

FINAL MINUTES

Board of Agriculture and Consumer Services
Patrick Henry Building
1111 East Broad Street
Richmond, Virginia
Thursday, December 7, 2017

The meeting of the Board of Agriculture and Consumer Services (Board) convened at approximately 9:05 a.m. on Thursday, December 7, 2017, at the Patrick Henry Building in Richmond, Virginia. President Mills called the meeting to order. At the President's request, Mr. Kirby gave the invocation.

ROLL CALL

The Board Secretary called the roll:

PRESENT

O. Bryan Taliaferro, Jr.
Donald Horsley
Clifton A. Slade
Shelley Barlow
Robert J. Mills, Jr.
Rosalea R. Potter
L. Wayne Kirby
Kay Johnson Smith
James S. Huffard, III
John R. Marker
Richard Sellers
Neil Houff
Kevin J. Kordek
Lonnie Johnson

Dr. Jewel Hairston Bronaugh

CONGRESSIONAL DISTRICT

1st
2nd
3rd
4th
5th
6th
7th
8th
9th
10th
11th
Pesticides – Commercial Agricultural
Pesticides – Commercial Structural
Representing Dr. Timothy D. Sands, President,
Virginia Tech
Representing Dr. Makola Abdullah, President,
Virginia State University

STAFF PRESENT

Sandra J. Adams, Commissioner of Agriculture and Consumer Services
Kevin E. Schmidt, Board Secretary

APPROVAL OF MINUTES

Mr. Kirby moved that the draft minutes of the meeting on July 26, 2017, be approved. Ms. Potter seconded the motion, and it was passed by a unanimous vote.

REMARKS FROM SECRETARY OF AGRICULTURE AND FORESTRY GOODEN

President Mills introduced Secretary of Agriculture and Forestry Gooden. Secretary Gooden thanked the Board members for their service and support over the past 12 months.

REPORT FROM BOARD MEMBERS

Neil Houff

Mr. Houff reported that, from a crop protection perspective, the Shenandoah Valley had a good fall. Yields have been decent, and the fields have been clean. He stated that the crop protection industry

is currently facing many issues and wanted to draw the Board's attention specifically to dicamba. He stated that dicamba, a broad-spectrum herbicide, is one of the biggest challenges that his industry faces in Virginia in the coming year with regard to soybean crops.

Kevin J. Kordek

Mr. Kordek reported that the fall has been good to the pest management industry. He noted that typically around this time companies are downsizing but this year companies have increased hiring. It has been an active autumn for professional development and training. The Virginia Pest Management Association (VPMA) hosted the State Technical Meeting in July, which was very well-attended. The Wood Destroying Insect certified inspector course is going into its 14th year, with over 1,300 inspectors certified in Virginia. The master technician series for bed bugs and cockroaches that was expected to occur in December was postponed to March because of funding issues. He mentioned that he has been in communication with Dr. Dini Miller, the urban pest management specialist for the Virginia Cooperative Extension Tech. She is an entomologist and active in the structural pest industry and would like to have the opportunity to address the Board in the future to introduce herself.

He concluded his report by mentioning that VPMA had a recent cybersecurity breach. The hackers posted fake negative reviews of VPMA members that included claims of misapplications and personal injuries resulting from pesticide applications.

O. Bryan Taliaferro, Jr.

Mr. Taliaferro reported that most of the corn crop was good in the 1st district. However, his corn fields did not do as well because they are in a pocket of the district that was extremely dry. The soybean crop was also good, but there was difficulty getting it out of the field because of wet weather in the first two weeks of November. The last two weeks of November were dry, so they were able to complete the harvest. He also mentioned that he graduated from Virginia Tech 50 years ago this year and is now a member of the Virginia Tech Old Guard.

