

Legislative Event took farm issues to NC General Assembly

More than 500 farmers met with legislators to develop working relationships and share information about important agricultural issues during North Carolina Farm Bureau's 2009 Legislative Event.

NCFB President Larry Wooten said the event demonstrated "democracy in action" and explained why it is more important than ever for farmers to make their voices heard. Increasingly, elected officials represent the urban population, rather than the rural one, he said.

In discussing the need for grassroots action, NCFB's Peter Daniel said only 64 percent of the state's residents were born in N.C. In addition, 20 people move into urban Wake County every day. Over a year, that adds up to the entire populations of Graham, Hyde and Tyrrell counties combined.

Daniel talked about the Humane Society of the United States (HSUS) as a group that builds public popularity through pet-related programs and then uses its massive earnings to fight animal agriculture. The group led the campaign for California's Proposition 2, which restricts how livestock animals are raised.

"They're well-financed, well-organized and they assist overwhelmed counties with their animal problems," Daniel said. "And they're at work in North Carolina."

The animal rights movement has also shown troubling ties to environmental groups that consider hamburgers "the Hummers of food," such as the Environmental Working Group.

The overlap in these groups extends to groups like Toxic Free NC, which spreads misinformation about pesticides.

"These groups are defining the modern farm in the public's mind, through crisis and emotionalism," Daniel said.

Before heading to Jones Street, NCFB members also heard from special guests Susan Ivey, CEO of



Cumberland County Farm Bureau members (l to r) David Collier, Andrew Gillis, and Bill Tew met with Sen. Tony Rand (2nd from left) during NCFB's Legislative Event.

Reynolds American, and N.C. Rep. Pryor Gibson, who represents Anson and Union counties.

"No matter what kind of farming operation you run, you are what keeps America going," Ivey said. "When push comes to shove, we are in this together."

Ivey said Congress' decision to raise the excise tax on cigarettes by \$.61 cents per pack, to fund a health insurance program, couldn't come at a worse time in our economy. Tobacco sales will decline, she said, and with more than 50,000 jobs here tied to tobacco, North Carolina will suffer.

Ivey also said a bill to put tobacco products under the watch of the Food and Drug Administration could spell the end of flue-cured tobacco.

Gibson said that not only is Farm Bureau the Voice of Agriculture®, but it is also the state's "voice of common sense on policy in North Carolina." He

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New County Presidents '09



New County Farm Bureau Presidents 2009 who attended orientation at North Carolina Farm Bureau headquarters were (front, 1 to r) Mike Gay, Greene; Vaughn Willoughby, Alamance; Robert Halstead, Pitt. (back, 1 to r) Curtis Furr (VP-attending); Charles Herlocker, Stanly; Keith Huffman, Avery; Jason Jones, Craven. Not shown: Dennis Durham, Johnston; and Bill Sexton, Washington.

North Carolina Farm Bureau recently welcomed nine new county presidents with a conference that offered them a comprehensive look at NCFB and the new leadership role ahead of them.

Robert Halstead, the new Pitt County president, has been an NCFB member for 40 years, and has had leadership roles in Farm Bureau and other organizations.

"I've been serving as vice president for several years, and when I was asked to run, I took it to heart," Halstead said.

He said the new president's conference gave him the do's and don'ts of NCFB's particular structure.

Washington County President **Bill Sexton** has returned to the county's top leadership role after about 10 years. Sexton has been a Farm Bureau member all of his adult life, and his father Billy Sexton helped start the county's chapter, so leadership in Farm Bureau was practically a given for him.

He took a break to serve as a county commissioner, but decided not to run for re-election this past year. Sexton said many things have changed

since the last time he was county president, and the conference was helpful.

"The biggest change is the way we handle the offices," he said. "I think we're probably a lot more political."

Also, he said the organization is now focused on a need he's seen in his own county, to educate North Carolina newcomers about the importance of agriculture.

During the two-day meeting, new presidents got an overview of current policy and government issues, courses in their organizational responsibilities, and lessons in technology available to them, such as videoconferencing.

