

THE AGRICULTURAL COUNCIL OF ARKANSAS



2018 RESOLUTIONS

FROM THE BOARD OF DIRECTORS OF THE AGRICULTURAL COUNCIL OF ARKANSAS

12/15/2017

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This document serves as the policy positions of the Agricultural Council of Arkansas and its membership. The purpose of this document is to set forth guidance for the Agricultural Council of Arkansas as it seeks to assist policy makers in their efforts to develop public policy that may impact agriculture. These resolutions are updated each year by the leadership of the Agricultural Council of Arkansas and may be amended at any time. The document also includes commendations, which recognize individuals and organizations that make significant and positive contributions to Arkansas agriculture.



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2 **TITLE I – General Policy Statements**
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4 **COUNCIL POLICY**
5

6 It is the permanent policy of the Agricultural Council of Arkansas (Ag Council) to represent the
7 interests of its members in all regulatory and legislative matters related to agriculture. The Ag
8 Council will always seek the advice and counsel of its members to best reflect the opinion of the
9 majority of Ag Council members.

10
11 *Ag Council’s Mission Statement:* It is the mission of the Ag Council to promote agriculture,
12 advocate on behalf of the agriculture industry, and improve the economies of the communities
13 around us.

14
15 The Ag Council welcomes membership to any individual, business, or organization supportive of
16 our mission, and we encourage our membership to recruit new members.

17
18 **PUBLIC RELATIONS FOR AGRICULTURE**
19

20 The Ag Council believes it is necessary for the American public to have an understanding of
21 United States’ agriculture. Ag Council members recommend that the Ag Council seeks
22 opportunities to partner with other farm and agribusiness organizations to develop public
23 relations campaigns for agriculture in Arkansas and nationwide.

24
25 The Ag Council remains committed to working with the Agricultural Foundation of Arkansas
26 (AFA) and other agriculture based organizations to educate policymakers and the general public
27 of the importance of agriculture. Such an effort should focus on the role of farmers in providing
28 food, fiber and fuel, while also being environmental stewards for the land, soil, air, water, and
29 wildlife. The Ag Council encourages its members to consider donating to the AFA to help fulfill
30 its mission to promote the agriculture industry in Arkansas. The Ag Council also encourages its
31 members to give gifts to the Agricultural Council of Arkansas Trust to help fulfill its mission to
32 research, education, public safety, and charity on behalf of the agriculture industry in Arkansas.
33 In addition, the Ag Council encourages members to consider giving to the Agricultural
34 Development Council of the University of Arkansas Foundation.

35
36 The Ag Council encourages other agriculture organizations to support efforts to develop and
37 enhance check-off programs for the purpose of 1) telling agriculture's remarkable story to the
38 American people through the media, 2) maintaining and developing markets for covered
39 commodities, and 3) conducting research to ensure improved production and sustainable
40 agriculture.

41
42 The Ag Council also supports efforts to encourage adoption of conservation programs and best
43 management practices. The Ag Council would like to support efforts to educate producers about
44 conservation in order to increase adoption and participation by farmers and landowners. The
45 Council wants to ensure the public of agriculture’s commitment to a healthy environment and
46 sustainable agriculture production. The goal of this effort is to continue to improve upon our

1 conservation impact and to reduce our environmental impact without sacrificing production
2 potential for yield. We support any efforts to market our conservation efforts and our progress
3 made towards environmental stewardship, efficiencies gained in production through technology
4 and other means, and our imbedded care for the environment. The Ag Council supports the
5 concept of organizing a 501 (c) (3) private, non-profit conservation group similar to Delta
6 Farmers Advocating Resource Management (FARM) in Mississippi that will seek to encourage
7 conservation and best management practices on farms while also promoting conservation
8 activities of agriculture to the general public. This organization would support research and
9 education in conservation, encourage adoption of conservation practices, seek to identify and
10 address resource concerns, measure progress made in conservation, assist farmers in
11 implementing conservation practices, and help promote the positive environmental impact of
12 agriculture.

13
14

15 **GENERAL GOVERNMENT AGRICULTURE POLICY**

16

17 **Role of Federal Government in Agriculture**

18 The Ag Council believes the federal government should enact policies that support the domestic
19 production agriculture industry and rural communities as a primary method of providing security
20 and social stability for the United States and our allies. The federal government should wisely
21 use taxpayer dollars to support farmers during disaster periods due to weather, revenue
22 shortages, and low commodity prices. Such support should work as a safety net to protect
23 American farmers and keep them in business following disasters. The federal government
24 should provide affordable risk management tools for farmers that protect against price, revenue,
25 and yield risks. The federal government should also continue to invest in conservation measures
26 that partner with private landowners.

27

28 In addition, the federal government should promote American agriculture products domestically
29 and abroad. The federal government should also play a key role in funding agriculture research
30 to enhance our nation's production capabilities and expand market opportunities for commodities
31 grown in America. The government can and should provide or encourage lending institutions to
32 provide low interest capital to farmers seeking to establish or expand a farming operation. The
33 government should always seek to expand trade opportunities for American agriculture products
34 around the world. The government should establish reasonable and fair regulations that protect
35 the environment, provide a safe workplace, and ensure continued agriculture production of a safe
36 and abundant supply of food, fiber and fuel in America. The government should also continue to
37 invest in adequate infrastructure systems that assist farmers in developing and marketing crops.

38

39 **Role of State Government in Agriculture**

40 The State of Arkansas should support farmers and the agricultural industry in Arkansas. The
41 State of Arkansas should continue to provide tax incentives to farmers that purchase equipment
42 and other inputs for purposes of producing, processing and marketing crops and tax incentives
43 for making conservation investments for reducing water waste and energy use. The State should
44 make efforts to ensure that taxes on agriculture remain competitive with neighboring states. The
45 State should continue to help fund statewide efforts to 1) promote agriculture commodities, 2)
46 provide reasonable, common sense regulations for the use of certain agricultural inputs and other

1 goods and services that carry inherent risks to farmers, 3) combat pests like the boll weevil, 4)
2 conduct scientific research and provide extension services to advance agriculture, and 5) educate
3 the public of the importance of agriculture. The Ag Council supports the Arkansas State Plant
4 Board, the Department of Agriculture, and the University of Arkansas System's Division of
5 Agriculture and other research institutions seeking to support the agriculture industry. The Ag
6 Council believes that these organizations should continue to seek the input of farmers as they
7 make decisions that will impact the agriculture industry in Arkansas.

8
9 The Ag Council believes the Arkansas Department of Agriculture, Arkansas Department of
10 Environmental Quality, and the Arkansas Natural Resources Commission should work to ensure
11 that the State Water Plan and other environmental regulatory infrastructures do not negatively
12 impact Arkansas farms. The Ag Council believes these agencies should include
13 recommendations in the State Water Plan that benefit the farmer and the environment. Such
14 recommendations may require policy or law changes from the legislature or relevant state and
15 federal agencies.

17 **TITLE II – Farm Bill Policy Statements**

18 19 **FUTURE FARM BILL**

20
21 The Ag Council would like to see a farm bill that provides adequate economical support to the
22 Agricultural industry, and such a system must be designed to continue providing American
23 citizens with an abundant, affordable and safe food, fiber and fuel supply. The next Farm Bill
24 should provide adequate levels of support to keep the American producers competitive in the
25 global marketplace. The 2014 Farm Bill provides such support; yet, we are still losing producers
26 at an alarming rate. The Ag Council believes the Farm Bill should provide programs to
27 encourage young and beginning farmers to farm, especially future generations of family farming
28 operations. The legislation must also create a safety net that reduces the risk of operating a farm
29 to the maximum extent possible. The legislation should provide low interest capital
30 opportunities and other incentives for farm investments in implements, storage capacity,
31 information technology, farm equipment, workers' compensation insurance, irrigation and
32 energy systems, conservation practices, education and job training, and job creation. Such
33 programs should abstain from requiring income requirements and other means testing methods or
34 payment limitations.

