

BOARD OF AGRICULTURE AND CONSUMER SERVICES
Patrick Henry Building
East Reading Room
1111 E. Broad Street
Richmond, Virginia

Thursday, May 19, 2022

9 A.M.

1. Call to order
2. Roll call
3. Approval of draft Board meeting minutes from March 24, 2022
4. Election of officers
5. Board member reports
6. Commissioner's report to Board – Joseph Guthrie, Commissioner of Agriculture and Consumer Services
7. Final stage - 2 VAC 5-405 (Regulations for the Application of Fertilizer to Nonagricultural Lands) – David Gianino, Program Manager, Office of Plant Industry Services
8. Virginia Grown program rebranding and new logo and refresh of the Virginia's Finest logo – Rob Davenport, Director, Division of Marketing
9. New business
10. Future Board meetings
11. Public comment period
12. Adjourn

DRAFT MINUTES

Thursday, March 24, 2022

The meeting of the Board of Agriculture and Consumer Services (Board) convened at approximately 9:04 a.m. on Thursday, March 24, 2022, at the James Monroe Building in Richmond. President Barlow called the meeting to order.

ROLL CALL

The Board Secretary called the roll:

PRESENT

O. Bryan Taliaferro, Jr.
Donald Horsley
Clifton A. Slade
Shelley Barlow
Cecil Shell
Margaret Ann Smith
Jacquelin Easter
Kay Johnson Smith
James S. Huffard, III
Tyler Wegmeyer
Richard Sellers
Neil Houff
Charles Church
Lonnie Johnson

Dr. M. Ray McKinnie

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

ABSENT

None.

STAFF PRESENT

Joseph Guthrie, Commissioner, Virginia Department of Agriculture and Consumer Services
Kevin Schmidt, Secretary, Board of Agriculture and Consumer Services
Katherine Coates, Administrative Assistant, Virginia Department of Agriculture and Consumer Services

APPROVAL OF MINUTES

Ms. Sellers moved that the draft minutes of the meeting on December 10, 2021, be approved as distributed. Mr. Houff seconded the motion. The motion was unanimously approved.

REPORT FROM BOARD MEMBERS

Charles Church

Mr. Church began his report by introducing the members of the Virginia Pest Management Association (VPMA) Leadership Enrichment Action Program (LEAP) that were present in the audience. He gave a brief overview of the program. He provided the Board with an update on VPMA's recertification programs and recent state and federal legislative efforts.

Board of Agriculture and Consumer Services

March 24, 2022

Page 2

Neil Houff

Mr. Houff reported that there are supply chain challenges for crop production, crop protection, and fertilizer that he anticipates will carry through the entire season. He stated that it has been a good start to the season in the Shenandoah Valley. Weather has been good. He is concerned with restock and late season needs. When prices increase substantially, that creates concerns all the way up the supply chain and re-suppliers become cautious. He looks forward to a good season.

Donald Horsley

Mr. Horsley agreed with Mr. Houff's comments related to fertilizer supply chain issues. He reported on fertilizer price increases, which have tripled in some cases compared to last year, and how these increased prices are affecting farmers in his area. He reported that the wheat crop in his district was good this year and prices are high, but that doesn't necessarily mean high profits. He concluded by stating that the weather conditions in his area have been favorable.

O. Bryan Taliaferro

Mr. Taliaferro stated that he echoes the previous reports about crops, wheat, and input prices. Market prices are alarmingly good. When prices go up exponentially over a short period of time they risk losing markets that would typically be buying small grains at a lower cost. When those prices go up, they begin to look for alternatives and it can take a long time for those markets to come back. He reported that high prices and the overseas conflict might cause a serious disruption in the markets that could potentially impact Virginia.

Clifton Slade

Mr. Slade reported that many small farmers in his district are unable to afford nitrogen. As a result, he predicted there would be more soybeans planted due to financial concerns. He reported that the vegetable industry is doing well. He stated that his district has been dry. Timber chip prices are holding extremely high.

Mr. Slade also briefed the Board on his experience growing industrial hemp following Mr. Shell's report. He has scaled back his production each year because the promised markets never developed. He is currently making his money back on the 100 plants he's growing now by doing his own sales and processing.

Cecil Shell

Mr. Shell reported on the tobacco, grain, timber, and vegetable market in his district. He shared that there are plans to build a produce processing and packing facility in Alberta. He stated that the tobacco business has been tough for producers, and many tobacco companies have not reported to producers how much tobacco they are going to buy. The price of tobacco has not increased substantially in 30 years, but input prices have significantly increased. He reported that wheat has been top dressed in his district. The timber business is going very well, but, although retail prices are high, producers aren't seeing increased profits. He stated that he has not heard much about the hemp market and concluded with an update about the weather conditions in his district.

Margaret Ann Smith

Ms. Smith reported that the weather has been decent in her district, especially compared to the previous year. Hay supplies were able to hold up. The livestock markets were heavy in January and February. She stated that prices were very good, especially in February and early March, but that cattle markets pulled back when the overseas conflict began and grain markets took off.

Board of Agriculture and Consumer Services

March 24, 2022

Page 3

Fertilizer prices have been a major topic of conversation around livestock markets. She reported that 8 of the 11 top producing cattle states are in severe drought conditions, which has resulted in herd liquidation across the country. This may be favorable for Virginia as a calf producing state in the short term. The lack of rain in the Western part of the U.S. has been severe, and grazing and selling cattle in the region has been challenging. She noted that the increases in grain prices are going to result in higher cattle prices.

She concluded her report by stating that people in her district are on edge about avian influenza and are taking precautions.

Jacquelin Easter

Ms. Easter also echoed the earlier reports about increases in fuel and input prices. She reported that avian influenza is a huge concern in her area. She provided an update on the poultry business in her area and noted an increase in interest in poultry litter due to the high fertilizer prices. She reported on issues related to aging processing infrastructure and the impact on producers. She concluded with an update on weather conditions in her district.

Kay Johnson Smith

Ms. Smith reported that the cherry blossoms are in bloom in the D.C. area. She shared that the Agriculture Animal Alliance will be holding its annual stakeholder summit in Kansas City, Missouri. The theme is Come Together for Animal Ag: Be Informed, Be Ready, Be Here! It will be an in-person meeting, but there will be a virtual component as well. Ms. Smith concluded with an announcement that she is resigning from the Board because she moved to Texas and stated that it has been an honor to serve as a member of the Board.

James Huffard

Mr. Huffard provided an update on the dairy industry and global dairy markets. Milk prices are good and are the highest they've been in his lifetime. Dairy production in New Zealand, Australia, and the European Union has been down or flat. Many U.S. dairies converted some of their herds to beef cattle, and production has been flat. He stated that global prices for cheese and butter are higher than U.S. prices. He anticipates that the world is going to be looking to the U.S. for dairy products, and that will probably result in high prices for a while. He noted that in the Southeast region, Virginia likely lost the greatest percentage of its dairies over the past two years because operational costs continued to increase while dairy prices stayed the same for the prior 10 years. On the processing side, he reported that his milk sales are good and they have expanded into making butter. They have also contracted with another Jersey farm to produce cheese curds. His processing business has also resumed milk sales to school and college athletic programs.

Tyler Wegmeyer

Mr. Wegmeyer reported that the start of strawberry season in Virginia is about 30 days away. Last month was the annual Virginia Strawberry Association grower meeting and strawberry school in Chesapeake, which attracted over 100 growers and industry representatives. Input prices were a point of discussion at the event. He stated that many of the strawberry growers pool together to get the best prices they can on fertilizer, but prices of fertilizers and other inputs are up between 30 to 50 percent. Minimum wage has also gone up. He reported that labor shortages are a big issue because it can be difficult for farmers to attract employees in the highly competitive hiring market. He provided an update on pricing discussions and challenges

Board of Agriculture and Consumer Services

March 24, 2022

Page 4

for U-Pick and wholesale strawberry operations. He concluded with a report on the weather conditions in his district.

