

## **FINAL 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**

1<sup>st</sup>  
2<sup>nd</sup>  
3<sup>rd</sup>  
4<sup>th</sup>  
5<sup>th</sup>  
6<sup>th</sup>  
7<sup>th</sup>  
8<sup>th</sup>  
9<sup>th</sup>  
10<sup>th</sup>  
11<sup>th</sup>  
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.

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### **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.

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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

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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.

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**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