

FINAL MINUTES

Board of Agriculture and Consumer Services
Oliver W. Hill Building, 102 Governor Street
Richmond, Virginia
May 24, 2012

The meeting convened at 9:00 a.m. on Thursday, May 24, 2012, in Room 220 of the Oliver W. Hill Building, 102 Governor Street in Richmond, Virginia. President Rogers called the meeting to order. Mr. Ellis gave the invocation. The Board Secretary called the roll:

PRESENT

Stephen Ellis
Steve Sturgis
Paul W. Rogers, Jr.
William B. Bain
Rosalea Riley
Edward S. Fleming
Patrick A. Toulme
Charles C. Clark, Jr.
John D. Hardesty, Jr.
Dr. Keith T. Miller, President
Dr. Alan L. Grant

DISTRICT

1st
2nd
3rd
4th
6th
7th
8th
9th
10th
Virginia State University
Representing Dr. Charles W. Steger, President
Virginia Tech

ABSENT

Robert Mills, Jr. 5th
Vacant 11th

STAFF PRESENT

Matthew J. Lohr, Commissioner
Sandra J. Adams, Deputy Commissioner
Roy E. Seward, Board Secretary

APPROVAL OF MINUTES

Mr. Sturgis made a motion that the minutes be approved as distributed. Mr. Toulme seconded the motion and the Board voted unanimously to approve the motion.

ELECTION OF OFFICERS

President Rogers turned the meeting over to Commissioner Lohr, who called for nominations for Board President.

Mr. Sturgis nominated Mr. Rogers for President and Mr. Hardesty seconded the nomination. There being no other nominations, Mr. Ellis moved that nominations be closed and that Mr. Rogers be elected President. Mr. Fleming seconded the motion. The Board then elected Mr. Rogers President by a unanimous vote.

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Mr. Rogers accepted the gavel as President and called for nominations for Vice President. Mr. Sturgis nominated Mr. Ellis for Vice President and Mr. Fleming seconded the motion. There being no other nominations, Mr. Bain moved that nominations be closed and that Mr. Ellis be elected Vice President. Mr. Clark seconded this motion. The Board elected Mr. Ellis Vice President by a unanimous vote.

Mr. Rogers called for nominations for Board Secretary. Mr. Ellis nominated Mr. Seward, and Mr. Clark seconded the motion. There being no other nominations, Mr. Bain moved that the nominations be closed, and that Mr. Seward be elected Secretary. Mr. Fleming seconded the motion. The Board voted unanimously to elect Mr. Seward as Secretary.

REPORT FROM BOARD MEMBERS

Ms. Riley reported that her district had a small window of good weather. She indicated that farmers in the area were able to get some field work done. She noted, however, that because of flooding in some areas, cutting hay and planting corn have been delayed.

Mr. Sturgis reported that areas on the Eastern Shore have been irrigating crops because of dry weather. He indicated that the farmers had to start irrigating the wheat just so they can meet their deadline and that some farmers irrigated just to plant corn. He noted that potatoes, soybeans, and corn look good and that the wheat crop may be a little early.

Mr. Bain reported that his area has received sufficient rainfall in recent weeks but that an earlier dry spell impacted the local wheat crop. He added that planting is on time, crops are relatively good and that everybody is pretty optimistic. He noted that commodity prices have been sliding over the last two weeks. He observed that everything in general is two weeks ahead of schedule and that the harvesting of wheat is expected to begin by the end of next week.

Mr. Fleming noted that his district has had a dry spell. He reported that the farmers' markets in his area are experiencing good turnouts of consumers wanting to buy local agricultural products. He stated that farmers continue to be concerned about increased production costs.

Dr. Miller, President of Virginia State University, talked about the programs of his university that provide small farmers in the rural areas with opportunities for developing and expanding their farming enterprises.

Dr. Grant, who represented Dr. Charles W. Steger, President of Virginia Tech, reported that the College of Agriculture and Life Sciences had 600 undergraduates and 60 graduate students to participate in recent commencement ceremonies at Virginia Tech. He also noted that Virginia Cooperative Extension is in the process of filling a number of field positions. He reported on the schedule of annual field days that will be held at the

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various agricultural research and extension centers around the state this year. He mentioned the cooperative efforts with VDACS and others to present livestock events normally held in conjunction with the Virginia State Fair on the Rockingham County Fairgrounds during October 2012.