ACTION REQUEST

President Obama's Fiscal Year 2010 budget would phase out direct payments to farm families in North Carolina and the U.S. with sales of more than \$500,000. The administration is promoting the proposal as a way to save approximately \$10 billion. Farm Bureau opposes cuts to direct payments because they are an important part of the 2008 farm bill and the farm safety net. At this time, direct payments are about the only source of support helping farmers deal with lower commodity prices and higher production costs. With prices dropping for nearly all commodities and profits shrinking across the farm sector, the president's budget proposal is an ill-timed and misguided idea. Agricultural input costs have increased by 40 percent in the past five years and the USDA predicts net farm income to drop 20 percent this year. Tell your members of Congress that the president's budget proposal will hurt America's family farms. Cuts in agricultural supports would have serious, negative impacts at the farm gate and would not yield significant deficit reductions. Visit NCFB's web site at www.ncfb.org and click on the FB ACT link for more information and help contacting lawmakers.

**THE
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OF AGRICULTURE®**

North Carolina Farm Bureau (NCFB) is the unified, statewide Voice of Agriculture®. Working through our grassroots organizations to enhance and strengthen the lives of rural North Carolinians, we strive to build strong, prosperous agricultural communities. We are a private, non-profit, grassroots organization that has been actively promoting farm and rural issues since 1936 through legislative and policy initiatives, member services, field representation, agricultural education, public relations and other programs.

North Carolina Farm Bureau
5301 Glenwood Ave.
Raleigh, NC 27612
(919) 782-1705
www.ncfb.org | leader@ncfb.org

Farm preservation tools outlined, planning urged

Preserving a family farm takes civic involvement and honest communication, among other things, according to the speakers at “Save Your Family Farm!”—a workshop sponsored by the 11 counties in North Carolina Farm Bureau’s District 3.

All over the state, councilmen, commissioners, planning board members and municipal staff make decisions that determine how farmers are allowed to use their land and what their community will look like.

When shopping center, subdivision or industry developers look to build, they’re going to make an offer on farm land. If the elected

officials who set land use rules don’t hear from the agriculture community, they might not think to protect agricultural and rural interests.

The strongest tool local government has for determining a region’s character is zoning. In many areas—not just around urban cities like Raleigh and Charlotte—developers are pressuring for dense residential and commercial zones that would rule out agricultural uses.

Lee Smith, Wayne County manager, stressed the urgency of getting involved for those who want to see their community’s rural character preserved.

“Everything that a county commission or city council talks about involves you,” Smith said. “You’ve got to be at those meetings. I’m not being critical; I’m begging you to be there.”

Many people still think of Wayne County as heavily rural and agricultural, but Smith said the majority of its residents are now from outside of the county.

“Our region is changing fast,” he said. “When they talk about strategic planning in your county, go. It’s encroachment around farms you need to worry about.”

Smith said the recession is offering Wayne County a breather from rampant growth, but it will be only temporary.

Dr. Sandy Maddox, with Mount Olive College, talked about the zoning tools some local county governments are making available in the effort to preserve farmland: Voluntary Agriculture Districts (VAD), Enhanced Voluntary Agriculture Districts (EVAD), and Countywide Farmland Protection Plans (CFPP).

Maddox said 64 counties have VADs or EVADs, and only five counties have CFPPs. In a VAD, a county passes an ordinance determining acreage or geographic requirements to be in an agriculture district and other specifics of its choosing. An EVAD does much the same thing, but requires properties to commit to a 10-year contract to remain in the district. In return, properties in the district may qualify for more cost-share funds, get higher priority in grant requests, and possibly get waivers on utility easements.

CFPPs are more specific than VADs or EVADs, and document the state of agriculture in the county, possible threats to agriculture there, possible economic development opportunities for agriculture, and more. Some grant money to help with establishing an agricultural district is available through the state’s Farmland Preservation Trust Fund, she said.

Of course, for there to be farmland to put into a district requires families choosing to keep their farms in operation. But that doesn’t just happen from one generation to the next. Andrew Branan, with the NC Farm Transition Network, talked about the importance of planning for the future.

“When you talk about issues of your farm, it’s about agreement,” Branan said. “It all rests on agreement.”

And the sooner a family comes to an agreement, the better. Branan said people often put off this process to give everyone time to decide what they want to do, but waiting too long could take options off the table.

Branan said land owners should start the conversation by asking themselves, “Do we want to keep the land producing?” “Can we keep the land producing?” and “Will we keep the land producing?”

Finally, when it comes time to write a plan, NCFB has three estate planners to help, including Tim Jordan. He said part of his job is writing a plan that spells out who gets what and how it gets to them, with a minimum of shrinkage from tax considerations and a maximum of security.