Richard Sellers

Mr. Sellers reported on the urban agriculture and community gardens in his district. He noted that the Fairfax County Food Council has created an online resource for urban agriculture, including a map of fruit and vegetable gardens. He invited Commissioner Guthrie to visit Fairfax County. He concluded his report with an update on local church gardens.

M. Ray McKinnie

Dr. McKinnie reported that the spring semester is nearing completion at Virginia State University (VSU). VSU is preparing for the 1890 Research Directors Symposium in Atlanta, Georgia, and the M.T. Carter Research Annex building is about a third of the way complete. He noted that the VSU mobile meat processing unit is now operational and a second cohort of producers is being trained on how to utilize the unit. Once producers have completed training, they can lease the unit for a per-head processing fee. He stated that VSU is in the process of installing a cropbox at Randolph Farm, which is a shipping container equipped for microgreen production. The annual college field day will be in late August or early September. He concluded his report by detailing the challenges of talent acquisition in the academic community.

Lonnie Johnson

Mr. Johnson reported on a number of upcoming events at Virginia Tech (VT). On April 12-13, the College of Agriculture and Life Sciences will host its 2022 Ag Summit. On May 13-14, VT will hold its commencement ceremonies in person. On June 9-12, VT and the VT Alumni Association will host an alumni weekend. He stated that Virginia Cooperative Extension (VCE) is attempting to fill a number of positions and has also experienced recruitment challenges. There is currently a national search underway to replace Dr. Edwin J. Jones, the current VCE Director.

Shelly Butler Barlow

Ms. Barlow began her report by acknowledging we continue to be in strange and challenging times. She remarked on the challenges of high prices and supply chain issues. She expressed her appreciation for the insights provided by other Board members. She reported that the price of cotton is as high as she has ever seen it. She discussed recent legislation directed at solar facilities and expressed her concerns about their competition with productive farm and forest land. She reported that applications for the next cohort for the Virginia Agriculture Leadership Obtaining Results (VALOR) program are open and encouraged Board members to distribute the information to their networks. She concluded her report by thanking Kay Johnson Smith for her service to the Board and welcoming and introducing Commissioner Guthrie.

COMMISSIONER'S REPORT

Commissioner Guthrie introduced himself to the Board. He then delivered his report to the Board. During the presentation of this report, he briefed the Board on personnel changes, recent events, and other matters relating to VDACS. A copy of the written report on which his presentation was based was included in the Board meeting agenda and materials.

MEETING RECESS

President Barlow called for a recess at approximately 10:34 a.m. President Barlow reconvened the meeting at approximately 10:48 a.m.

Board of Agriculture and Consumer Services

March 24, 2022

Page 5

2022 SESSION OF THE GENERAL ASSEMBLY – LEGISLATIVE REPORT

President Barlow called on Kevin Schmidt, Director, Office of Policy, Planning, and Research. Mr. Schmidt provided a brief overview of legislation tracked by VDACS during the 2022 Session of the General Assembly and responded to Board member questions.

2022 SESSION OF THE GENERAL ASSEMBLY – BUDGET REPORT

President Barlow called on Kendra Shifflett, Director of Administrative and Financial Services. Ms. Shifflett provided a brief overview of agency budget issues related to the 2022 Session of the General Assembly and responded to Board member questions.

AVIAN INFLUENZA UPDATE

President Barlow called on Dr. Charles Broaddus, State Veterinarian and Director, Division of Animal and Food Industry Services. Dr. Broaddus provided information on Virginia’s response to recent incidences of avian influenza and responded to questions from the Board.

NEW BUSINESS

There was no new business brought before the Board.

FUTURE BOARD MEETINGS

President Barlow announced that the Board meeting dates for 2022 will be May 19 and December 9 in Richmond. President Barlow also stated that the Board intends to hold its summer meeting and tour in July and that she is offering to host the meeting. The tentative dates are July 18-19 or July 19-20.

PUBLIC COMMENT PERIOD

Kyle Shreve, Executive Director of the Virginia Agribusiness Council (VAC), addressed the Board to provide updates on recent VAC activities. He commended the VDACS Office of Veterinary Services for its avian influenza response. He also provided an overview of VAC’s legislative activities during the 2022 Session of the General Assembly and additional budget items that VAC supports. He concluded his comments with an update on VAC’s participation in the Pesticide Fee Regulatory Advisory Panel.

ADJOURNMENT

There being no further business, the Board adjourned at approximately 12:18 p.m.

Respectfully submitted,

Shelley Barlow
Board President

Kevin Schmidt
Board Secretary

BOARD OF AGRICULTURE AND CONSUMER SERVICES

APPOINTED BOARD MEMBER TERMS

As of May 2, 2022

Elected Officers

For the term July 1, 2021 – June 30, 2022

President: Shelley Butler Barlow
Vice- President: Neil Houff
Secretary: Kevin Schmidt

<i>MEMBER'S NAME</i>	<i>DISTRICT</i>	<i>TERM EXPIRES</i>
O. Bryan Taliaferro, Jr.	1st	June 30, 2023 (2nd term)
Don Horsley	2nd	June 30, 2025 (2nd term)
Shelley S. Butler Barlow	3rd	June 30, 2023 (2nd term)
Clifton A. Slade	4th	June 30, 2025 (2nd term)
Cecil Shell	5th	June 30, 2025 (1st term)
Margaret Ann Smith	6th	June 30, 2023 (1st term)
Jacquelin Easter	7th	June 30, 2025 (1st term)
Vacant	8th	June 30, 2023 (Unexpired term)
James S. Huffard, III	9th	June 30, 2025 (2nd term)
Tyler Wegmeyer	10th	June 30, 2025 (1st term)
Richard Sellers	11th	June 30, 2025 (2nd term)
Neil A. Houff	Pesticide – Commercial - Agricultural	June 30, 2024 (2nd term)
Charles Church	Pesticide – Commercial - Structural	June 30, 2024 (1st term)

COMMISSIONER'S REPORT TO
BOARD OF AGRICULTURE AND CONSUMER SERVICES
May 19, 2022

PERSONNEL NEWS

Brady Deal joined the Office of Agriculture and Forestry Development on April 25 to serve as a Project Manager and assist in the administration of the Governor's Agriculture and Forestry Industries Development (AFID) Fund. Brady replaces Emily Flippo, who served in that role for approximately three-years before taking a position with the Virginia Economic Development Partnership in November. Brady, who holds a Masters of Public Administration from Virginia Tech, most recently served as the Economic Development and Planning Manager for the Town of Pulaski, and prior to that was a high school history teacher with Pulaski County.

Jesse Phillips joined the Office of International Marketing (OIM) on May 10 to serve as one of two International Marketing Specialists. This is a new position funded by an appropriation from the General Assembly to assist OIM with strategic planning in its global programs. Jesse holds a degree in Business Administration from James Madison University and has worked in international marketing and sales as Senior Marketing Coordinator for Warner Brothers Studio and Director of Marketing and Publicity for a global brand management firm.

Kevin Cronin joined the Office of Administration and Financial Services as the Director of Information Systems. Kevin previously served as the Director of Technology Solutions for the Virginia Retirement System and as an Information Technology Director for the Virginia Department of Taxation. Kevin has worked with the Virginia Information Technology Agency (VITA) since its inception and brings a wealth of knowledge on how to navigate VITA services to ensure VDACS technology needs are met. Kevin is a graduate of Virginia Tech and spent 12 years as a technology consultant before joining the Commonwealth.