Mr. Ellis reported that farmers in his area are doing well. He also reported that the corn crop in his district is in the best shape he has seen in the past seven years. He commented that the small grain crops in his area look good. He noted that his district did experience a substantial amount of frost damage in April. He talked about the effects of price volatility that farmers have experienced over the last two to three years.

Mr. Hardesty reported that 90% of the corn crop was planted. He indicated the barley and wheat crops are doing well. He noted that, thanks to adequate moisture, the pasture and hay crops look good. He reported that in his district peaches sustained a 75 percent loss and that the apple crop was cut by five percent because of frost. He added that those raising strawberries are having a good start to the season.

Mr. Toulme handed out copies of a Washington Post article concerning the loss of the Virginia State Fair and reported that he received calls from citizens in his district in response to the news article. He noted that Mr. Fleming had told him that an out-of-state firm recently purchased the State Fair property and that this firm indicated that it plans to hold a State Fair this fall.

Mr. Clark reported that his area is now pretty green but that it had some dry weather in April. He noted that corn has been planted and that the moisture is very good. He observed that cattle prices are down and everybody is getting use to the market volatility. He added that gas prices are going down and that this has helped to improve people's attitudes.

Mr. Rogers reported that crop conditions in his district are looking good and that peanuts and cotton have an excellent stand. He recounted that 95 percent of the peanuts and cotton have been planted, that corn looks good and that soybeans and early beans have been planted. He predicted the wheat crop will be 10 to 14 days early. Concerning the Virginia State Fair, he urged Commissioner Lohr to help keep agriculture in the forefront of future State Fairs. He asked that VDACS make contacts with the firm that will present the State Fair and to urge that company to give appropriate attention to agriculture in this statewide event, which has been a showcase for Virginia agriculture.

COMMISSIONER'S REPORT

Commissioner Lohr briefed the Board on personnel changes, recent and future events and other matters relating to the Department of Agriculture and Consumer Services. A copy of a written report on which his presentation was based was included in the Board's meeting folders.

AGENCY BUDGET UPDATE

Kendra Shifflett, VDACS Budget Director, briefed the Board on the VDACS budget for the 2012-2014 biennium including an update on recent actions of Governor McDonnell and the General Assembly on the state budget that affected VDACS' appropriations. Ms. Shifflett noted that the agency's budget for the first year of the biennium will be five percent greater than the previous budget and that the budget for the second year of the biennium will be up nearly six percent.

VIRGINIA AGRICULTURAL STATISTICS REPORT

Herman Ellison, who heads the Virginia State Office of the National Agricultural Statistics Service of the U. S. Department of Agriculture, briefed the Board concerning recent efforts of his agency concerning agricultural statistics reports and surveys.

PROPOSED REPEAL - 2 VAC 5-460 – RULES AND REGULATIONS FOR THE ENFORCEMENT OF THE VIRGINIA PETROLEUM PRODUCTS FRANCHISE ACT

Andy Alvarez, Director of the Division of Consumer Protection (DCP), introduced Erin Williams who presented the staff recommendations concerning the repeal of 2 VAC 5-460, Rules and Regulations for the Enforcement of the Virginia Petroleum Products Franchise Act. She explained that, because of the General Assembly's action to amend the Act this year, 2 VAC 5-460 is no longer necessary. She advised the Board that the process to repeal this regulation can be initiated now even though the change in the law will not be effective until July 1, 2012.

Following additional comments about the recommended action, Mr. Clark moved that the Board concur with the staff recommendation that the Rules and Regulations for the Enforcement of the Virginia Petroleum Products Franchise Act, 2 VAC 5-460, be repealed given that these regulations are no longer needed because of changes in the Virginia Petroleum Products Franchise Act and that the Board direct staff to take any and all steps necessary to repeal 2 VAC 5-460 through an exempt regulatory process provided by state law. Mr. Toulme seconded the motion, and the Board voted unanimously to take this action.

DRAFT PROPOSAL – REGULATIONS FOR ENFORCEMENT OF ENFORCEMENT OF THE NOXIOUS WEED LAW (2 VAC 5-317)

Ms. Williams of DCP presented a report on draft proposed Regulations for Enforcement of the Noxious Weed Law, 2VAC 5-317. The draft proposal was sent to Board members prior to the May 24th meeting and is included in the board meeting folders. During her report, Ms. Williams told the Board about the stakeholders meeting DCP held to obtain input from organizations with an interest in the draft proposal and also mentioned that Delegate Hope introduced legislation on noxious weeds that has been carried over to the 2013 session of the General Assembly while VDACS and the Board pursue regulatory action on 2 VAC 5-317. Ms. Williams listed the many interested groups represented on the stakeholders/advisory group and indicated that additional interested parties will be added and that staff plans to hold another stakeholders

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meeting during the public comment period for the regulations to receive more valuable input.