35 36 **Payment Limits/Income Testing**

37 The Ag Council strongly opposes any program which provides for ceilings or limitations on the
38 price, loan, price support payment, diversion payment, marketing loan gain, crop insurance, or
39 any other income which any agricultural producer may receive. Such discrimination is unfair,
40 inequitable and disrupts and defeats the purpose of any program designed to improve the
41 economic position of agriculture. The Ag Council opposes any kind of means testing for farm
42 program benefits that place a bias against farming operations of a certain scale as capital risks are
43 similar for farms of all sizes. Setting such eligibility tests on farmers would directly harm many
44 farms in Arkansas. Marketing loan gains and loan deficiency payments should be excluded from
45 any payment limitation.

1 **Commodity Title**

2 Farmers prefer earning their income from the marketplace rather than being dependent on
3 government support programs. Unfortunately, until world trade practices are made fair and
4 equitable, government support for agriculture will remain imperative. Even if the marketplace
5 could yield satisfactory profits for agriculture, government regulations restricting farming
6 practices can make it difficult for farmers to manage their businesses.
7

8 The Ag Council believes that farm programs should be designed for the direct benefit of
9 producers. While Direct Payments were eliminated in the 2014 Farm Bill, we still believe this
10 program was important to Arkansas' agriculture, especially as an effort to provide expeditious
11 relief to farmers following natural disasters. The Ag Council strongly believes that payment
12 limits and/or income testing should be removed as they represent bad policy and do not reflect
13 the economics of modern farming operations. They do not reflect the economics of modern
14 farming operations and they should be removed. Farm programs should include safety nets for
15 producers that recognize the realities of the cost of production as well as global commodity
16 markets and the subsidizing methods employed by other governments in trade and agriculture.
17

18 The Ag Council supports Direct Payments and believes that if Congress insists on eliminating
19 this program that remaining funds are redirected towards new risk management programs that
20 work for producers in Arkansas and other parts of the Mid-South. While the 2014 Farm Bill
21 attempted to provide new risk management programs, we believe they remain insufficient and
22 should continue to be improved upon. The Ag Council believes that such programs are
23 necessary for farmers to stay in business in lean years and to access credit from lenders. Yield
24 loss policies typically do not work well for irrigated farmers as they are typically able to produce
25 crops even during significant drought periods. Cost of production insurance, price protection,
26 and shallow loss insurance policies to protect against yield and revenue losses are more
27 applicable and more critical to Mid-South agriculture than a program that only offers yield
28 protection. However, there must be multiple options of each for farmers to choose among for
29 each commodity. For each risk management program, the Government should adequately share
30 costs.
31

32 The Ag Council believes that the U.S. Secretary of Agriculture should include "cotton seed" as
33 an eligible oilseed to receive eligibility for commodity title programs including Price Loss
34 Coverage (PLC). The Secretary has the authority to select oilseeds to be eligible for such
35 programs under the 2014 Farm Bill.
36

37 While Secretary Vilsack did not designate cotton seed as an "other oilseed," we do appreciate the
38 gin cost share program the Secretary implemented to provide one-time assistance to cotton
39 farmers who grew cotton in 2015. We hope a more permanent program will soon be established.
40 It's critical that a safety net program be in place to prevent the complete dissolution of
41 infrastructure and jobs that support the processing of cotton in Arkansas.
42

43 Should the next Secretary of Agriculture also not make such a designation for cotton seed, we
44 ask that Congress legislate a solution that amends the farm bill to make clear that cotton seed,
45 cotton lint or some combination of seed and lint is eligible for the PLC program. If necessary, we
46 support utilizing the generic base as the foundation for a cotton seed program, however, we

1 would strongly encourage that maximum flexibility be granted to farmers to allow for a choice in
2 the re-allocation of generic base acres so that farmers can choose what distribution best meets the
3 needs and economic interests of each farm.
4

5 The Ag Council believes that reference prices for commodity programs should remain the same
6 as under the 2014 farm bill or increased to reflect cost of production.
7

8 *Disaster Support:*

9 The Ag Council supports legislation that provides financial assistance to all producers that have
10 suffered losses due to natural disasters and economic disasters. The Ag Council believes the
11 declaration of each county and all contiguous counties should be completed by the
12 Administration in a timely manner. The method of disaster assistance payments to eligible
13 producers should be processed in the simplest and quickest method available and should be
14 delivered through the Farm Service Agency (FSA) where possible. In addition, the U.S.
15 government should continue to provide adequate funding for existing disaster assistance funding
16 such as loan and grant programs through USDA and SBA as well as USDA and the USACE for
17 watershed rehabilitation.
18

19 The Ag Council encourages Congress to grant the Secretary the authority to utilize Section 32
20 Commodity Credit Corporation funds to provide direct emergency assistance to farmers on an
21 ad-hoc basis as was the case prior to 2012.
22

23 **Insurance Title**

24
25 *Federal Crop Insurance:*

26 The Ag Council encourages Congress to develop and make available to the farmer an affordable
27 and effective crop insurance program. The program should be designed to allow the farmer to
28 protect himself from excessive production risks, price risks, weather risks, and other revenue
29 risks. Additionally, the premium paid by the producer must be realistically priced by the
30 Government to encourage broad based producer participation and support from farm production
31 lenders.
32

33 The crop insurance program should be administered in a manner that discourages abuse of the
34 program while encouraging participation.
35

36 The crop insurance program should maintain a high level of government cost share for premiums
37 to help share risk and keep premiums reasonable and affordable. It should cover all commodities
38 and be available to producers in all counties.
39

40 The crop insurance programs should not have eligibility requirements or other means testing
41 requirements. Crop insurance program should not have payment limits either.
42

43 The Ag Council believes the federal crop insurance programs should be improved upon to
44 operate as a more effective insurance program. It should allow the farmer to insure his
45 investment in the crop or cost of production, but not allow the farmer to earn a profit from an
46 insured loss.

1
2 The Ag Council believes crop insurance program should provide price support as well as support
3 for yield loss and revenue loss. Price support should be at a level for each commodity that will
4 allow farmers to remain viable during times of exceptionally low market prices. The Ag Council
5 also supports shallow loss insurance programs for cotton (STAX) and other commodities where
6 appropriate, but the Ag Council does not believe that such policies are sufficient to be considered
7 as equal to direct payments. The Ag Council would like Congress and the Risk Management
8 Agency (RMA) to work with different commodity groups to develop a new risk management
9 tool that would provide coverage for cost of production increases, price declines, and revenue
10 declines for all commodities in all counties.

11
12 The Ag Council opposes further cuts to the Standard Reinsurance Agreement (SRA) would have
13 a negative effect on the agriculture sector by weakening crop insurance and the companies
14 offering such policies. This could lead to increased costs to accessing coverage, and could limit
15 the choices of providers and policies available to producers.

16
17 The Ag Council has concerns that the STAX program for cotton remains insufficient in
18 providing a safety net for Mid-South producers. In order to provide a viable cotton industry, we
19 encourage Congress to provide additional protection against declines in cotton prices. The Ag
20 Council also encourages Congress to consider advancing initiatives to stimulate cotton demand
21 through incentives and other means.

22
23 **Conservation Title**

24 *USDA, NRCS & Natural Resources:*

25 The Ag Council supports soil and water conservation practices and USDA farm conservation
26 programs so long as these programs offer equal opportunity to all farms and to all geographic
27 areas. In order to conserve resources for future generations, the Ag Council favors voluntary,
28 government funded, long term land conservation practices.

29
30 The Ag Council believes that USDA should continue to deem farmland, which could be classed
31 as wetland, eligible for conservation payments. We encourage increased funding in conservation
32 in order to increase the number of acres that could be enrolled in conservation programs.

33
34 The Ag Council places a high priority on national and state legislation which offers incentives to
35 farmers to impound water for irrigation purposes, to recover tail water, or other land
36 improvements to better maximize on-farm water use.

37
38 The Ag Council opposes any restrictions on streams in agricultural areas which would limit the
39 use of excess flow. In fact, additional excess surface water flow should be made available for
40 non-riparian agriculture water users. We encourage additional incentives be provided to offset
41 costs of purchasing advanced irrigation water management (IWM) systems, including hardware
42 and software. We also support the establishment of a permanent conservation funding program to
43 support various voluntary efforts to reduce ground water consumption in the alluvial aquifer
44 basin area.