Staci Saunders joined the Office of Administrative and Financial Services to serve as the Operations Manager for the Virginia Winery Distribution Company. Staci comes to VDACS from the private sector, specifically AVI-SPL (formerly Whitlock) where she served as a Project Accountant and a Customer Experience Manager during her tenure. She brings over 25 years of customer service and operational support to her new role. Staci attended Virginia Commonwealth University for Business Administration.

GOVERNOR'S PRIORITIES

Since March, there have been two new Governor's AFID Fund Facility Grants announced totaling \$85,000. On March 31, Prince Edward County was awarded \$25,000 for its first AFID award. The project represents \$528,000 in new capital investment, six new full-time positions and four full-time equivalent positions, and commitments for the purchase of \$25,325 of Virginia-grown agriculture and forestry products. On April 14, Governor Youngkin announced a \$40,000 award to Arlington County. The project represents \$1,810,287 in new capital investment, 30 new full-time positions, and commitments for \$3,576,991 of Virginia-grown agriculture and forestry products. Since its inception,

114 Governor’s AFID Fund Facility Grants have been successfully awarded to 64 localities across Virginia totaling \$10,069,900. These projects have encouraged the creation of 3,566 new full-time jobs and full-time equivalent positions, \$1,034,584,056 in new capital investment, and \$1,155,847,300 in new Virginia-grown purchases. Additionally, 51 AFID Planning Grants have been awarded totaling \$1,043,232, positively impacting 63 unique localities for local agricultural and economic development enhancements ranging from local food sourcing to poultry industry support to viticulture education.

In March, the 2022 Governor’s Conference on Agricultural Trade was held in Richmond. The conference, co-hosted by VDACS, the Virginia Farm Bureau Federation, and the Virginia Tech Department of Agricultural and Applied Economics, featured a distinguished lineup of speakers who presented on opportunities and challenges in agriculture and forestry trade, agricultural export programs, and the impacts of foreign trade due to international crises and world events. Governor Youngkin delivered the keynote address outlining his priorities for making Virginia “Best in Class” for agricultural exports and noting a record \$4.1 billion in agriculture and forestry product exports. During his remarks, the Governor also discussed his plan for continuing to grow Virginia’s economy and agribusiness sector. The event featured other distinguished speakers, including Virginia Secretary of Agriculture and Forestry Lohr; U.S. Department of Agriculture (USDA) Deputy Secretary of Agriculture Dr. Jewel Bronaugh; and Veronica Nigh, Senior Economist, American Farm Bureau Federation. There were over 200 attendees, including international embassy representatives, participating both in person and virtually.

In April, Commissioner Guthrie attended Governor Youngkin’s signing of Executive Order #17, which promotes recycling, reducing waste, and the creation and relocation of clean technology companies that are involved in recycling-related issues to Virginia. VDACS will work with the Department of Environmental Quality (DEQ) and large-scale suppliers of food such as food manufacturers, grocery retailers, sports arenas, schools, hotels, and banquet facilities to identify appropriate strategies to reduce food waste in their respective sectors by encouraging food donations to needy individuals, for animals, or for composting purposes. VDACS and DEQ are currently working together to compile a list of stakeholders to participate in a working group to discuss potential strategies to combat food waste in Virginia.

In April, Commissioner Guthrie and Deputy Commissioner Green participated in a meeting with the Secretariat of Agriculture and Forestry and the leadership from the Department of Forestry (DOF) to discuss the proposed Ambitions, Objectives, and Key Results (A.O.K.s) established to ensure that both VDACS and DOF function at the highest levels possible. Secretary Lohr and his agency heads went over the various established baselines and targets, along with strategies and initiatives for achieving and surpassing the stated goals. Once final approval is granted, VDACS plans to assemble the agency’s strategic management team to ensure that all divisions and programs understand the objectives and work together towards achieving the shared goals.

	As of April 29, 2022	On March 18, 2022	On July 31, 2021
Industrial Hemp Grower Registrations	136	65	876
Industrial Hemp Processor Registrations	233	241	290

Industrial Hemp Dealer Registrations	103	108	135
Trained Sampling Agents (crop samples)	21	16	N/A
Approved Testing Laboratories (crop samples)	5	2	N/A

AGENCY OPERATIONS

Commissioner’s Office

In April, Commissioner Guthrie attended Governor Youngkin’s signing of several animal welfare bills at the Executive Mansion. Specifically, these bills prohibit the sale of dogs or cats for experimental purposes and penalize animal cruelty. This legislation updates portions of the Comprehensive Animal Care Law found in the Code of Virginia.

In April, Commissioner Guthrie attended the Bedford County Agriculture Economic Development Board Meeting. The Commissioner discussed the role of VDACS in enhancing economic development in agriculture, providing consumer protection, and encouraging environmental sustainability. Additionally, he discussed the Governor's top initiatives in agricultural policy and answered questions on a variety of topics of interest to the group. The board advises the Bedford County Board of Supervisors on important matters related to agriculture.

In April, Secretary Lohr, Commissioner Guthrie, and VDACS staff participated in the Virginia Beef Expo at the Rockingham County Fairgrounds. The VDACS Office of Veterinary Services exhibited at the event. Information about official animal identification tags, disease surveillance programs, and drug residue information was distributed to the public. Division of Commodity Services staff also participated in the Virginia Cattlemen’s Annual Meeting and the Virginia Cattle Industry Outlook Session, which were held in conjunction with Expo.

In April, Commissioner Guthrie and the Office of Laboratory Services (OLS) Program Manager met with U.S. Senator Mark Warner and other state and local elected officials at the new Farmer Focus packaging facility. Discussions focused on highly pathogenic avian influenza, marketing, and employment rates. Farmer Focus employees conducted a tour of the facility for the visiting delegation.

In April, Deputy Secretary of Agriculture and Forestry Green and Commissioner Guthrie joined Congressman Ben Cline and staff on a farm tour and roundtable discussion in the Valley. The tour included visits to local row crop, beef, hog, and dairy farms as well as a vineyard. The purpose of the tours was to learn more about farmers' concerns before the U.S. Congress begins rewriting the federal farm bill in 2023. Specifically, the farm owners expressed concerns about commodity pricing, farm loans and insurance, and the increasing cost of production.

In April, Commissioner Guthrie visited agency staff at the Division of Consolidated Laboratory Services in Richmond. The visit included the VDACS Seed Laboratory, Plant Pathology Laboratory, and the Metrology Laboratory. The Seed Laboratory tests seed for the enforcement of the Virginia Seed Law to determine if they meet minimum certification standards. In addition, seed analysts conduct service sample testing for farmers, seed dealers, processors, and consumers. The Plant Pathology Lab helps protect the green industry and growers of agricultural commodities throughout the

Commonwealth from diseases of regulatory significance by providing diagnostic services and coordinating statewide plant pathology surveys. The Metrology Lab offers traceability to national standards to both government and industry clients for both regulatory and quality control processes. Division of Consumer Protection leadership and members of the Communications and Human Resources offices joined the Commissioner on the visit.

In May, Commissioner Guthrie traveled to Barcelona, Spain, to participate in the Southern United States Trade Association (SUSTA) Executive Board Training and the 2022 Seafood Expo Global tradeshow. The training provided Commissioner Guthrie with an opportunity to learn about SUSTA's programs to help small to mid-size companies flourish in the global marketplace. Commissioner of Agriculture and Industries Rick Pate (Alabama) and Commissioner of Agriculture Sid Miller (Texas) also participated in the SUSTA training. The Seafood Expo Global event is the world's largest seafood trade fair and features more than 2,000 exhibiting companies from 90 countries. SUSTA and the Virginia Marine Products Board both had booth space at the show.