“It’s one of those things you pay your membership fee for,” Jordan said. “The question is, ‘Are you going to engage us in helping you?’”

“Everything that a county commission or city council talks about involves you. You’ve got to be at those meetings. I’m not being critical; I’m begging you to be there.” Lee Smith, Wayne County manager.

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said agriculture and rural communities are counting on Farm Bureau to speak up.

Members were tasked with talking to legislators about several of their important issues: animal care, protecting water rights, preserving the current present-use value taxation system, protecting funding for agriculture research and the research stations and promoting renewable energy. They also voiced their support for N.C. Sen. Tony Rand's bill that limits the length of legislative sessions.

Eugene Hyman of Martin said he made the trip because he wants his representatives to know he's worried about animal rights groups, and he wants his land protected from development that would drive up taxes on his land.

"This is the only way our politicians can know what our concerns are as increasingly farming becomes a small percentage of the state," Hyman said.

Don Thompson of Montgomery County said he asked legislators not to make laws that hurt farmers.

"I think energy is going to be one of the key things going into the future," he said. "If we can solve energy, healthcare, some of these basic things, we've got a good future."

Tommy Porter, Vicky Porter and Larry Taylor

traveled around the General Assembly and legislative offices together. They visited with Rep. Linda Johnson and Sen. Fletcher Hartsell.

The group shared with Johnson why the gestation crates HSUS wants to outlaw are actually safer for their animals, and invited her to visit their farm to learn about how they take care of their animals.

Hartsell said he sees a water allocation issue looming in the next 20 years, and thinks an increase in the state tobacco taxes is definitely possible.

Dear 2009 Legislative Event participants,

Thanks for taking the time from your busy schedules to attend this year's Legislative Event. More than 500 of you attended, and it made a big difference to our collective mission. The event was a huge success because of your active participation! Thank you!

Sincerely,

Larry Wooten, NCFB president

Future of H-2a regulations uncertain after Labor Dept. proposal

The future form and function of H-2a regulations is uncertain after changes implemented during the final days of the Bush administration and posturing in the opening months of President Obama's tenure.

In mid-March, the U.S. Labor Department published in the Federal Register a notice to suspend the Bush administration's Final Rule, which took effect Jan. 17.

The Bush administration's H-2a rule changes resulted in a reduction in the adverse effect wage rate and a reduction in transportation expenses and some red tape for growers who participate in the H-2a program. However, the timing of the Obama administration's proposed suspension of those rules is more disruptive than productive.

"Farm Bureau has submitted comments expressing its opposition to suspending the rule. It is disruptive to growers," said Jake Parker, national legislative director for NCFB. "This is a situation where we have the promulgated rules that are changed suddenly at the beginning of the growing season,

and that creates a great deal of uncertainty."

The Labor Department offered a 10-day comment period on its proposal, which expired on March 27.

In supporting its proposal, U.S. Labor Secretary Hilda Solis claimed her department (1) may lack sufficient resources to implement the Bush rule, (2) has been unable to implement operational changes, (3) the economic recession has created a situation where U.S. workers may want ag labor opportunities, and (4) there are philosophical differences as to how the H-2a program should operate.

If the Obama administration does decide to suspend the rule, the suspension would be in effect for nine months. At that point, the administration will either lift the suspension and go back to the Bush Final Rule, or write its own set of H-2a rules.

"If the Labor Department plans to write new rules, we may have some indication of which way it's leaning by summer," Parker said.

Depending on when farmers began their active recruitment of guest workers, they will be covered under the Bush rule or the pre-Bush regulations.

Tobacco issues threaten to further erode demand and profit

Farmers, advocates, industry and govt. officials gather to discuss golden leaf

In the wake of a \$.61 cents per pack federal tax increase to fund health insurance for children under SCHIP, the tobacco industry is being flanked and surrounded by further assaults.

Most in the industry agree that tobacco has paid its share of expenses and it isn't fair to target any single commodity to fund federal programs. However, that position hasn't stopped those opposed to tobacco from introducing further measures that seek to use the commodity as a funding tool.

In addition to a possible state tobacco excise tax increase and a smoking ban proposal being consideration by the N.C. General Assembly, Congress is working on legislation that would hand the industry over to Food & Drug Administration oversight.