1 The Ag Council encourages the continued development of surface water storage and usage,
2 especially conjunctive water management. Conjunctive water management allows agriculture to
3 withdraw surface water from rivers and streams during periods of excess flow in order to deliver
4 to reservoirs and other distribution infrastructure for the purposes of providing agriculture with
5 irrigation water during the growing season. The Ag Council supports the use of USDA funds,
6 USACE funds, state funds, and other funding sources to develop USACE projects including the
7 Bayou Meto Irrigation Project and the Grand Prairie Irrigation Project as both of these projects
8 are considered to be environmentally sound and represent improved surface water utilization to
9 help ensure long-term sustainable agricultural production in Arkansas. The Ag Council supports
10 “earmarks” for these critical water projects, which are important for the environment and
11 sustainability of Arkansas farmers. The Ag Council believes the USDA Natural Resources
12 Conservation Service (NRCS) should provide some financial and technical help to these projects.
13

14 Conservation programs should abstain from means testing for qualifying and should not contain
15 payment limitations.
16

17 We strongly support the Regional Conservation Partnership Program (RCP), especially the
18 ongoing USA Rice/Ducks Unlimited Rice Stewardship Partnership. We encourage continuation
19 of this program, and we support additional Environmental Quality Incentives Program (EQIP)
20 dollars to support continued advancement in irrigation water management technologies and best
21 practices.
22

23
24 **Energy Title**

25 The Ag Council encourages research and development necessary to provide adequate, affordable
26 electricity for rural communities as well as production agriculture. We oppose efforts to
27 mandate renewable energy production as Arkansas does not have sufficient supply of renewable
28 energy and any costs to comply would be passed along to the end users.
29

30 The Ag Council also encourages continued support for research and development to promote
31 increased production and utilization of ethanol, biodiesel and all other alternative energy sources.
32 The Ag Council supports tax credits as incentives to promote research, development, production
33 and utilization of all alternative energy sources. As the alternative fuel infrastructure develops,
34 the Ag Council encourages utilization of alternative fuels by governments for State and Federal
35 vehicles. The Ag Council also encourages the use of biodiesel fuel in farm equipment. The Ag
36 Council supports any tax credits or grants available to producers that purchase equipment or
37 technology that will improve energy efficiency, reduce energy usage on farms, and improve
38 irrigation systems.
39

40 The Ag Council opposes eminent domain for energy transmission lines that could have a
41 detrimental impact on agriculture production. Should energy transmission companies seek to
42 build transmission systems across working agricultural lands through eminent domain or
43 otherwise, the Ag Council encourages these companies to sufficiently compensate landowners
44 and farmers for the land use and the negative impacts experienced by the landowner and farmer.
45

46 The Ag Council opposes mandates on fuel storage infrastructure on farms if such regulations are

1 cost prohibitive or unwarranted. The Ag Council objects to any efforts to retroactively enforce
2 compliance with any federal regulation pertaining to on farm fuel storage.

3
4 **Credit Title**

5 The Ag Council recommends that Congress look to expand opportunities for farmers to access
6 capital at favorable levels that encourage investment. The Ag Council would like to see more
7 government guaranteed low interest, long-term agriculture related loans. The Ag Council is
8 concerned that a reduction in commodity programs will make obtaining an operating loan more
9 difficult as fewer lending institutions would be willing to lend money with increased risk of
10 default. The Ag Council supports the Farm Credit System.

11
12 We encourage that the amount of funding available for the guaranteed loan programs be
13 increased to match demand and prevent a backlog of unfunded loan applications.

14
15 **Trade Title**

16 The Ag Council would like the USDA to work with the Department of Commerce and other
17 agencies to expand trade opportunities, resolve trade disputes, and promote U.S. agriculture
18 products in foreign markets. The Ag Council also encourages USDA and other relevant trade
19 related agencies to serve as an advocate for U.S. agriculture when it comes to trade enforcement
20 and market development.

21
22 We support the efforts of USDA and USTR to proactively pursue WTO cases against
23 competitors who are in violation of their WTO obligations, and we support sufficient funding to
24 USDA for purposes of investigating and prosecuting such cases as well as providing defense for
25 United States’

26
27 The Ag Council urges full funding and implementation of the export Foreign Agriculture
28 Services’ enhancement programs so as to provide maximum benefit to producers. The Market
29 Access Program (MAP), Foreign Market Development program, and other related programs are
30 important to promotion and market development for U.S. commodities. U.S. trade policy and
31 trade negotiations should enhance U.S. farm programs and thereby lower the cost of such
32 programs.

33
34 **Nutrition Title**

35 The Ag Council would like the federal government to utilize U.S. commodities to feed low
36 income, mal-nourished in the U.S. and around the world. The Ag Council strongly believes that
37 any additional funding for nutrition should not come from other agriculture programs. The Ag
38 Council believes that some savings could be achieved in Administrative costs and through
39 reducing fraud and abuse within existing nutrition programs. In addition, the Ag Council
40 believes nutrition programs and other similar welfare programs should do more to encourage
41 participants to seek education, job training, and employment opportunities. Such efforts should
42 be designed to ultimately help citizens reduce and eliminate their dependence on welfare
43 programs.

44
45 The Ag Council believes that the Nutrition Title is a key component of farm and food policy and
46 should be included in a comprehensive farm bill. The Ag Council does not support efforts to

1 divorce the nutrition title from the other titles included in the farm bill. The Ag Council
2 understands that nutrition programs provide a market for agricultural commodities, helps feed
3 the less fortunate, and improves the economic conditions of food makers, transportation
4 companies, and food retail stores.

5
6 **Rural Development Title**

7 The Ag Council believes that rural development programs should be funded at the highest
8 possible levels and should be distributed to those seeking to improve the rural economies by
9 targeting farms, rural businesses and entrepreneurship. The Ag Council supports the Delta
10 Regional Authority (DRA) and its mission to improve the economies of the Mississippi River
11 Delta Region. The Ag Council also supports Rural Development programs that provide
12 infrastructure for water, roads, health care, education, economic development, and information
13 technology. We encourage more investments in entrepreneurship and innovation in agriculture
14 particularly as it relates to value-added, bio-based products as well as production and processing
15 efficiencies in an effort to create new jobs, advance agriculture with new products and services,
16 and grow our economy.

17
18 We oppose any effort of USDA Agriculture Marketing Service (AMS) to terminate operations at
19 the Dumas Cotton Classing Office. We encourage our Congressional delegation, USDA AMS,
20 and the State of Arkansas to consider all available options for maintaining the facility and
21 operations in Dumas. The office is considered profitable and serves an important role for the
22 cotton industry of Arkansas and the economy of Southeast Arkansas.

23
24 **Research Title**

25 *Research and Extension Services:*

26 The agricultural colleges, including the experiment stations, extension services, and contract
27 researchers play an integral role in making America the leader in innovative techniques for
28 agriculture and deserve full public support for funding at the highest possible levels. The Ag
29 Council strongly supports increased research in fields that will increase yields, improve quality,
30 and reduce on-farm input usage. In addition, the Ag Council supports research in seed, chemical
31 and other technologies and practices to enhance pest management, including reducing resistance
32 to such technologies.

33
34 The Ag Council believes check-off funds should continue to be invested in research projects
35 done by the University of Arkansas's Division of Agriculture Research and Extension Service.
36 We encourage collaboration with other research institutions in Arkansas.

37
38 The Ag Council encourages the UofA, USDA, and other government research institutions to
39 research, verify, and develop new technologies in information technology systems to increase
40 efficiency in energy and water use, chemical applications, and other components of precision
41 agriculture. Such technologies include, but are not limited to, smart phone and tablet apps,
42 unmanned aerial vehicle systems, remote irrigation and energy controls, irrigation systems
43 management, field monitors and sensors, and other technologies of the future.