Division of Marketing

In April, Office of Agriculture and Forestry Development (OAFD) hosted the first in-person meeting of the Virginia Ag Development Officers group (VADO) in Richmond since 2019. Formally established in 2010, VADO is a professional development and networking organization staffed by OAFD that supports local economic development professionals in their work to grow Virginia's agriculture and forestry industries. VADO also serves as a communication channel for VDACS and the Governor's administration with Virginia's economic development community. Typically, the first meeting of the year is held in Richmond in order for VADO members to hear directly from agency leadership and administration officials. Secretary Lohr and his team were the featured speakers on the agenda, which also included an overview of the VDACS Food Safety program and its new permitting program and an introduction to the Virginia's Finest and Virginia Grown programs and their new logos. Office of Policy, Planning, and Research staff presented updates on the 2022 General Assembly Session and the agency's Industrial Hemp Program. More than 60 economic development professionals from across the state were in attendance and gave favorable feedback following the event.

In April, Secretary Lohr spoke at the Virginia Land Conservation and Greenways Conference organized by Virginia United Land Trusts (VaULT). VaULT is the umbrella group for all land trusts in Virginia. OAFD staff, as a member of the VaULT Board Executive Committee and the Conference Planning Committee, helped organize the event, which was attended by approximately 200 land conservation professionals from across the state. In addition, OAFD staff organized a field trip on Virginia food systems and toured Shalom Farms, a recipient of a Virginia Food Access Investment Fund grant, and Sankofa, an urban orchard.

In April, OAFD staff participated in the first annual Virginia Nutrition Security and Health Summit hosted by the Federation of Virginia Food Banks in Richmond. Food access and health experts from across the state convened to share resources and develop strategic plans to ensure that every Virginian has access to fresh, healthy, and culturally appropriate food and healthcare. Speakers included Dr. Kofi Essel, Director of the GW Culinary Medicine program, and USDA Deputy Secretary of Agriculture Jewel Bronaugh. OAFD staff presented at a session called "Investing in Healthy Futures" and shared

insights into the Virginia Access Investment Fund Program and the benefits of partnerships with Virginia Fresh Match and Virginia Community Capital.

On May 4, DM staff attended Governor Youngkin's Food and Grocery Roundtable discussion in Richmond. The Roundtable included stakeholders from the grocery industry including association representatives, retailers, and non-profit organizations such as Kroger, Dollar General, Feed More, Appalachian Sustainable Development, the Virginia Petroleum and Convenience Marketers Association, and the Food Marketing Institute, among others. The Governor led a discussion on inflation, supply chain issues, labor, and barriers for growth. Secretary Lohr addressed the group and discussed the many ways VDACS can assist these attendees. Secretary Lohr also led a discussion on local Virginia food products and opportunities and challenges for the expansion and development of local programs. DM made several contacts at the meeting, which resulted in follow-up marketing discussions and conversations with Safeway, Lidl, Feed More, and Tom Leonard's.

Office of International Marketing (OIM) staff has served as clients for two graduate level business classes at the Virginia Commonwealth University (VCU) and one undergraduate class at the University of Richmond focused on business opportunities in Latin America this year. A team of students in the VCU Executive Master of Business Administration (MBA) program evaluated the Virginia Grown and Virginia's Finest programs and recommended several areas of opportunities to improve the programs, including ways to better serve the companies in the program and increase consumer awareness of the high quality Virginia products associated with the two brands. Matt Conrad, who serves as the vice president for government and external relations for VCU, has submitted this project for consideration to be presented to Governor Youngkin. Another VCU graduate-level marketing class researched and evaluated international markets to consider for Virginia agricultural and forestry products. OIM staff will use the students' research and recommendations in developing its international marketing strategy. Lastly, students in the University of Richmond's undergraduate Latin America Business course evaluated opportunities for three Virginia companies, including Fyberry Frozen Yogurt (Chantilly), Catoctin Creek Distilling Company (Purcellville), and Virginia Poultry Growers Cooperative (Hinton) and recommended top countries to consider in the region.

In March, the Europe trade representative assisted The Plant Based Seafood Company (Grimstead) during the International Food & Drink Event (IFE) in London, England. For more than 40 years, IFE has welcomed 30,000 retailers, wholesalers, and foodservice professionals to taste, test, and source products from a global list of producers. This year, IFE was co-located with IFE Manufacturing, Hotel, Restaurant & Catering; The Pub Show; and The London Produce Show for complete access to the full supply chain across three days. The Plant Based Seafood Company and the trade representative exhibited in VDACS-sponsored booth space. During the show, it was announced that The Plant Based Seafood Company's scallops had been named IFE's Best Plant Based Product of the show. The booth received much interest, and The Plant Based Seafood Company reported that it met several potential partners.

In April, OIM staff introduced a Mexican buyer, Nutriplan, to Bennett Mineral (Walkerton), which manufactures GeoBond, a clay mycotoxin absorber, for the purpose of restarting sales that had stalled during the past five years. Nutriplan is a vitamin and mineral premix manufacturer with customers in Mexico and Brazil. Some of its current customers, such as LaLa and Proan, are the largest poultry, swine, and dairy integrators in Mexico. Nutriplan agreed to purchase two containers of GeoBond from

Bennett Mineral during the meeting. The sale is valued at \$20,000, and Nutriplan indicated that it intends to place additional orders in the future.

In March and April, Office of Domestic Marketing and Promotions (ODMP) staff conducted a total of six meetings for the following Virginia commodity boards: the Virginia Cattle Board, the Virginia Wine Board, the Virginia Spirits Board, the Virginia Horse Industry Board, the Virginia Soybean Board, and the Virginia Peanut Board. At these meetings, the boards considered proposals for research, education, and promotional proposals for funding.

In March and April, ODMP staff participated in the following 16 events: 2022 Virginia Specialty Food and Beverage Expo, United States Apple Export Council's Board of Directors Virtual Meeting, Spotsylvania Farmers' Market Vendors Meeting, Lynchburg Community Market Vendor Meeting, Virginia Cooperative Extension's Central Virginia Cattle Conference, 2022 Loudoun County Equine Expo, Food and Beverage Accelerator's Southwest Cohort's Pitch Contest, Virginia Tech's ANR Summit, Virginia 4-H Horse Program Equismartz Contest, and the Virginia Agricultural Development Officers Group Meeting. Total participation in these events was approximately 3,000.

Since March, ODMP has continued to work with Madison & Main, a marketing and promotions firm, on the rebranding of the Virginia's Finest and Virginia Grown programs. Governor Youngkin unveiled the new Virginia Grown logo and the refreshed Virginia's Finest logo at the 2022 Virginia Specialty Food and Beverage Expo on March 30. ODMP staff is also working with Madison & Main to approve ad campaigns for Virginia Grown and Virginia's Finest. This includes the launch of a new Virginia Grown YouTube channel, which will feature promotional videos centered around the tagline "Virginia Grown is Deep-Rooted in Virginia." These video ads will encourage viewers to connect with growers by visiting the Virginia Grown website and searching for farms near them. March analytic reports on the previous campaigns run indicated that the ads received 578,000 impressions on Facebook, 463,000 impressions on Google Display Ads, and 67,820 YouTube impressions.