Donald Horsley

Mr. Horsley reported that after a wet spring, growers were able to get everything planted in a timely fashion, with the exception of some soybeans that went in late. However, about 90 percent of the soybean crop has now been harvested. He said the biggest issues for soybean growers have been the backups at the granaries. Trucks have been waiting for two to three hours to get a load dumped because the granaries are full. He stated that this may have to do with the large corn crop that was harvested taking up capacity. On his farm, they had their best soybean crop ever and the corn crop was also very good. His region ended up with the right amount of water in the end, and everything was harvested in a timely fashion. He said the prices need to improve but noted that there's a real glut of everything that farmers raise right now.

Clifton A. Slade

Mr. Slade reported that the past two weeks were extremely dry and farmers have reported that they've stopped planting wheat because of prices and instead will plant cover crops. The fall vegetable harvest was the best they've ever had, but deer damage has been a serious issue. The deer are eating everything, including an entire field of his collard greens and the elephant garlic that is coming up now. He noted that deer fencing is expensive to put up.

Shelly Barlow

Ms. Barlow reported that they also have experienced wildlife damage, which is an increasing problem in the area that hunting does not seem to adequately control. Her farm lost at least 20 acres of cotton on a 50-acre farm to deer damage, which means they have all the input costs and none of the harvest. She wants to work with the state to try and get the deer population under better control. She isn't able to grow vegetables at all without deer fencing. She reported that it has been a good but very challenging harvest for field crops in her area due to rain delays and equipment breakdowns. They have about 10 acres of soybeans left to pick, the cotton is close to finished, and the corn is long finished. The yields are better than the last couple of years; in some areas there are record breaking yields and in other areas, the yields are just average. She has also heard wonderful things about the peanut harvest, with excellent yields following several very challenging years. She stated that it is very difficult to find something right now in the row crop system to grow that is profitable. It has been a challenge to even achieve break-even prices, especially as input costs continue to rise across the board.

Rosalea R. Potter

Ms. Potter reported that they are also experiencing significant wildlife damage in the Valley. Last year she reported bear damage, and now that they have the bears under control, they're having deer problems. Corn yields in the area have been anywhere between 95 and 250 bushels per acre, and soybeans vary between 30 and 60 bushels per acre depending on whether the fields were in an area that received summer rains. The poultry industry is continuing to grow rapidly on both the chicken and turkey side. Companies want growers and producers, and it's a great opportunity for those looking to continue the family farm or break into farming. Meat processing is going well. Historically, most meat processing is done this time of year. All the processors in the area see a lot of growth right now, with many booking into March.

She mentioned that they are seeing the expansion of technology on family farms in the area. In Rockbridge County, a dairy farm is preparing to implement robots into their dairy after comparing the costs of robots and manual labor.

L. Wayne Kirby

Mr. Kirby reported that they are having many of the same issues as other Board members, including some late soybean harvests. The yields were above average, including one of the best soybean crops they've had. They are seeing more four-bean pods, which they haven't seen for a while. He says this may have to do with technology available; however, it's a double edge sword because, while technology increases yields, it also increases carryover. There weren't many small grains planted in his area, but what was planted is up and looks promising.

Kay Johnson Smith

Ms. Johnson Smith thanked the Board, sponsors, and staff for making the Northern Virginia summer Board meeting and tour a success. She mentioned that agriculture is represented in her district through trade associations at the national level that represent all facets of agriculture. Her office is located in the same building complex as the American Feed Industry Association, USA Rice Federation, and National Milk Producers Association. She encouraged Board members to visit these trade associations if they're in the area.

She shared that her organization will be a sponsor of the State Ag and Rural Leaders Conference, which is held the first weekend of January for state legislators who are members of state agriculture committees. It is an opportunity for legislators to share ideas and learn about the hot topics and

issues that will be facing them during their legislative sessions. She asked that Board members encourage Virginia legislators who serve on the House and Senate agriculture committees to attend.

James S. Huffard, III

Mr. Huffard reported that the corn was a 70 percent crop due to dry weather. Milk prices are starting to drop again, and they were already at the bottom. He stated that, during his time in the dairy business, the dairies in his county had been stable, but in the last 12 to 24 months, they've lost half the dairies in the county due to low milk prices. In the late summer, Duchess Dairy hosted an agribusiness meeting with Senator Mark Warner, Commissioner Adams, and a crowd of approximately 70 to 100 mostly young farmers who want to be employed in agriculture. They wanted to show that there are young people interested in going into agriculture. He learned that not everybody in Washington, D.C., is educated about agriculture.