Following comments and questions, Mr. Ellis moved that the Board propose the draft Regulations for the Enforcement of the Noxious Weed Law (2 VAC 5-317), presented by staff and authorize staff to take any and all actions necessary to have the proposed regulations filed with the Virginia Registrar of Regulations and published in The Virginia Register of Regulations for public review and comment. Ms. Riley seconded the motion.

After receiving comments from Donna P. Johnson, President, Virginia Agribusiness Council, and Nicole Rovner of The Nature Conservancy, regarding the importance of having additional public input and clarification of issues relating to the draft proposal, the Board voted unanimously to pass Mr. Ellis's motion to propose the regulations and have them filed for public review and comment.

DRAFT PROPOSAL – REGULATION OF THE HARVEST AND PURCHASE OF WILD GINSENG (2 VAC 5-321)

Ms. Williams of DCP presented the staff recommendation concerning the draft proposed Regulation of the Harvest and Purchase of Wild Ginseng (2 VAC 5-321). The draft proposal was sent to Board members prior to the May 24th meeting and is included in the board meeting folders. She explained that the draft proposal was prepared in response to a concern of the federal government that Virginia lacks adequate regulations for the harvest of ginseng. She added that the draft proposal, if adopted, would protect Virginia from the potential loss of its authority to continue issuing export certificates for ginseng harvested in the Commonwealth.

Following comments and questions from the Board, Mr. Clark moved that the Board propose the draft Regulation of the Harvest and Purchase of Wild Ginseng (2 VAC 5-321), presented by staff and authorize staff to take any and all actions necessary to have the proposed regulation filed with the Virginia Registrar of Regulations and published in The Virginia Register of Regulations for public review and comment. This motion was seconded by Mr. Fleming and passed by the Board by a unanimous vote.

2012 VIRGINIA FOOD AND BEVERAGE EXPO REPORT

Olivia Wilson of the Division of Marketing and Development reported on the tremendous success of the 2012 Virginia Food and Beverage Expo that was held in Richmond in March.

VDACS METROLOGY LAB BRIEFING

Mr. Alvarez, DCP Director, introduced Dale Saunders who briefed the Board on the work of the VDACS Metrology Lab. During his presentation, Mr. Saunders recognized William Loving who is the lead metrologist and Linda Jones who is Administrative

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Assistant in the lab. In response to questions about the work of the lab, Mr. Saunders told the Board that the weights and measures standards maintained in the lab are checked every ten years.

NEW BUSINESS

Mr. Rogers, on behalf of the Board, expressed gratitude for the many contributions Ms. Johnson, President of the Virginia Agribusiness Council, has made on behalf of Virginia agriculture and invited her to attend the August 7th meeting of the Board in Winchester where she will be presented a special resolution in recognition of her considerable work.

PLANS FOR FUTURE BOARD MEETINGS

President Rogers noted that the Board will be going to the Winchester area in August for a summer meeting and tour. Mr. Hardesty, who will be hosting the summer meeting and tour, talked about his plans for the August 7th Board meeting and Board tour on August 8th in his district. Mr. Rogers noted that the last Board meeting of the year will be on December 6.

PUBLIC COMMENT PERIOD

Christine Solem of Charlottesville took exception to Commissioner's Lohr's earlier comments during his report about requirements relating to home preparation of food for sale.

Andrea Coron, Executive Director, Virginia Pest Management Association, briefed the Board on the work of her association to educate and represent the 227 pest management firms that are members of the VPMA. She invited Board members to attend the VPMA's annual meeting this fall.

Lois Smith of Spotsylvania County expressed her concerns about regulatory restrictions placed on small producers who want to sell their food products in their community. She mentioned the recent pickle bill as an example of efforts to remove unnecessary restrictions.

Mr. Ellis thanked Ms. Smith for her comments and commended her on her efforts to make a difference for the small producers.

ADJOURNMENT

There being no further business, the Board adjourned at approximately 11:15 a.m.

Respectfully submitted,

Paul W. Rogers, Jr., Board President

Roy Seward, Board Secretary