On March 30, the 2022 Virginia Specialty Food and Beverage Expo returned to the Greater Richmond Convention Center. Hosted by VDACS and Virginia's Finest, the event connects buyers representing grocery stores, restaurants, and gift shops directly with Virginia specialty foods and beverages. This year, the Expo hosted more than 200 exhibitors and had over 1,000 registered buyers and media attendees. Governor Youngkin also unveiled the refreshed Virginia's Finest logo and the newly rebranded Virginia Grown logo to the audience at the event. This year's Best New Products Awards had 40 entries, and Governor Youngkin presented the following awards to the winning companies:

Best New Product Overall

Chaotic Good Tempeh, Richmond, Black Bean and Pumpkin seed "Carnitas"

Best New Food

Northern Neck Sauce, Richmond, Mild Sauce

Best New Beverage

Pastry Base LLC, Richmond, Lilibean Hot Cocoa Bomb Kit

The Office of Food Distribution (OFD) has ordered a total of \$7,862,271 of USDA foods for schools participating in the National School Lunch Program (NSLP) with funds provided by USDA's Commodity Credit Corporation. These funds were in addition to the regular National School Lunch Program entitlement orders and were offered to help deal with the supply chain disruptions brought on by the pandemic.

In April, OFD submitted a USDA Local Food Purchase Assistance grant application. If awarded, this grant will provide an initial \$4.8 million in funding to purchase local foods for distribution to food insecure Virginia residents. Additional funds may be available in the future. The program will focus on purchasing local foods from socially disadvantaged farmers and vendors.

In April, Market News staff gave a presentation at the Virginia Beef Expo at the request of the Virginia Cattlemen's Association. The Expo was held at the Rockingham County Fairgrounds. The Market News Specialist provided information on feeder cattle trends, reporting that the prices of Virginia feeder cattle have been on an upward trend for the last five years. While feeder cattle prices have dropped slightly since the beginning of the Russia and Ukraine conflict, Virginia feeder cattle prices are still doing well compared to historical averages, with March prices trending mostly 10 percent higher than last year and 8 to 12 percent higher than the five-year average. The presentation also included information on services provided by Market News, and several new subscribers to Market News publications have been added as a result.

Market News reports that the Russian invasion of Ukraine has created volatility and uncertainty in grain markets. Russia and Ukraine are two of the largest wheat producers in the world, which has resulted in concerns about the invasion's effect on prices and supplies. The two countries account for approximately 30 percent of global wheat exports. Both countries are also large producers of corn. As of April 14, Virginia wheat prices have increased 35 percent, and corn prices have increased 15 percent since the invasion. In addition, Russia is one of the world's largest producers of nitrogen and potash, so fertilizer markets that were already experiencing shortages and significant price increases are also being affected. Even before the invasion, nitrogen prices had more than doubled in some areas. The invasion of Ukraine had led to more volatility in prices, increased costs of production for producers (especially for feed, fertilizer, and fuel) and possible future supply shortages.

Market News publishes the *Cattle & Crops* and the *Virginia Ag Brief* newsletters on a weekly basis. *Cattle & Crops* provides prices and summary information from Virginia livestock auctions and state graded sales. Also included are Virginia grain prices as well as national production and supply reports of interest to Virginia producers. *Virginia Ag Brief* contains a weekly summary of Virginia livestock and grain prices and is distributed to print and broadcast media throughout the state. The broadcast version is sent to 25 radio stations, and the print version is emailed to 40 newspapers throughout the Commonwealth. Market News also publishes an online version of the *Hay Clearing House* newsletter. This publication serves as a tool to bring together buyers and sellers of hay and is particularly effective in helping livestock producers locate hay during times of shortages. *Hay Clearing House* includes listings of hay sellers and buyers and also has a section with historical hay prices from the Rushville hay auction. Market News continues to receive compliments from producers who report that the *Hay Clearing House* newsletter is the primary marketing tool they use to sell hay.

Division of Commodity Services (DCS)

Since March 25, Division of Commodity Services (DCS) Staff:

- Conducted Terminal Market and Shipping Point Inspections on 150,422 pounds of fresh fruits and vegetables and Processed Food Inspections on 192,287 pounds of processed products;
- Performed one Good Agricultural Practices (GAP) Audit
- Inspected and certified grain commodities, including soybeans, corn, wheat, barley, soybean meal, and soybean hull pellets, with a total value of more than \$311 million destined for 22 countries;
- Conducted two wheat inspection workshops and one corn workshop. Visited four sites for inspection;
- Provided livestock evaluation services to producers on approximately 16,492 cattle and 513 lambs or goats and graded 171 beef carcasses. Market Animal Livestock Show Grading activities included the Piedmont 4-H Market Animal Show, Augusta Market Animal Show, Pittsylvania County Jr Livestock Show, and Fauquier County Jr Livestock Show;
- Inspected and certified approximately 46,227,451 pounds of Farmers' Stock peanuts and regrades, approximately 29,518,373 pounds of shelled and in-shell milled peanuts, and 3,694,898 pounds of imported peanuts from Argentina;
- Analyzed approximately 827 samples of peanuts for the presence and levels of aflatoxin to determine if the peanuts were safe for human consumption;
- Certified 1,383,121 pounds of various poultry parts for the USDA Feeding Program for School Lunch Products;
- Graded, via contracted full-time grading services, 24,049,315 pounds of chicken and 3,792,443 pounds of turkey for the Virginia poultry and egg industry;
- Provided non-contract fee grading and certification services for 113,860 pounds of poultry based on U.S. Consumer Grades to fulfill necessary specifications and contract requirements for the Virginia poultry and egg industry;
- Performed two USDA Food Defense Audits (Poultry and Egg Services); and
- Participated in USDA guided hands-on training to inspect fresh fruits and vegetables at the high volume Philadelphia Wholesale Produce Market;

Since March 25, DCS staff participated in national, regional, and statewide meetings, including:

- Association of Fruit and Vegetable Inspection Standardization Agencies Annual Conference
- American Association of Grain Inspection and Weighing Annual Meeting

- Virginia Cattlemen’s Annual Meeting and Industry Outlook Meeting
- Virginia Beef Expo
- Buckingham County Cattlemen’s Meeting
- Culpeper Madison Rappahannock 4-H Beef Meeting
- Piedmont 4-H Meeting
- Goochland/Powhatan Beef Producers Meeting
- NCBA Stockmanship & Stewardship sponsored by the VA Cooperative Extension

In May, DCS staff represented Virginia at the Association of Fruit and Vegetable Inspection and Standardization Agencies conference in Philadelphia, Pennsylvania. The conference consisted of representatives from USDA, the National Association of State Departments of Agriculture, and approximately 26 states. Discussions centered on issues between the states and USDA in reference to federal Cooperative Agreements, training and licensing issues of state personnel by USDA, overhead fees paid to USDA, and federal Food Safety Audits. Discussions with other USDA and state GAP/GHP auditors at this meeting helped ensure that audits are being conducted uniformly throughout the U.S. Food safety on the farm continues to be at the forefront of Virginia agriculture and has become a standard requirement for sales of product to national chain stores.

Division of Animal and Food Industry Services (AFIS)

Throughout February and March, Office of Veterinary Services hosted virtual Avian Influenza Indemnity Drills. The drills were inspired by the State Veterinarian’s desire for VDACS, USDA and commercial poultry companies to become more comfortable with the indemnity process during an Avian Influenza event. The content of the drill was assembled by the Regional Veterinary Supervisor and the USDA Poultry Specialist/VMO in North Carolina.

In April, Office of Veterinary Services (OVS) staff participated in a Poultry Depopulation Training held at the Rockingham County Fairgrounds. There were five local poultry companies present for the training. OVS and Office of Laboratory Services (OLS) staff gave presentations on biosecurity, alternate depopulation strategies, cleaning and disinfecting, and an overview of VDACS’s foaming equipment. OVS staff members also completed respiratory fit testing during the training, which was provided by Rockingham County Fire and Rescue.