His milk processing business is doing well, and they are busy with the holiday and egg nog season. He added that they've also had bear and deer damage to corn. He concluded his report by mentioning that he is heading to China to do some nutrition work for some Jersey herds near Beijing and will report on the trip when he returns.

John R. Marker

Mr. Marker reported that the soybean harvest is close to being finished in his district. The early beans did not yield as well as late beans this year. The corn crop is finishing up, and the late corn is doing better than early corn, which is likely because of late rains. August rains helped the pastures, but it's dry again now. The apple, grape and peach crop in northern Virginia are good with very little cold weather damage. He added that they also have issues with deer and bears in his district.

Richard Sellers

Mr. Sellers reported that he learned that there is an Agriculture Development Coordinator for Fairfax County, and he will meet with them to see what assistance the Board can offer and report back to the Board. They had a great vegetable crop season in backyards and church gardens, many of which are used to feed people who are food insecure. They had seasonal rains and great growing weather. He also reported that the EZ Pass toll reached \$40 this week inside the Beltway. He spoke to his delegate about it, but learned that they previously introduced legislation to address the costs, but it didn't get any votes.

Dr. Jewel Bronaugh

Dr. Bronaugh reported that Virginia State University (VSU) will hold its winter commencement on Saturday. She hopes that the General Assembly will fund two new positions this year to bolster VSU's undergraduate agriculture education program in order to train more ag educators. The VSU Vice President for Research set a goal to increase VSU's external grants portfolio to \$25 million, and the agriculture department is helping to reach that goal. The agriculture department received four 1890 Capacity Building Grants, which is significant since they usually only receive one or two of those grants. They also launched a new seed grant program that funded 12 internal grants for faculty in all departments that were interested in doing agriculture research. She stated that it was great to see representatives from different disciplines partnering with agriculture. The Small Farm Outreach program received a beginning farmer/rancher development grant for the first time. VSU hosted field days for ginger and turmeric, industrial hemp, and aquaculture. Dr. Bronaugh also reported that the VSU Urban Agriculture Certificate program has been very successful. The first

class had 40 participants, and they currently have 80 people interested in joining the next class. She added that they are looking to add an online training component to the program.

Mr. Lonnie Johnson

Mr. Johnson reported that Virginia Tech (VT) is preparing for commencement in two weeks. The College of Agriculture and Life Sciences saw its biggest class of incoming freshman, with 590 students enrolled this fall. The VT Office of Economic Development did a yearlong study on the economic impact of Agency 229, which consists of Virginia Cooperative Extension (VCE) and the Virginia Agricultural Experiment Station, that was recently released and will be shared with the Board. He stated that VCE is continuing to make some administrative changes. VCE introduced program teams several years ago and is now working to create positions of leadership for those teams. They've reduced their Associate Director for Programs positions from four to two, and VCE is creating some state program leader positions for current employees in the areas of agriculture, natural resources, communities, food, health, families, and 4-H. VT is hoping that these changes will give the programs strength and consistency across the state.

Robert J. Mills, Jr.

Mr. Mills thanked Ms. Johnson Smith and Mr. Sellers for hosting the summer meeting in Northern Virginia. He especially appreciated the opportunity to visit the Cuban Embassy and the visit to D.C. Central Kitchen. He noted that many of the Board members are from rural America and don't see the homeless in their communities and that it was great to see how the kitchen uses food that would otherwise be wasted to feed those in need. He reported that the dairy business has been mixed in his district; on one side of his county, a family dairy went out of business because of low milk numbers, while on the other side of the county, a dairy just put in robotics. He stated that he's noted in his travels throughout the state that there are more soybeans planted than he has ever seen before, which may explain why the granaries are full and the prices are depressed. He said that a VCE agent attended a local meeting, and when asked which small grain crop would be the most profitable, the agent answered that he could tell them which one they would lose the least money on.

