loading.
 - Special consideration and evaluation of applications in the Susquehanna, Shenandoah, Potomac, and Patuxent River Basins.
 - Funds to be utilized through existing Farm Bill conservation programs and are available until expended.
 - FY 09: \$23 million; FY10: \$43 million; FY11: \$72 million; FY12: \$50 million.
 - **Voluntary Public Access and Habitat Incentive Program (Open Fields)**
 - Establishes a voluntary public access program 2009-2012.
 - States and tribes may apply for grants to encourage owners and operators of privately held farm, ranch, and forest land to make that land available for wildlife-dependent recreation.
 - The program does not preempt state or tribal government laws, including liability laws.
 - Provides \$50 million in mandatory funds for this program.
 - **Environmental Services Markets**
 - Establishment of science-based technical guidelines to measure environmental service benefits. Creation of a registry to collect, record, and maintain benefits.
 - **Cooperative Conservation Partnership Initiative**
 - Directs 6% of funds and acres from Farm Bill Conservation Title programs, except CRP, WRP, FRPP, and GRP, be used for targeted conservation activities and areas.
 - Projects will be selected through a competitive process of applications submitted by partners.
 - Funds and acres are directed at the state level (90%) and nationally (10 %).
 - **Conservation Access**
 - Assistance to certain farmers and ranchers to improve their access to conservation programs.
 - 10% funding set aside for beginning and socially disadvantaged farmers and ranchers.
 - 5% funding set aside for each group in EQIP.
 - 5% acreage set aside for each group in CSP.
 - **Streamlining Provisions**
 - Section 2702 – authority to accept contributions to support conservation programs. Provides authority to accept nonfederal funds to administer conservation programs under this Title.

Agricultural, Communities, and Rural Environment (ACRE) Grant Updates - Steve Taglang, Division of Conservation District and Nutrient Management, Bureau of Watershed Management, gave an update on the conservation districts' ACRE grants. There were 21 grants awarded for \$750,000. The grants had to be completed by July 1, 2008. Mr. Taglang will be showing the Board some of the products that came out of these grants at a future time; one product was the Ag Action Packet that was presented to the Board on several occasions. Another product is the next presentation, *The Environment of a Health Horse*.

Mr. Taglang then introduced Shelly Dehoff, Lancaster County Conservation District and PA Agricultural Ombudsman, to present *The Environment of a Health Horse*, a month-to-month guide publication that came out of one ACRE grant.

Ms. Dehoff explained the purpose behind *The Environment of a Health Horse* guide and the need for more conservation education to the equine community. The guide covers compliance issues as well as noncompliance issues that are important to horse owners. The Lancaster County Conservation District printed 3,000 copies and each county conservation district and cooperative extension office in the state

has received a complimentary copy. York County used some of their ACRE grant to purchase additional copies.

Deputy Secretary Myers gave the publication high praise and mentioned that we need to get it out to the equine operations because it covers a wealth of information.

2009 Meeting Dates/Times/Locations – The Board will hold bimonthly meetings. Mr. Michael Firestine presented the proposed meeting dates/times/locations for 2009. The meetings will begin at 10:00 a.m. in Room 105, RCSOB, Harrisburg, PA, unless otherwise noted. The dates/time/locations are as follows:

February 18, 2009	
April 15, 2009	
June 17, 2009	
August 19, 2009	– 8:00 am start
	Pennsylvania Department of Agriculture
	Samuel E Hayes, Jr.
	Livestock Evaluation Center
	1494 West Pine Grove Road
	Pennsylvania Furnace, PA 16865
October 21, 2009	
December 16, 2009	

Mr. Firestine asked for concurrence on the proposed 2009 meeting dates/times/locations. All members in attendance concurred with the dates/times/locations.

Mr. Michael Firestine asked if there were any comments, issues, or concerns of the Board. There were none forthcoming, at which time Mr. Firestine asked for any public comments. In the absence of any such comments, Mr. Firestine adjourned the meeting at 12:15 p.m.