In April, OVS began accepting enrollment into the U.S. Swine Health Improvement Plan. The U.S. Swine Health Improvement Plan (US SHIP) is a new program modeled after the National Poultry Improvement Plan. US SHIP is intended to be a formal platform for safeguarding, certifying, and bettering the health of U.S. swine and the longer-term competitiveness of the U.S. pork industry. The development of the program is the result of the collaborative efforts of pork industry professionals, pork producers, and government officials. The purpose of the program is to develop national standards centered on disease prevention and the ability to demonstrate freedom of disease in the event of an outbreak.

The Office of Meat and Poultry Services (OMPS) is working with three new facilities that should all be ready for inspection by the end of May. All three facilities are in rural locations and will be able to provide both slaughter and processing operations. This will provide Virginia livestock producers with

more options for having their animals slaughtered and processed. Currently, there are only a few facilities located in Virginia that provides slaughter and processing for producers. Producers have long wait times and must drive several hours to get their animals processed. Additionally, OMPS continues to work with Virginia State University (VSU) on its mobile unit. The unit operators are having difficulties obtaining necessary equipment due to supply chain shortages, which has delayed the unit's launch. Once the equipment is received, the mobile unit will travel throughout Virginia to provided slaughter and processing services to farmers with small ruminant species like sheep and goats. With the addition of these four facilities, Virginia farmers will have the opportunity to direct market their products without the expense of building and maintaining an inspected facility.

In April, USDA announced that it would provide \$23.6 million in a second round of The Meat and Poultry Inspection Readiness Grants (MPIRG). The grant money will be provided to qualified facilities for covering the costs for improving slaughter and processing capacity and efficiency; developing new and expanding existing markets; increasing capacity to better meet consumers and producers demands; maintaining strong inspection and food safety standards; and increasing access to slaughter and process facilities for new and beginning small farmers, socially disadvantaged producers, veteran producers, or underserved communities. In addition to the MPIRG, USDA announced that it would invest \$25 million in The Meat and Poultry Expansion Program (MPPEP). This program will provide grants to help eligible processors to expand their capacity by building new, modernizing, or expanding existing processing facilities; develop, install, or modernize equipment and technology; help ensure compliance with packaging and labeling requirements; uphold occupational and safety requirements; modify facilities or equipment to protect food safety; pay for voluntary grading services on value added products; offset cost associated with becoming an inspected facility; and support workforce recruitment, training, and retention.

In April, OMPS began inspection services at Double L Meat Processing in Jonesville. Double L Meat Processing received USDA grant funding from MPIRG announced in November 2021. Double L Meat Processing will offer slaughter and processing services to local farmers throughout Virginia, North Carolina, and Tennessee under VDACS's Talmadge-Aiken (T/A) program. T/A plants are meat and poultry plants in the U.S. in which state agency inspectors perform federal safety inspections.

OMPS receives daily inquires on the requirements to achieve a grant of inspection to provide slaughter and processing services within Virginia. Several custom slaughter facilities have expressed interest in obtaining grants of inspection. Providing inspection at new establishments could be hindered by the difficulties OMPS has experienced in hiring new employees. The VSU mobile unit will move around the state to various farm locations, and the new facilities receiving grant money are in remote areas not already covered by existing inspectors. This will create staffing challenges for OMPS. Industry also continues to report challenges with hiring and retaining employees at their facilities.

The Office of Laboratory Services (OLS) signed an agreement with the National Animal Health Laboratory Network (NAHLN) to have all four OLS labs as part of the NAHLN. Currently, the Harrisonburg Regional Animal Health Laboratory is the only participant in the NAHLN as a Level 2 Laboratory. As participants in the NAHLN, labs would be responsible for maintaining capability to perform foreign animal disease testing in an outbreak situation. The NAHLN Program Office has scheduled on-site visits to evaluate molecular capabilities in all laboratories in September.

In April, OLS staff participated in the American Association for Laboratory Accreditation (A2LA) Tech Forum meeting in Chantilly. A2LA is a third party that performs the lab accreditations for VDACS's Regional Animal Health Laboratory to confirm that the agency meets International Organization for Standardization (ISO) / International Electrotechnical Commission (IEC) 17025 standards. ISO/IEC 17025 standards establish general requirements for the competence of testing and calibration laboratories. ISO is an independent non-governmental international organization that develops voluntary, consensus-based international standards. IEC is an international standards organization that prepares and publishes international standards for all electrical, electronic, and related technologies.

The OLS Quality Manager is working with the A2LA to change OLS to a satellite lab system. This will shorten the audit time frame and be less expensive for OLS. A2LA will only need to review the Quality Management System at the first lab site. The Warrenton A2LA audit was completed in April with no major findings.

Since March, OLS has completed more than 28,000 tests. Details of the tests performed are as follow:

Tests Performed at VDACS Regional Animal Health Laboratories Since March	
Bacteriology	1,132
Dairy Microbiology	1,225
Food Safety	300
Hematology/Clinical Pathology	194
Mammalian Serology	7,037
Molecular Testing	1,182
Parasitology	558
Pathology	314
Poultry Serology	16,644
Virology	16
Water Testing	136
Total Lab Tests Conducted	28,738

The Office of Dairy and Foods (ODF) Food Safety Program (FSP) participates in economic development activities with persons interested in selling food products in Virginia by reviewing new food business proposals and assisting in the development of safe food processes. From February through March, FSP performed the inspections necessary to open 108 new food businesses. A total of 238 hours were spent working with vendors to open these firms. FSP has an inventory of 13,078 firms under inspection. Twenty-eight Food Safety Specialists, three Food Safety Technical Specialists, and three Field Supervisors are responsible for the regulatory oversight of these firms.

FSP also works to ensure that food and dietary supplements manufactured, processed, stored, and sold in Virginia are safe, wholesome, and properly labeled. From February through March, FSP conducted 1,502 inspections of food establishments (which includes retail food stores, food manufacturers, and food warehouses), investigated 58 consumer complaints, and collected 112 food samples.

The FSP has a 2021-22 contract with the U.S. Food and Drug Administration (FDA) and receives funding (\$364,745) to conduct inspections on FDA's behalf. In the current contract year, FSP Specialists will be performing 223 contract inspections at food manufacturers and food warehouses in Virginia.

During the months of February and March, the Office of Dairy and Foods Dairy Services Program (DSP) conducted 270 inspections of Grade "A" and manufactured-grade dairy farms and 44 cheese and ice cream manufacturing plant inspections. To ensure compliance with Virginia's regulatory standards, program staff collected 803 milk samples from Virginia Grade "A" dairy farms. Two hundred seven (207) cheese and frozen dessert samples were collected to determine compliance with current dairy laws and regulations. Inspectors also performed 1,074 extensive phone discussions with producers and physical on-farm visits to review construction of dairy facilities, review the installation of milking equipment and other related items, and offer advice and assistance to dairy farmers and manufactured milk processors.

In March, DSP was notified that *Listeria monocytogenes* was identified in a cheese sample collected for random regulatory testing from a cheese manufacturing plant in Southwest Virginia. DSP witnessed the voluntary destruction of 331 pounds of contaminated cheese from the lot identified from the initial testing. None of the affected batch was released for sale or introduced into commerce. DSP continued to work with the firm and collected numerous other samples from various batches of cheese present at the plant, as well as worked with the manufacturer in also implementing their own additional independent sampling protocol utilizing third party testing to ensure the risk of any further potential contamination was prevented.