44
45 *Agriculture Research Service:*

1 The Ag Council recognizes the important research conducted by the ARS facilities in Arkansas
2 and encourages members of the Arkansas Congressional Delegation to provide adequate funding
3 to these facilities so they may continue their efforts to assist farmers by enhancing yield quality
4 and quantity and developing value added uses. The Ag Council also supports the Food and Drug
5 Administration’s National Center for Toxicological Research (NCTR) in Jefferson County, and
6 we encourage Congress to build upon its mission and ensure that research conducted their
7 supports Arkansas agriculture.
8

9 *Congressionally Directed Spending:*

10 The Ag Council understands that Congressionally directed spending in the form of “earmarks”
11 may be necessary to quickly direct federal funds to agriculture research projects critical to
12 Arkansas and the agriculture industry, and we support the use of earmarks for such purposes.
13
14
15

16 **TITLE III – Policy Statements on Miscellaneous Items**

17
18
19 **Deficit Reduction Policy**

20 The Ag Council is concerned with our nation’s current debt load. The Ag Council believes that
21 Congress should work in a bipartisan manner to address our nation’s debt and to reduce our
22 annual budget deficits. The Ag Council believes Congress should also take action to reduce our
23 nation’s trade deficit. The Ag Council believes agriculture can and should participate in these
24 efforts. However, the Ag Council does not support placing disproportionate deficit reduction
25 burden upon agriculture. The Ag Council believes that tax reform that is not detrimental to
26 agriculture may need to play a significant part in reducing our national debt. The 2014 Farm Bill
27 was a significant contributor to deficit reduction, and we encourage Congress to look elsewhere
28 for any additional budget cuts in future years.
29

30 While we support the reduction of federal income taxes generally for farm operations and
31 agricultural businesses, we believe that reforms to the tax code should not eliminate key
32 provisions of the tax code currently benefiting the agriculture industry, including exemptions,
33 credits and deductions.
34

35 **Trade Policy**

36 The Ag Council favors government policy which permits the sale of any agricultural products to
37 any country with the resources to purchase them. The Ag Council supports lifting all trade
38 sanctions against Cuba, especially those under the Department of Treasury’s jurisdiction. We
39 greatly appreciate the members of the Arkansas Congressional delegation who have supported
40 efforts to open agricultural exports to Cuba for commodities grown in Arkansas. We also greatly
41 appreciate the Governor’s efforts to establish and build relations with Cuba for such purposes.
42

43 U.S. foreign policy often has a tremendous effect on the farm economy. Although we do not
44 advocate putting the interests of farmers ahead of the nation's interests, the Ag Council believes
45 that under no circumstance should agriculture be asked to bear an unfair share of the burden of

1 U. S. foreign policy. The Ag Council opposes the export embargo of any agricultural
2 commodity. Such export embargoes place arbitrary limitations on commerce and free markets,
3 and they often carry negative economic impacts by limiting opportunity to market crops.
4

5 The Ag Council opposes the movement of all commodities to offshore sites for further
6 processing such as, but not limited to, milling packaging and weaving unless covered by free
7 trade agreement.
8

9 The Ag Council believes that American trade policy should be supported within WTO
10 negotiations, and that American trade policy must be consistent with U. S. agricultural policies.
11 It is essential to monitor America's trading competitors' policy positions relating to agriculture
12 and trade. The Ag Council supports the agreement reached in 2014 between the U.S. and Brazil
13 to end the cotton trade case.
14

15 The Ag Council supports free trade agreements that are fair to U.S. producers and expand export
16 opportunities for U.S. grown commodities. Trade Promotion Authority (TPA) can be a very
17 useful tool in advancing free trade agreements, but it should not be granted without the
18 Administration's commitment to make agriculture a top priority in any trade negotiations. With
19 regard to the Trans Pacific Partnership (TPP) and the Trans-Atlantic Trade and Investment
20 Partnership (TTIP) free trade agreements (TPAs), the U.S. should make every effort to satisfy
21 U.S. agriculture interests by increasing market access and reducing trade barriers for
22 commodities.
23

24 We remain concerned with the potential negative impact that TPP could have on the Mexican
25 rice market as Vietnam would be able to enter the market with far less expensive rice. Because of
26 this known risk, we encourage the administration to take action to attempt to offset these losses
27 in advance by investing more in food aid that incorporates rice, provide additional marketing
28 assistance program (MAP) funds, assist in market development Mexico, Iraq, and Cuba, and
29 continue to vigorously pursue cases against nations violating their WTO obligations.
30

31 The Ag Council continues to study the recently completed Trans Pacific Partnership (TPP) to
32 learn about the positive and negative aspects of the twelve-nation agreement. The Ag Council
33 understands the importance of increased market access to Pacific nations, and we understand that
34 it's unlikely that full market access is a viable option for all commodities. If it is deemed by the
35 Ag Council Board that the net positives of the agreement outweigh the net negatives of the deal,
36 the Ag Council is likely to support the implementation of the agreement with a call to make
37 continued improvements in market access to TPP nations in a bilateral manner or through other
38 means.
39

40 The Ag Council believes that government should be active in maintaining open markets,
41 especially when foreign nations arbitrarily halt imports of U.S. agricultural products based on
42 phytosanitary specifications or other arbitrary standards.
43

44 **Environmental Policy**

45 *U.S. Environmental Protection Agency (EPA):*

1 The Ag Council believes that the EPA has moved outside of congressional authority by
2 announcing its intentions to regulate certain aspects of air quality and water quality through
3 emission standards, the Clean Air Act, and the Clean Water Act. The Ag Council strongly
4 suggests that the U. S. Congress put further checks and balances on the EPA that would provide
5 needed oversight and limit of such attempts, especially in regulating agricultural practices in the
6 Mississippi River basin.

7
8 The Ag Council strongly opposes the EPA's 2014 Final Rule defining Waters of the United
9 States (WOTUS). Their final rule dramatically expands the regulatory reach from navigable
10 waters to any body of water with a nexus to navigable waters. This rule will likely lead to
11 significant compliance cost for landowners, limitations on land improvements, and unnecessary
12 and costly litigation. Due to the wide expansion of regulated waters, this rule would be difficult
13 to enforce, and default enforcement would be left to the courts, which would be costly and time
14 consuming to agriculture. The Ag Council believes the definition should completely exempt
15 agriculture and focus on navigable waterways. We support the multi-state lawsuit against the
16 EPA, and we encourage Congress to force the EPA to vacate the rule and develop a new rule that
17 provides necessary exemptions to agriculture. The Ag Council remains frustrated by the manner
18 in which the EPA handled the entire rulemaking process, most notably how they seemed to
19 ignore concerns expressed by the U.S. Army Corps of Engineers and how they attempted to
20 influence public opinion on the rule during the public comment process.

21
22 The EPA has further issued rules covering state issued permits for applications of pesticides over
23 certain crops due to possible runoff. Ag Council believes that no further regulations are
24 necessary since each product's label has been reviewed and approved for proper application by
25 EPA.

26
27 The Ag Council would encourage Congress to consider mandating Congressional approval of
28 any new regulations determined to pose a significant economic risk to the agriculture industry in
29 the U.S.

30
31 The Ag Council is concerned with recent attempts by the EPA to set nutrient standards for
32 watersheds by setting pollutant discharge regulations for individual farms. The Ag Council
33 believes such policies are unwarranted because they are not currently scientifically proven to be
34 effective and are difficult to impose.

35
36 The Ag Council supports legislation to reduce compliance costs and mandates associated with
37 regulations on on-farm fuel storage.

38
39 The Ag Council supports expanding the Renewable Fuel Standard (RFS) and blending
40 requirements for fuel provided there is sufficient supply of ethanol inputs and animal feed
41 supply, and there are no mechanical issues with increasing the blending levels.

42
43 The Ag Council supports the development and use of safe technologies in crop genetics and
44 herbicides that will help farmers better control damaging weeds and maximize yield potentials.

45

1 The Ag Council believes that USDA/EPA should maintain its commitment to U.S. farmers by
2 conducting timely, scientific reviews of technologies, and get them to farmers in a time efficient
3 manner. It's important for farmers to be able to utilize all safe and effective tools that may be
4 available to them in order to produce crops, increase yields, and remain sustainable.

5
6 *Biotechnology:*

7 The Ag Council supports continued advancements in biotechnology for seed and crop protection
8 products to improve quality and yields for agriculture. Such technology is essential in helping
9 feed the world and meeting future food supply challenges that are anticipated. This technology
10 can also be very helpful in minimizing agriculture's environmental footprint with water use and
11 chemical applications, thus lowering production costs. We encourage regulatory bodies to
12 conduct adequate scientific review of these products and get them to farmers in an expeditious
13 manner.