It's been dry in the area, and the wheat looks pretty tough. A lot of the wheat failed to germinate, and many growers decided they will grow something else next year. Excessive rain in the spring created an obstacle for the tobacco season. Growers were able to make a crop, but yields were down and many growers went through the Tobacco Administrative Grading Service program for quality adjustment. The downside of that program is that the poor quality tobacco still goes into the supply chain, so it still affects supply and demand. He stated they had summer rain in his district, but it was dry again in the fall, which impacted the ability of cattle farmers to stockpile grass. This has resulted in some cattle farmers starting to feed their cattle hay a little early this year, including those farmers that manage their pastures very well.

Cattle prices have been relatively flat this year. Prices have been down overall, and he noted that prices are somewhat depressed in all the commodities. He is still looking forward to next year because farmers are great optimists. Mr. Mills reported that an issue they are continuing to work on is agricultural labor. He attended a labor forum in Charlottesville where they educated some attendees about where they're at with agricultural labor. He stated that they are in dire need of congressional action before it puts limits on the industry's ability to survive and grow. He hopes that they will get something nailed down in the near future to protect the agricultural labor force that is needed in those industries that require a lot of hand-harvest and hand-processing.

COMMISSIONER'S REPORT

Commissioner Adams delivered her report to the Board. During the presentation of this report, she briefed the Board on personnel changes, recent events, and other matters relating to VDACS. A copy of the written report on which her presentation was based was included in the Board meeting folder.

PROPOSED FAST-TRACK ACTION TO AMEND – 2 VAC 5-141 (HEALTH REQUIREMENTS GOVERNING THE ADMISSION OF AGRICULTURAL ANIMALS, COMPANION ANIMALS, AND OTHER ANIMALS OR BIRDS INTO VIRGINIA)

President Mills called on Dr. Charles Broaddus, State Veterinarian and Director, Division of Animal and Food Industry Services. Dr. Broaddus provided a brief overview of 2 VAC 5-141 and then called on Dr.Carolynn Bissett, Program Manager, Office of Veterinary Services. Dr. Bissett briefed the Board on the proposed action to amend 2 VAC 5-141.

Following Dr. Bissett's presentation and an opportunity for Board questions, Ms. Potter moved that the Board of Agriculture and Consumer Services adopt 2 VAC 5-141, Health Requirements Governing the Admission of Agricultural Animals, Pet Animals, and Other Animals or Birds into Virginia, as presented by staff and that the Board authorize staff to take any and all steps necessary to amend this regulation through a fast-track regulatory action. Mr. Huffard seconded the motion, and it was carried by a unanimous vote of the Board.

MEETING RECESS

At approximately 10:16 a.m., President Mills called a recess. President Mills reconvened the meeting at approximately 10:35 a.m.

CLARIFICATION ON FAST-TRACK REGULATORY PROCESS

Upon return from the meeting recess and based on the discussion from the regulatory action prior to the meeting recess, Mr. Sellers asked President Mills to direct Secretary Schmidt to provide an overview of the fast-track regulatory process. Secretary Schmidt reviewed the process and clarified that, except for certain situations, any regulation following the fast-track regulatory process would not come back before the Board for review and approval.

RESPONSE TO C.B. ECKER PETITION FOR RULEMAKING – 2 VAC 5-319 (BEST MANAGEMENT PRACTICES FOR THE OPERATION OF APIARIES IN ORDER TO LIMIT OPERATOR LIABILITY)

President Mills called on Secretary Schmidt. Secretary Schmidt advised the Board about the specific directions provided in the Code of Virginia prescribing how an agency must respond to a citizen's petition for rulemaking and summarized what staff had done in response to C.B. Ecker's petition.

Following the overview of the petition for rulemaking process by Secretary Schmidt, President Mills called on Keith Tignor, State Apiarist, to present the petition requesting that the Board initiate rulemaking to amend 2 VAC 5-319. Mr. Tignor presented the petition and provided information regarding the specific requests contained in the petition.