FEEP audits in the works

More than 80 farmers statewide have applied for energy audits through North Carolina Farm Bureau's new Farm Energy Efficiency Project.

While the first set of audits are already under way, another application period will open in the fall.

Paul Sherman, NCFB's air and energy programs director, said auditors are looking for general savings on farms, in areas such as heating and lighting and then elements particular to certain operations.

The first round of audits should be completed this spring. When landowners receive their audit reports, they'll see a list of ways, mostly through energy-saving equipment purchases, their operation can save money. Recommendations are ranked based on the rate of return and cost-effectiveness.

Through the summer, work will continue on finding cost-share and renewable energy opportunities to direct clients toward.

NCFB launched FEEP at the end of 2008. The project is funded by a \$1 million grant from Tobacco Trust Fund Commission. The grant pays for the audits and matching funds available for rural renewable energy projects.

Half of the fund is earmarked for the energy audits, which will give farmers access to USDA grants or loans for energy efficiency projects. The other half of the budget will go to energy efficiency and renewable energy education and products.

To learn more about the program or to fill out an interest form, visit www.ncfarmenergy.org.

FDA Regulation

During a recent collaborative session on the many issues facing tobacco, more than 100 farmers, advocates and industry and government officials discussed proposed FDA legislation.

North Carolina's U.S. senators Richard Burr and Kay Hagan have co-sponsored a bill that is considered a "liveable" alternative to H.R. 1256, which passed the House Energy and Commerce Committee in early March and would provide the FDA with broad regulatory authority over tobacco.

"It's a smart move (the Burr-Hagan bill)," said Larry Wooten, president of NCFB. "We've got to work outside of North Carolina to get support."

The Burr-Hagan bill would create a federal agency to regulate tobacco—not the FDA.

Tax increase, Smoking ban

Farm Bureau policy opposes FDA on tobacco farms, recognizes the continued importance of tobacco to the state, and opposes increased excise taxes and an overly restrictive smoking ban.

While the tax increase and smoking ban have failed to pass through the General Assembly in the past, this session's efforts are picking up steam and have potential to win approval.

"Ag groups are not dealing from a position of strength," said Peter Daniel, assistant to the president of NCFB. "We need allied industries engaged."

The normal consumption decline for tobacco products is 2 to 4 percent. With increased taxes and a smoking ban, the projected number increases to 6 to 8 percent per year.

Crop Insurance

Production Reporting Deadlines:

April 14—All spring crops **except** burley tobacco.

April 29—Burley tobacco.

It's nearly time to report 2008 production. Timely and accurate reporting of production will help safeguard guarantees for the 2009 crop year. Please remember that production should be reported by Farm Serial Number to maintain optional units. Contact: County Farm Bureau office.

FIELDNOTES

by Larry Wooten, NCFB President

Good intentions based on cloudy vision

Many groups within and outside of N.C. are pushing for stringent laws and regulations for agriculture. While some of their ideas are well-intentioned, their agendas fail to consider the economic realities and uncertainties farmers face every day.

They may not understand or may simply ignore the science of farming and the unintended consequences of governmental actions. Some are blind to the fact that farmers cannot raise the prices of their commodities to pass on the costs of regulations, taxes and labor.

In fact, family farmers are rarely able to set prices for the goods they produce. Global economic forces set prices and shape the modern farm more than any single activity. Government policy runs a close second.

Each legislative session, North Carolina agriculture witnesses further attempts to increase government red tape and restrictions. At the same time, there is a lot of hand-wringing over the loss of farmland and open space within our rapidly growing state.

Many folks would like to maintain Norman Rockwell images of happy farm families, yet are indifferent to restricting their ability to earn an adequate income.

Targeting water usage with increased record keeping and restrictions on private wells in rural areas is a recent example. As most do, these groups want healthier and safer food, yet seek to restrict the farmers' ability to research and improve production methods.

We need farms in N.C., but finding affordable labor under current regulatory restrictions is challenging. Additionally, our state has the second most restrictive environmental farming policy in the nation.

It's time to stop the well-intended but cloudy objectives being pushed by many groups in favor of a common sense approach that protects farmland, green space and farm families through the market place. Such protection can be achieved through a profitable agriculture and a logical regulatory structure.



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North Carolina Farm Bureau
5301 Glenwood Ave. (27612)
P.O. Box 27766
Raleigh, NC 27611

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