14
15 *Chemical Use Policy:*

16 The Ag Council supports the responsible use of approved and permitted pesticides, herbicides,
17 and other crop protection tools.

18
19 Should any restrictions be placed on the use of farm land because of environmental concerns, it
20 is the Ag Council's conviction that any costs or reduction in income incurred by farmers, due to
21 such restrictions, should be paid for by the public through government.

22
23 *U.S. Fish and Wildlife Service (USFWS) and Endangered Species Act (ESA):*

24 The Ag Council questions the mechanism by which any biological species is determined to be
25 threatened or endangered as it often appears to be opinion based rather than science based. The
26 Ag Council strongly opposes the USFWS attempts to designate Critical Habitat Designations
27 under the ESA without an adequate comprehensive economic impact analysis of establishing
28 such designations. The economic review should determine the full economic impact on
29 communities impacted by the designations. In addition, the USFWS should use science based
30 data to determine the condition of the habitat and threats to prospective species.

31
32 The Ag Council believes that new listing of certain mussel species under the Endangered Species
33 Act should not prohibit or restrict a farmer's ability to continue their farming operations.

34
35 The Ag Council believes that the USFWS and USDA APHIS Wildlife Services should provide
36 landowners, farmers, and aquaculture operators with a sufficient permitting process to address
37 the concerns related to invasive and predatory species such as the double breasted comorant and
38 feral hogs.

39
40 *Pollinator Health:*

41 The Ag Council supports the continued use of technologies to combat pests. We support
42 continued scientific research to determine bee health to determine all possible causes of Colony
43 Collapse Disorder (CCD), including threatening diseases, pests, genetic disorders, and other
44 natural threats. We also support efforts to raise awareness to pollinators and to minimize
45 unnecessary exposure for bee hives to agricultural crop protection tools, and we support efforts
46 to improve crop protection tools in order to minimize risk of applications moving off target.

1
2 *USFWS Lacey Act and Carp:*

3 The Ag Council believes that the Lacey Act should not apply to carp and penalties for violations
4 related to the act should be reduced as they may relate to the interstate transportation of such
5 species.

6
7 *Feral Hogs:*

8 The Ag Council believes state and federal governments should do more to eradicate feral hogs,
9 which are causing crop damage throughout the state. We also appreciate recent efforts by the
10 Arkansas General Assembly to help landowners, the Game and Fish Commission, and others to
11 better manage feral hog populations through capturing and termination.

12
13 **Labor Policy**

14 *Right to work status:*

15 We urge our Congressional delegation to continue to support retention of Section 14(b) of the
16 Taft-Hartley Act.

17
18 *Department of Labor (OSHA):*

19 The Ag Council believes the Department of Labor must consider the farm labor shortages when
20 implementing any new rule related to child labor on farms. Farm families should be exempted
21 from any such child labor restrictions. The Ag Council recommends that current labor rules for
22 farms, which exempt family farms, should not be amended.

23
24 *Worker's Compensation:*

25 The Ag Council strongly supports and endorses the AG COMP SIF worker's compensation
26 program and recommends that all eligible farms and agri-businesses in Arkansas join the Ag
27 Council and participate in the program. The program offers a number of direct benefits to farms,
28 agri-businesses, and agricultural employees.

29
30 We support legislative fixes proposed by the Arkansas State Chamber of Commerce to limit fund
31 liability for the Death and Permanent Disability Trust Fund as well as those relating to
32 subrogation rights for the AG COMP SIF.

33
34 *Overtime Rules:*

35 The Ag Council believes that farm workers should be exempt from overtime rules that were
36 designed to affect more traditional labor markets with larger businesses and more traditional
37 work hours.

38
39 The Ag Council supports new laws approved by the 91st General Assembly related to donning
40 and doffing that establish that an employer is not subject to liability on account of the failure of
41 the employer to pay an employee minimum wage or to pay an employee overtime compensation
42 for or on account of certain activities that are not principal to the employee's job.

43
44 *Worker Protection Standard:*

45 The Ag Council believes that Workplace Safety Standards should incorporate common sense and
46 not carry a detrimental economic impact to farm operations.

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Tax Policy

Social Security:

We oppose further increases in Social Security taxes.

Estate Taxes:

The Ag Council supports the total and permanent repeal of all estate and inheritance taxes, especially as they relate to family farms and rural small businesses. We strongly oppose any effort that makes transitioning farmland and farm businesses from one generation to the next more difficult. We encourage policy makers to ensure that estate taxes encourage the preservation of the family farm.

Other Taxes:

The Ag Council strongly supports the permanent extension of the Section 179 deduction and bonus depreciation. These programs are critical in helping farmers remain competitive in the global market and continue to increase efficiencies with equipment, land, and facilities.

Arkansas Tax Reform:

The Ag Council strongly believes that existing tax credits, deductions, and exemptions for the agriculture industry should remain in place. Any elimination of these tax benefits is considered a tax increase on the industry. Most of these tax benefits are related to the inputs required to produce and market a crop. Farmers who receive these tax benefits do not have an opportunity to recapture the cost of such a tax in marketing their crops due to the nature of commodity markets, which dictate the prices for what is grown.

We believe property taxes should not be increased to accommodate any decreases in income tax rates or any other tax benefits offered by government.

We support reduced income tax rates provided they are not paid for by an increase to taxes on agriculture.

Health Care Policy

In light of the recent dissolution of the BRAVO Association Health Care Benefit Program for industry associations, the Ag Council encourages the organization to seek out new potential areas of collaboration in seeking more affordable health care options for members.

The Ag Council opposes federal mandates for businesses to provide health care to all employees. The Ag Council supports the development of low cost care systems and improved care for all.

Regulatory Policy

Regulatory Agencies:

The Ag Council supports sensible rules issued by OSHA, EPA, FDA, and U. S. Fish and Wildlife Service (FWS) which reasonably can be expected to achieve results. We insist that OSHA, EPA, FDA, and FWS rules and actions result in a comprehensive national cost/benefit ratio based on reasonable scientific evidence and full economic impact analysis.

1 The Ag Council believes that all regulations should be simple and easy for compliance purposes.
2 The Ag Council supports efforts to streamline or simplify existing regulations. The Ag Council
3 also supports eliminating any rules deemed to be overly burdensome, duplicative, ineffective or
4 obsolete. Regulators should seek to minimize liability opportunities for landowners and avoid
5 negatively impacting land values in the rulemaking process.
6

7 The Ag Council believes that regulations impacting financial institutions should not punish or
8 penalize rural banks, community banks or any other lending institution that may provide
9 agricultural loans. Regulating agencies should recognize the important role of such banks in
10 maintaining a healthy agriculture industry. The Ag Council supports regulatory policies that
11 encourage agriculture lending and provide access for borrowing.
12

13 The Ag Council has concerns with recent proposed rules regarding worker protection as it relates
14 to children within a farm family and as it relates to the safe handling and use of agricultural crop
15 protection tools. We encourage EPA, OSHA, and other regulatory agencies to ensure the ability
16 of children to work in a safe environment on a family farming operation and for farming
17 operations to continue utilizing important chemical formulations in a safe manner without
18 unnecessary compliance burdens.
19

20 *Licensing Requirements:*

21 We generally support the continuation of various license programs and registration requirements
22 for professional services offered to the agricultural industry. While we do not support
23 unnecessary or overly burdensome regulations related to occupations, we believe in reasonable
24 regulations, such as licensing, bonding, insurance and training, for businesses and occupations
25 containing inherent risks, including commercial and private applicators, grain dealers, and others
26 with general certification and licensing requirements.