President Mills called on Secretary Schmidt to read written comments provided by C.B. Ecker in support of his petition. Secretary Schmidt read Mr. Ecker's comments and then indicated that no one had signed up to speak to the petition. President Mills then asked if any member of the public wished to comment on the petition for rulemaking. There being no one present who

wished to speak, President Mills concluded the public comment period and called again on Mr. Tignor to make a formal recommendation to the Board for its consideration. Mr. Tignor recommended that the Board deny the petition.

Following Mr. Tignor's formal recommendation and an opportunity for Board questions and comments, Mr. Kordek moved that, after consideration of a petition for rulemaking presented by C.B. Ecker to amend 2 VAC 5-319, Best Management Practices for the Operation of Apiaries in Order to Limit Operator Liability, as well as public comments received concerning the petition and staff recommendations, the Board deny this petition and authorize staff to take any and all steps necessary to communicate the Board's decision regarding this petition. Mr. Sellers seconded the motion, and it was carried by a unanimous vote of the Board.

NOTICE OF INTENDED REGULATORY ACTION – 2 VAC 5-317 (REGULATIONS FOR THE ENFORCEMENT OF THE NOXIOUS WEEDS LAW)

Mr. Mills called on Ms. Debra Martin, Program Manager, Office of Plant Industry Services. Ms. Martin briefed the Board on the proposed Notice of Intended Regulatory Action for 2 VAC 5-317.

Following Ms. Martin's presentation and an opportunity for Board questions, Mr. Sellers moved that the Board of Agriculture and Consumer Services authorize staff to take any and all steps necessary to file a Notice of Intended Regulatory Action for 2 VAC 5-317, Regulations for the Enforcement of the Noxious Weeds Law, for public comment. Ms. Barlow seconded the motion, and it was carried by a unanimous vote of the Board.

PRESENTATION ON DECLINE OF HONEYBEES IN VIRGINIA

President Mills called on Dr. Richard Fell and Dr. Carlyle Brewster of Virginia Tech. Dr. Fell and Dr. Brewster presented their research on the decline of the honeybee population in Virginia and answered questions from Board members.

CENSUS OF AGRICULTURE UPDATE

President Mills called on Mr. Herman Ellison, State Statistician, U.S. Department of Agriculture (USDA), National Agricultural Statistics Services (NASS). Mr. Ellison presented an update on the 2017 Census of Agriculture.

PESTICIDE CONTROL FUND UPDATE

President Mills called on Larry Nichols, Director, Division of Consumer Protection. Mr. Nichols provided an update on the Pesticide Control Fund and answered questions from Board members.

AGENDA REVISION

President Mills announced that, due to time constraints, the dicamba update, new business, and the discussion of future board meetings would not take place.

PUBLIC COMMENT PERIOD

President Mills recognized Mr. Wilmer Stoneman of the Virginia Farm Bureau Federation (VFBB). Mr. Stoneman introduced a new VFBB staff member, Stefanie Kitchen, who will be working in the government relations department.

Mr. Stoneman also commented that wildlife management issues are a major priority of VFBB. He encouraged the Board to reach out to the Department of Game and Inland Fisheries (DGIF)

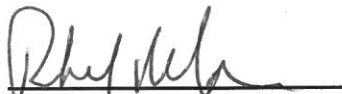
to notify them that Board members have experienced significant wildlife damage as DGIF begins its regulatory cycle.

He also noted that VFBF has created a wildlife call center that allows anyone to call in wildlife damage to get it logged. He stated that VFBF needs more data about the losses sustained by wildlife in order to quantify the damage by either acreage or dollars lost. He stated that VFBF would be interesting in working with the Board or USDA NASS to get that valuable information to quantify those loses.

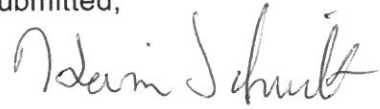
ADJOURNMENT

There being no further business the Board adjourned at approximately 12:17 p.m.

Respectfully submitted,



Mr. Robert Mills
Board President



Kevin Schmidt
Board Secretary