The Office of Dairy and Foods Produce Safety Program (PSP) is continuing to build its produce farm database and verify existing farm data, as farm data is used to justify future federal funding amounts. There are currently 274 covered farms that need an inspection (which includes large, small, and very small farms) with another 622 that are exempt or qualified exempt. In August 2021, the 2018 Dun & Bradstreet/ US Farm survey data set for Virginia was merged with the Produce Safety database, which added 4,927 new farms with possible produce sales. Inspectors have been working to verify farm data in their respective areas, and there are still 4,019 active farms in the database where more information is needed to see if these farms are still in business and covered by the federal Produce Safety Rule. Administrative staff has sent over 1,330 informational letters to clients with only a P.O. Box listed in the farm survey. The PSP is above the USDA National Agricultural Statistics Service (NASS) estimates in the small farm category (48 on file vs 35 estimated by the NASS data) and large covered farm category (53 on file vs 50 estimated by the NASS data). There is still work to do in the very small farm category (173 on file vs 418 estimated by the NASS data), which is to be expected as those farms are smaller in acreage and much harder to identify. Very small farms are those that generate between \$25,000 and \$250,000 in annual produce sales. The very small farms came under inspection on May 1, 2021. Very small farms are proving very difficult to verify, as they are primarily micro exempt and qualified exempt farms.

In September 2021, VDACS signed a new Memorandum of Understanding and contractual agreement with Virginia Tech that provided the university with \$10,000 to continue on-farm readiness reviews, education, and outreach regarding the federal Produce Safety Rule. The PSP allocated this funding

from its federal grant in order to continue its ongoing collaboration with Virginia Cooperative Extension and to engage the farming community. Virginia Cooperative Extension has conducted six virtual Produce Safety Alliance (PSA) grower training courses, trained 81 people from Virginia, and conducted eight on-farm readiness reviews using these funds. VDACS estimates that there are more than 229 non-exempt covered farms (mostly very small on the cusp of micro exempt) that still need to take the PSA course. This estimate is based on the 2018 NASS data that indicates there are 503 covered farms in Virginia minus the 274 covered in the current inventory.

Division of Consumer Protection (DCP)

In April, the Office of Pesticide Services (OPS) online certification system became available to select external users to provide additional testing of the system prior to it being made widely available to all applicators. The system will allow new and renewing pesticide applicators to submit application forms, fees, and any supporting documentation online and to receive credentials such as letters of authorization to take the pesticide applicator exam or receive pesticide applicator certificates electronically that can be downloaded and printed. The system is being made available first to new applicators (not previously certified), followed by pesticide applicators whose certifications expire on June 30, 2022, and finally, all other applicators. OPS currently certifies and maintains the certifications for approximately 24,000 pesticide applicators annually, including private applicators (agricultural producers), commercial applicators, and registered technicians.

In March, OPS staff collected 9,020 pounds of rinsed pesticide plastic containers from seven collection sites; this equates to over 12,000 two-and-a-half-gallon containers. These sites included localities, private applicators, and commercial application firms. In May, OPS staff collected an additional 9,200 pounds of rinsed pesticide plastic containers from three collection sites located on the Eastern Shore of Virginia. These sites included a locality, a private applicator, and a commercial application firm. This program assists pesticide users with an option for disposing of used plastic pesticide containers in a manner that does not threaten the environment. Virginia's Plastic Pesticide Container Recycling Program is available at no cost to participants through a partnership with the Ag Container Recycling Council (ACRC). The ACRC, which is composed of pesticide manufacturers and distributors, has voluntarily funded the collection and recycling of pesticide containers through a nationwide network of contractors that provide the granulation of containers in states at no cost to the consumers or the state. In Virginia, contractor services are provided by Ag Plastic Solutions. To date, this program has collected over two million pounds of plastic pesticide containers in Virginia.

In April, Office of Pesticide Services (OPS) staff participated in an exit interview as part of its required mid-year evaluation under VDACS's Pesticide Performance Partnership Grant for fiscal year (FY) 22. The virtual meeting, which was hosted by U.S. Environmental Protection Agency (EPA) Region III, included a review of program accomplishments, effectiveness, problem areas, suggestions for improvement, and resolutions to problems. During the exit interview, OPS learned that it successfully met the objectives of its pesticide management program as outlined in the cooperative agreement for both the Enforcement and Certification and Training programs. No issues were identified during the virtual meeting.

In March, staff from the Office of Plant Industry Services (OPIS) was notified by USDA of a trace forward investigation of plants from a nursery in South Carolina that had tested positive for citrus canker disease. Citrus canker is a citrus disease caused by the bacterium *Xanthomonas citri* subsp. *citri* that significantly affects the vitality of citrus trees, causing leaves and fruit to drop prematurely. Records indicated that approximately 33,000 plants were shipped directly to consumers in 48 states. No nurseries or retail plant outlets received these plants. Eleven of the 48 states will be involved in the trace forward, as these states fall into one of three categories: (i) a citrus producing state, (ii) adjacent to a citrus producing state, or (iii) has an environment where the citrus plants could survive if grown outdoors. Virginia did not fall into any of the three categories; therefore, VDACS did not participate in trace forward activities. However, Virginia citizens may have received infected plants. USDA developed information for those states that want to provide outreach regarding citrus canker disease. As of April 25, no reports of infected citrus plant material has been reported to VDACS.

In March, OPIS staff conducted treatments on Spotted Lanternfly egg masses in the counties of Prince William and Shenandoah and the City of Waynesboro. All of these sites were deemed high priority sites due to an increased risk of spread to other parts of the Commonwealth. Treatments were conducted with golden pest spray oil using backpack sprayers. More than 300 egg masses were treated at these locations. The egg masses were expected to begin hatching in April, making egg mass treatments a crucial strategy to reducing populations of this invasive insect.

In May, spotted lanternfly egg hatch was observed across the Commonwealth. OPIS staff continue to target outlying populations of the infestation as well as isolated locations where populations are small. OPIS staff treated approximately 130 egg masses in Bristow, a location where spotted lanternfly has a small population. As the insect populations shift from the egg mass life stage to primarily nymphs, OPIS staff will adjust treatment activities to either systemic or contact insecticides, per the Environmental Assessment developed for spotted lanternfly by USDA.

In April, OPIS staff participated on a call hosted by USDA regarding a trace forward for plants that were shipped to Virginia from a nursery in Oregon that had tested positive for *Phytophthora ramorum*. *P. ramorum*, commonly known as sudden oak death, a harmful fungal pathogen that can cause mortality in several oak tree species and also causes twig and foliar diseases in numerous native and non-native ornamental plants, shrubs, and trees. OPIS routinely conducts surveys for this pathogen in Virginia nurseries and surrounding forested environs, and *P. ramorum* is not generally present in Virginia. Approximately 19,000 plants were shipped to more than 60 retail locations throughout Virginia. The plants were shipped from January through mid-March. OPIS staff has performed visual surveys for these plants and has not found any symptomatic plants through these trace forward inspections. If any infected plants are found and confirmed, OPIS staff will take regulatory action.

In April, approximately 8,200 acres were treated for *Lymantria dispar* (*L. dispar*), commonly known as the spongy moth (formerly known as gypsy moth), in the cities of Chesapeake, Suffolk, and Virginia Beach. The aerial treatments were conducted using Gypchek, a biological insecticide specific to *L. dispar*. Aerial treatments are part of an ongoing national management project for the Slow the Spread (STS) program. OPIS utilizes USDA Forest Service funding through the STS program for spongy moth treatments at locations where high populations of the spongy moth have been detected. Mating disruptant aerial applications for the STS program will occur in late May or early June. Mating disruptant is used on lower level spongy moth populations.