27 28 29 **Energy Policy**

30 The Ag Council supports policy that assures adequate energy supplies necessary for rural
31 community viability as well as agricultural production, harvesting, processing and transporting
32 agricultural commodities. Use of renewable energy resources, alternate fuel sources, recycling
33 and conservation should be the basis of any energy policy. The Ag Council supports public
34 policy that continues to provide incentives for entities in the development of biofuel.
35

36 The Ag Council encourages research and development necessary to provide adequate electricity
37 for rural communities as well as production agriculture. The Ag Council encourages research
38 and development to promote increased production and utilization of ethanol, biodiesel and all
39 other alternative energy sources. The Ag Council supports tax credits as incentives to promote
40 research, development, production and utilization of all alternative energy sources. As the
41 alternative fuel infrastructure develops, the Ag Council encourages utilization of alternative fuels
42 by governments for State and Federal vehicles. The Ag Council also encourages the use of
43 biodiesel fuel in farm equipment.
44

1 The Ag Council opposes the use of eminent domain in the development of utility transmission
2 lines and other energy systems, especially in instances that primarily benefit private parties rather
3 than the general public. Landowners should be compensated adequately for any land use for
4 such purposes, and such utility companies should utilize existing right a ways and infrastructure
5 when developing such lines. In addition, proposals to develop such infrastructure should be
6 subject to scrutiny and review from regulatory agencies, legislative bodies, and the general
7 public prior to approval. The Ag Council supports legislation introduced by members of the
8 Arkansas Congressional Delegation that would require state approval for energy transmission
9 lines that are being sought through eminent domain under section 1222 of the 2005 Energy
10 Policy Act.

11
12 We strongly oppose the Clean Line Energy’s use of Section 1222 of the 2005 Energy Policy Act,
13 which has effectively forced landowners to grant right of way for the high voltage direct current
14 transmission line between Oklahoma and Tennessee without sufficient compensation for
15 landowners or appropriate consideration of alternative route options. Lastly, the use of Section
16 1222 severely limits the state’s ability to influence the project.

17
18 The Ag Council supports the development and use of renewable fuels from agricultural sources.
19 Policies that support the development and use of such fuels provide an alternative market for
20 agricultural commodities and helps create stability in commodity markets. Any policies to create
21 a mandate for the development and use of such fuels should provide adequate “off-ramps”
22 should any unintended consequences arise in association with food supply or domestic security.

23
24 The Ag Council believes to the maximum extent possible that government regulators and fuel
25 providers should work to ensure that the Arkansas agriculture industry has safe access to
26 adequate and affordable fuel supplies.

27
28 “*Cap & Trade*” Systems: The Ag Council believes that the U.S. should not establish Cap and
29 Trade policies until all developed and developing nations reach a full and fair agreement on how
30 to reduce emissions of greenhouse gases. China and India, the two largest cotton and textile
31 producing countries, are competitors with United States cotton in the international market. Both
32 countries are significantly increasing greenhouse gas emissions and both have thus far refused to
33 sign on to any agreement to curtail their emissions. However, we do support the establishment
34 and participation in voluntary carbon and greenhouse gas (GHG) markets where credits are
35 established to benefit agriculture with potential payments for farms that voluntarily implement
36 farming practices that reduce GHG emissions.

37
38 The Ag Council also opposes arbitrary renewable energy portfolio standards for utility
39 companies. Such mandates could prove costly in states like Arkansas that are heavily reliant on
40 fossil fuels as energy sources. Compliance costs would be transferred to users, and that would
41 greatly impact agriculture and other major energy users in Arkansas putting us at a disadvantage
42 to competitors in other states and around the world. The Ag Council opposes the recent EPA
43 rule on carbon emissions (“Clean Power Plan”) that would establish state goals for carbon output
44 as it unfairly punishes Arkansas, and could lead to increased energy costs through utility bills in
45 order to allow companies to pay for compliance with the federal mandates. We support the
46 multi-state lawsuit that the State of Arkansas has taken against the EPA on this rule.

1
2 In the event of such legislative action, the Ag Council believes USDA should develop and
3 administer agriculture offsets in a Cap and Trade program. The development of these offsets is a
4 means to mitigate, to some degree, the impact of significantly higher energy and input costs to
5 production agriculture and agribusiness; all production, marketing and processing will be
6 adversely affected in varying degrees. The Ag Council remains concerned that additional
7 production costs resulting from implementation of provisions of any Cap and Trade program will
8 place United States' agriculture and agriculture products at a clear disadvantage in international
9 markets.

10
11 We support the development of new (private sector, voluntary) markets for greenhouse gases and
12 water that carry the potential to directly benefit landowners and producers with compensation for
13 implementing systems or techniques that provide energy efficiencies, irrigation efficiencies, or
14 otherwise reduce levels of GHG emissions.

15 16 **Transportation Policy**

17 The Ag Council supports the improvement of interstate highways for transportation and delivery
18 of agricultural commodities. The Ag Council supports reasonable increases in state and federal
19 motor fuel taxes and user fees in order to increase dedicated funding for transportation
20 infrastructure. However, any increase in such taxes and fees must be well justified and follow
21 efforts to find highway funding through savings within government with the elimination of
22 waste, fraud, abuse, and duplicative or outdated government expenses.

23
24 The Ag Council supports interaction with Arkansas Dept. of Transportation (ARDOT) to
25 improve the ability to move farm commodities and farm equipment on Arkansas' roads and
26 highways more effectively and efficiently, and the Ag Council supports the concept of securing
27 low-cost permits and tags for such movements. We encourage the ARDOT and General
28 Assembly to provide more reasonable policies on the enforcement of size and weight restrictions
29 for grains and other agricultural commodities, especially during harvest season and upon leaving
30 the field en route to first location of processing or handling.

31
32 The Ag Council would point out that construction of interstate highways should consider present
33 land use and provide proper access to land, and we support fair compensation for landowners
34 when use and access is restricted.

35
36 The Ag Council remains concerned with dock strikes and other transportation union strikes
37 which can pose serious threats to exports and domestic marketing of farm commodities. With
38 due regard to the position of both labor and domestic marketing of farm commodities, we believe
39 it is in the national interest and essential to the well-being of agriculture in America, that
40 government action be taken to prevent prolonged work stoppages in our nation's transportation
41 system.

42
43 The Ag Council favors export shipment of agricultural products by the least costly method. The
44 Ag Council also supports size and weight exemptions for truck carrying agricultural
45 commodities and products, including cotton seed. The Ag Council supports the development of
46 a voluntary statewide system of pre-inspections for safety compliance that would reduce the risk

1 of targeted pull-overs of agricultural trucks transporting grain and other agricultural products,
2 especially during harvest season.

3
4 The Ag Council supports provisions approved by the 91st General Assembly and signed into law
5 by Governor Hutchinson that would allow the ARDOT to provide waivers to certain truckloads
6 carrying agricultural products (commodities and equipment) issue one year, special
7 transportation permits to allow for trucks with 5 axles to carry up to 100,000 pounds of gross
8 weight. We encourage expeditious consideration of these options by the ARDOT, and we
9 support making this exemption permanent.

10
11 The Ag Council supports reforms to the Surface Transportation Board (STB) that would provide
12 more shippers rights for the transportation of agricultural commodities and products while
13 maintaining a healthy railroad industry.

14
15 The Ag Council supports the development and use of Unmanned Aerial Vehicle (UAV) systems
16 for precision agriculture practices. Regulations for use must work for farmers and landowners.
17 Such regulations should not increase cost of use or limit the ability to use on private property.
18 The Federal Aviation Administration (FAA) should quickly finalize rules that will permit
19 agriculture to take advantage of the many benefits promised through UAVs.

20
21 The Ag Council requests that the Corps of Engineers manage, maintain, and improve waterways
22 in a manner that will ensure the full use of navigable waterways at all times. The Ag Council
23 also supports funding for inland ports and waterways. The Ag Council supports a 12'
24 navigational channel in the Arkansas River Navigation System (MKARNS).

25
26 The Ag Council also supports the continued expansion of our national and state highway system
27 including I-40, I-69, I-555, and I-55.

28
29 The Ag Council understands that Congressionally directed spending in the form of “earmarks”
30 may be necessary to quickly direct federal funds to transportation projects critical to Arkansas
31 and the agriculture industry, and we support the use of earmarks for such purposes. We believe
32 that transportation infrastructure in Arkansas is an investment in national infrastructure and for
33 economic growth.

34
35 **Water and Water Infrastructure Policy**

36 The Ag Council recognizes the efforts of the officers of the various districts, the Mississippi
37 River Commission, the Corps of Engineers, and the Natural Resources Conservation Service,
38 participating in flood control and improvement of lands in Arkansas. The Ag Council
39 recommends that Congress direct the Corps to include availability of agricultural irrigation water
40 in their studies.