In April, OPIS mailed notification letters to approximately 290 Virginia cotton growers to notify them of the cotton boll weevil assessment fee for 2022. The fee will be \$0.80 per acre, an increase of \$0.05 per acre from 2021. The rate includes \$0.55 per acre for the Virginia cotton boll weevil survey program and \$0.25 per acre for the national Boll Weevil Protection Fund (BWPF). The BWPF provides funding to assist in eradication of the cotton boll weevil in the Lower Rio Grande Valley area of Texas, which is the last area where the cotton boll weevil is found in the U.S.

In April, OPIS staff worked with USDA Animal and Plant Health Inspection Service (APHIS) staff to calibrate a kiln for a firewood producer in Midland. Kiln drying firewood is a method of treating firewood to ensure it is pest-free. OPIS began certifying kilns in 2020 when USDA APHIS rescinded the federal emerald ash borer quarantine, thereby ending its role in the kiln calibration and certification process. Once a kiln is calibrated and certified, OPIS establishes a compliance agreement with the firewood producer, allowing them to sell their firewood to other states that have state firewood regulations. Currently, OPIS maintains three compliance agreements with firewood producers in Virginia.

As of April 25, approximately 2,273 beehive units have been distributed to 906 individuals who were selected to receive beehive units in the FY 2022 Beehive Distribution Program. The 2,273 beehive units were distributed at a cost of approximately \$295,000. In FY 2022, \$325,000 is available in the Beehive Grant Fund to be used for distributing beehives through the Beehive Distribution Program and administering the program. Distribution of beehive units will continue until funding is depleted.

As of April 26, OPIS has processed 18,456 product renewals for commercial animal feed and animal remedy products for the 2022 calendar year. This number exceeds the total number of feed and animal remedy products registered in 2021. The Virginia Commercial Feed and Animal Remedies laws require that all medicated feed, small package commercial feed, specialty pet food, and animal remedies that are used, offered for use, sold, or offered for sale in the Commonwealth be registered with VDACS annually.

Project 6716

Department Of Agriculture And Consumer Services

Amendment to penalties

2VAC5-405-110. Violations and penalties for noncompliance.

A. Any contractor-applicator or licensee that employs an individual who offers his services as a certified fertilizer applicator or who supervises the application of any fertilizer on nonagricultural land without obtaining prior registration certification from the commissioner shall be assessed a penalty of (i) \$250 for the first offense, (ii) \$500 for the second offense within any five-year period, and (iii) \$1,000 for the third offense within any five-year period.

B. Any contractor-applicator or licensee that does not maintain records as required by this chapter or submit the required annual report to the commissioner in accordance with 2VAC5-405-100 shall be (i) issued a warning for the first offense, (ii) assessed a penalty of \$250 for the second offense within any five-year period, (iii) assessed a penalty of \$500 for the third offense within any five-year period, and (iv) assessed a penalty of \$1,000 for the fourth offense within any five-year period.

C. Any contractor-applicator or licensee that applies lawn fertilizer or lawn maintenance fertilizer at a rate, time, or method inconsistent with the standards and criteria for nutrient management promulgated pursuant to § 10.1-104.2 of the Code of Virginia shall be (i) issued a warning for the first offense, (ii) assessed a penalty of \$250 for the second offense within any five-year period, (iii) assessed a penalty of \$500 for the third offense within any five-year period, and (iv) assessed a penalty of \$1,000 for the fourth offense within any five-year period.

D. Violations of the provisions of ~~these regulations~~ this chapter shall be handled in accordance with the provisions of the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia).

~~C.~~ E. Any penalties assessed for violations of this ~~regulation~~ chapter shall be handled in accordance with a board-approved administrative process.

~~D.~~ F. In addition to any monetary penalties provided in this section, certified fertilizer applicators who violate any provision of this ~~regulation~~ chapter may also be subject to the provisions of § 3.2-3621 of the Code of Virginia regarding the cancellation of certification.

VIRGINIA ACTS OF ASSEMBLY -- 2020 SESSION

CHAPTER 413

An Act to amend and reenact §§ 3.2-3602 and 3.2-3602.1 of the Code of Virginia, relating to lawn fertilizer contractor-applicators.

[S 849]

Approved March 23, 2020

Be it enacted by the General Assembly of Virginia:

1. That §§ 3.2-3602 and 3.2-3602.1 of the Code of Virginia are amended and reenacted as follows:

§ 3.2-3602. Local government regulation of fertilizer.

A. No locality shall regulate the registration, packaging, labeling, sale, use, application, storage or distribution of fertilizers except by ordinance as provided for in the requirements of the Chesapeake Bay Preservation Act (§ 62.1-44.15:67 et seq.), the Erosion and Sediment Control Law (§ 62.1-44.15:51 et seq.), the Stormwater Management Act (§ 62.1-44.15:24 et seq.) or other nonpoint source regulations adopted by the Department of Environmental Quality or the State Water Control Board. The provisions of this section shall not preempt the adoption, amendment, or enforcement of the Statewide Fire Prevention Code pursuant to § 27-97 and the Uniform Statewide Building Code pursuant to § 36-98.

B. *The Commissioner may enter into an agreement with a locality to provide oversight and data collection assistance related to the requirements of certified contractor-applicators pursuant to § 3.2-3602.1.*

§ 3.2-3602.1. Board authorized to adopt regulations for the application of regulated products to nonagricultural property; civil penalty.

A. The Board shall adopt regulations to certify the competence of (i) contractor-applicators, (ii) licensees, and (iii) employees, representatives, or agents of state agencies, localities, or other governmental entities who apply any regulated product to nonagricultural lands.

B. The regulations shall establish (i) training requirements; (ii) proper nutrient management practices in accordance with § 10.1-104.2, including soil analysis techniques, equipment calibration, and the timing of the application; and (iii) reporting requirements, including the submission of an annual report as specified by the Commissioner regarding the location of lawn fertilizer and lawn maintenance fertilizer applications. Contractor-applicators and licensees who apply lawn fertilizer and lawn maintenance fertilizer to more than a total of ~~400~~ 50 acres of nonagricultural lands annually and employees, representatives, or agents of state agencies, localities, or other governmental entities who apply lawn fertilizer and lawn maintenance fertilizer to nonagricultural lands shall submit an annual report on or before February 1 and on a form prescribed by the Commissioner. The annual report shall include the total acreage or square footage by zip code of the land receiving lawn fertilizer and lawn maintenance fertilizer in the preceding calendar year. The Department shall provide for optional reporting by electronic methods. The Department shall make publicly available every year the total acreage or square footage by zip code. Any personal information collected pursuant to this section shall be exempt from the Virginia Freedom of Information Act (§ 2.2-3700 et seq.), except that the Commissioner may release information that has been transformed into a statistical or aggregate form that does not allow identification of the persons who supplied, or are the subject of, particular information.

C. The Board may impose a civil penalty of up to ~~\$250~~ \$1,000 on any contractor-applicator or licensee who fails to comply with the regulations. The amount of the civil penalty shall be paid into the special fund established in § 3.2-3617.

D. The Board shall form a technical advisory committee of stakeholders. The Board shall consult with the technical advisory committee of stakeholders and the Department of Conservation and Recreation in the development of the regulations.

E. Any person who is subject to regulation and who applies any regulated product to nonagricultural lands shall comply with the regulations within 12 months of the effective date of the regulations.

F. Contractor-applicators and licensees in compliance with regulations adopted by the Board pursuant to this section shall not be subject to local ordinances governing the use or application of lawn fertilizer and lawn maintenance fertilizer.