41
42 The Ag Council requests Congress to address the failure of the Corps of Engineers to certify the
43 levees in its districts and further request prompt certification of said levees to alleviate the
44 farmers of paying millions of dollars in unnecessary flood insurance coverage. The levee
45 certification issue is vital to members of this organization and the rural communities throughout

1 much of the state. The Ag Council opposes FEMA’s efforts to set new regulations related to
2 flood plains that would mandate the purchasing of flood insurance.

3
4 The Ag Council urges expedited completion of the river basin projects in Arkansas for which
5 funds have been authorized and appropriated. The Ag Council supports maximum appropriations
6 for all lower Mississippi Valley flood control and improvement projects.

7
8 The Ag Council urges authorization and appropriation of federal funds for maintenance of banks,
9 dikes and control structures along the Arkansas River. The Ag Council also supports funding for
10 inland ports and waterways. The Ag Council supports a 12’ navigational channel in the
11 MKARNS. The Ag Council also supports dredging the lower Mississippi River, but not at the
12 expense of other water infrastructure projects in Arkansas.

13
14 The Ag Council opposes proposals to enhance the Inland Waterways Trust Fund through
15 increased lockage fees.

16
17 The Ag Council supports completion of the work proposed by the Corps of Engineers to improve
18 the Mississippi levees, from Cape Girardeau, Missouri, to the Gulf of Mexico, so as to fully
19 protect the citizenry and property in the states of the lower Mississippi Valley.

20
21 The Ag Council also supports legislation to preserve wildlife habitat by authorizing the Secretary
22 of the Army, acting through the Chief of Engineers, to acquire easement in lieu of fee for lands
23 designated for acquisition in mitigation of losses or damage to fish and wildlife resulting from
24 Federal improvement.

25
26 The Ag Council recognizes that beavers have become a major impediment to drainage of both
27 farm and timber lands in Arkansas. The Ag Council pledges its cooperation with federal, state
28 and local agencies in searching for a solution to this problem.

29
30 The Ag Council understands that Congressionally directed spending in the form of “earmarks”
31 may be necessary to quickly direct federal funds to water infrastructure projects critical to
32 Arkansas and the agriculture industry, and we support the use of earmarks for such purposes. We
33 believe that flood control, navigation, and irrigation infrastructure in Arkansas is an investment
34 in national infrastructure and for economic growth.

35
36 *Drainage - Section 404:* The Ag Council believes in a healthy environment, and we are
37 committed to good drainage as we, know it to be essential to the productivity of the alluvial areas
38 of the country. The Ag Council is convinced that a reasonable balance can be achieved for the
39 good of the country between these two objectives if EPA and Corps of Engineers will
40 promulgate sensible regulations and administer them in a wise manner. The Ag Council opposes
41 the unfair increases in fees for obtaining a Section 404 permit which were proposed at one time
42 by the Corps of Engineers.

43
44 The Ag Council recommends restricting Section 404 jurisdiction to the historical definition of
45 "navigable waters." We also think Congress should adopt a reasonable definition of "wetlands."
46 We further recommend that any new legislation make it clear that the Corps of Engineers has

1 final authority to issue permits under Section 404. The Ag Council believes decisions on 404
2 permits should be rendered within six months.

3
4 *Farmed Wetlands:* We believe that any farmland that was in cultivation prior to 1985 should be
5 considered prior converted cropland regardless of how long water may stand on it during the
6 growing season.

7
8 **Food Safety Policy**

9 The Ag Council supports the development and enforcement of regulations by USDA/FDA to
10 ensure the safety of all food and sources of food for the nation, whether produced domestically
11 or internationally. The Ag Council believes inspection of imported agricultural products is
12 lacking and should be enhanced.

13
14 The Ag Council supports federal funding for USDA inspections of imported catfish from
15 overseas. This program was first authorized in the 2008 Farm Bill and reauthorized in the 2014
16 Farm Bill, finally went into full effect in early 2016 and has proven to be effective as many
17 shipments have already been rejected by USDA inspectors. We oppose any and all proposals
18 that would place catfish inspections in the FDA instead of the USDA.

19
20 The Ag Council also supports recently approved laws to identify country of origin labeling for
21 catfish and catfish like species sold in Arkansas restaurants and by food services to better inform
22 consumers. The Ag Council believes consumers should receive such notice at restaurants,
23 cafeterias, lunch room, food stands, and other similar food facilities in Arkansas.

24
25 The federal government should establish an indemnity program for errors made by regulatory
26 agencies in food contamination recall cases.

27
28
29 **Commodity Market Oversight Policy**

30 In lieu of recent overall market problems, the Ag Council supports absolute clear definitions of
31 marketing terms including, but not limited, to hedging, speculating, and transparency. Any new
32 regulations should be developed with the intent to increase transparency and limit unwarranted
33 market volatility. The Ag Council has concerns with the impact of automated electronic trading
34 and its potential impact on market volatility and is often based on artificially created supply and
35 demand. We encourage market regulators to establish reasonable rules to minimize the potential
36 negative impacts of automated electronic trading on market volatility for commodities.

37
38
39 **Commodity Policies**

40 It is the Ag Council's position to work with the various national and state commodity based
41 organizations to promote agriculture and advocate for policies where the Ag Council and the
42 commodity organizations are in agreement.

43
44 *Rice:* Rice has long been the world's number one food grain. It has become Arkansas' largest
45 program crop. It is vital to the state's economy and to Ag Council members. In order to fulfill

1 America's desire to help feed the world's needy people we recommend full use of all government
2 programs to maximize the exportation of rice.

3
4 We support the USA Rice Federation's efforts to use all the money from the Columbian Free
5 Trade Agreement Tariff Rate Quotas (TRQ) for research.

6
7 The Ag Council believes rice should be promoted as a nutritious food based upon its qualities.
8 The USDA, FDA, and other relevant federal and state agencies should encourage rice
9 consumption as an important component to any meal. The Ag Council believes arsenic levels
10 occurring in rice are naturally occurring organic or inorganic, and are not at levels deemed
11 harmful to human health. We support the FDA's efforts to work with industry and researchers to
12 determine how arsenic levels in rice may be decreased.

13
14 *Soybeans:* The assurance of viable Soybean seed is vital to Arkansas' farmers. We encourage
15 uniform standard testing of soybean seed and results made available to farmers upon request.
16 The Ag Council supports continued development of biodiesel from soybeans. We support the
17 Natural Soybean and Grain Alliance (NSGA), which was established to develop new markets for
18 non-GMO soybean varieties in an effort to provide farmers with premiums for new niche
19 markets.

20
21 *Cotton:* The Ag Council encourages cotton commodity brokers to be bonded. The Ag Council
22 supports the development of a shallow loss insurance program for cotton. The Ag Council
23 supports continuing to comply with the U.S. – Brazil agreement for the WTO case against the
24 U.S. The Ag Council encourages USDA Secretary to implement farm program policies for
25 cotton seed. We encourage further incentives from USDA and Cotton Incorporated to develop
26 woven and non-woven markets in the U.S. through investments in innovation and consumer
27 demand.

28 29 **Fertilizer Costs**

30 The Ag Council supports efforts to conduct a feasibility study on the viability of developing and
31 operating fertilizer production facilities in Arkansas for the purposes of increasing competition
32 among producers and providing farmers with lower cost options for fertilizers. The Ag Council
33 supports the reduction or elimination of duties on imported fertilizer products in order to keep
34 such costs to a minimum.

35 36 **Property Rights Policy**

37 *Trespass:*

38 The Ag Council supports private property rights and encourage the strict enforcement of trespass
39 laws. Additionally, we support newly approved laws from the 91st General Assembly that would
40 assign felony crimes to individuals previously convicted two times for criminal trespass provided
41 proof of intent to steal can be determined on the act of trespass.

42
43 We support laws approved in the 91st General Assembly that would strengthen employers'
44 defenses against common forms of corporate espionage and employee sabotage by prohibiting
45 any person from placing a camera or electronic surveillance device on the employer's premises

1 without permission. The bill also prohibits employees from capturing or removing the
2 employer’s data, papers or records, or from recording sounds or images.

3
4
5 *Eminent Domain:*

6 Property acquired under the right of eminent domain, when not used for the purpose for which it
7 was taken, should be offered for resale to the person from whom it was seized at the price at
8 which it was confiscated.

9
10 The Ag Council opposes the use of eminent domain in the development of utility transmission
11 lines and other energy systems, especially in instances that primarily benefit private parties rather
12 than the general public. Landowners should be compensated adequately for any land use for
13 such purposes.

14
15 If any governmental entity takes, appropriates, seizes, restricts, or modifies the use of private
16 property, the owner should be adequately compensated for any present or future loss.

17
18 *Landlord:*

19 The Ag Council supports Article 9 of the Arkansas Uniform Commercial Code that gives
20 automatic priority status of landlord liens on crops under Ark. Code Ann. Section 18-41-101.

21
22 **Welfare Policy**

23 *Unemployment Compensation:*

24 Ag Council members are alarmed about the escalating costs of unemployment compensation.
25 Administration of this program is of great concern. Government employees tend to side with
26 other employees. Oftentimes former employees are allowed to continue drawing unemployment
27 compensation after they have found other employment. Reason needs to be brought to the
28 program.

29
30 The Ag Council supports new reforms to welfare programs, including nutrition programs, in
31 order to limit the eligibility and use of these programs and encourage participants to seek and
32 accept employment opportunities.

33
34 **Anti-Trust Policy**

35 Ag Council members are increasingly concerned with recent and ongoing mergers and
36 consolidation between agricultural suppliers and the resultant erosion in competition reflected in
37 increased prices of crop production inputs. Primary among these today are Monsanto and Bayer;
38 Dow and Dupont; Syngenta and ChemChina; and Agrium and Potash Co.

39
40 The Ag Council believes it is crucial that producers not be placed at the mercy of one or two
41 dominant companies for various input products. Such consolidation can lead to fewer seed and
42 crop protection choices, higher input prices, reduced customer care, and generally a lack of
43 innovation and competition.

1 Due to the economic challenges facing row crop farmers (ever increasing input costs and
2 historically low commodity prices), we encourage seed and crop protection companies to
3 consider reducing the costs of their products.
4

5 We encourage the federal government to increase investments in land grant university research
6 for agriculture seed and crop protection technologies in order to stimulate innovation in this area,
7 encourage competition in science, and to develop and maintain more affordable alternative
8 options for producers to counter the expected issues related to mega merger consolidation of seed
9 and crop protection companies.
10

11 The Ag Council recommends that the Arkansas Attorney General and the U.S. DOJ continue to
12 remain vigilant in identifying and prosecuting violations of anti-trust laws, especially as they
13 relate to agriculture suppliers.
14

15 **Education Policy**

16 The Ag Council supports required learning related to educating students of the importance of
17 agriculture to our economy and our nation's history. Students should learn more about the farm
18 families that produce the food they eat. The Ag Council supports scholarship programs to
19 students seeking degrees related to agriculture.
20

21 The Ag Council supports Future Farmers of America (FFA), 4-H, and other agriculture
22 education programs for children and young adults. The Ag Council would like to work with
23 these organizations to educate these students and future agriculture leaders on the importance of
24 organizations like the Ag Council. It is the intent of the Ag Council to establish and fund a non-
25 profit charitable organization known as the Ag Council Trust for the purpose of donating to
26 research and education efforts that benefit agriculture and residents in the communities in which
27 we live.
28

29 **Science Policy**

30 *Biotechnology:*

31 Recognizing that biotechnology may contribute useful technology to agriculture which could
32 enhance both quality and competitiveness of farm products, the Ag Council encourages
33 continued development in this field. Such research and development is necessary to meet global
34 food demands of the future.
35

36 The Ag Council urges USDA and other appropriate governmental agencies to expedite the
37 testing and release of recombinant plants containing the useful genes which have the potential to
38 render crop production more efficient.
39

40 The Ag Council encourages research to develop traits beneficial to consumers which will open
41 new uses and new markets for commodities.
42

43 **Immigration Policy**

44 *Farm Labor:* It is the policy of the Council to support federal legislation governing the
45 procuring and the placement of legal immigrants filling farm laborer positions. It's important that
46 such labor is available, accessible and efficient for farms and agricultural businesses.

1
2 **TITLE IV – Policy Statements on State Issues**
3

4
5 **STATE GOVERNMENT**
6

7 **Agriculture Department of Arkansas**

8 It is the policy of the Ag Council to work closely with the Agriculture Department of Arkansas
9 to promote agriculture and assist in commodity marketing programs. The Ag Council supports
10 raising the awareness of the citizens of Arkansas about the importance of agriculture to the
11 state's economy. The Ag Council will assist in the development of marketing strategies to
12 enable the producer to receive a fair market price. Development of alternative fuel production
13 and use is just one example of added value to oil seed production that the Agriculture
14 Department should explore. The Arkansas Department of Agriculture should continue to
15 encourage innovation in the agriculture industry and develop markets for Arkansas grown
16 products.
17

18 The Arkansas Department of Agriculture should continue to work directly with farmers in
19 Arkansas and seek their advice. The Ag Council would like to work with the Department of
20 Agriculture to educate members of the state legislature on the functions and purposes of the state
21 commodity promotion boards.
22

23 The Secretary of Agriculture should be a strong proponent and supporter of row-crop production
24 in Arkansas and be familiar with the state's agriculture industry and state government.
25

26 Generally speaking, we support efforts of the Agriculture Department to seek efficiencies in use
27 of tax dollars by eliminating duplicative or outdated expenses and making reinvestments in
28 matters of critical importance today. However, we express concern about too much agency
29 reform without proper review and input from agriculture groups like the Ag Council. We
30 encourage the Governor and Secretary of Agriculture to work closely with us and other
31 agricultural organizations in the state as they continue to enhance the agency and its contribution
32 to the state's top industry. Such work should initiate well in advance of future legislative sessions
33 in order to fully vet any proposal to improve efficiencies.
34

35 We believe any efficiency measures, legislative or administrative, should not impact the makeup
36 and constructs of the Plant Board or its authorities in establishing rules and regulations.
37

38 In addition, we believe that revenues collected from the plant industry should be reserved for the
39 State Plant Board activities and not redirected to the Agriculture Department or other places in
40 state government. We support the staff of the State Plant board and believe salaries at the agency
41 should be at a level that can attract and retain highly qualified and motivated staff. We also
42 believe the agency should invest in modern technologies and equipment that can improve
43 efficiency, reduce workload, and help the agency better serve the industry. We believe the
44 position of Assistant Director should be filled as it's a critical position for the plant industry and
45 the agency.
46

1 **Arkansas State Plant Board**

2 *Role in Chemical Permit Requests:*

3 The Ag Council believes the Arkansas State Plant Board (ASPB) should work closely with the
4 Ag Council in seeking permits for products to be used in Arkansas. The Ag Council would like
5 the ASPB to review and approve beneficial new seed and crop protection products at the earliest
6 moment possible provided there is science based data supporting the need for such a product.
7 Products that will assist farmers in mitigating damages from threatening pests from bugs to
8 weeds should take a high priority. The ASPB should take considerable steps to penalize and
9 discourage the misapplication of agricultural crop protection tools that may cause harm to off-
10 target crops. The ASPB should also take considerable steps to educate and train inspectors and
11 users of proper use of such crop protection tools. The Ag Council encourages FMC to change
12 their label for Command so that rice farmers will be able to utilize the chemical without fear of
13 violating the label restrictions for use.

14
15 The Ag Council strongly supports the State Plant Board and the role it plays in regulating the
16 agriculture industry. We believe that the volunteer system of self-regulation by industry is
17 superior to allowing such decision-making authority to government bureaucrats. We believe it's
18 also critical that industry groups maintain their ability to appoint people from their organizations
19 to serve as it allows for accountability among industry stakeholders and offers opportunities for
20 industries to select individuals they feel are best suited to serve in such a critical role of
21 representing their segment of industry.

22
23 We believe that the farmer positions assigned to the Plant Board, as individuals, must be actively
24 engaged in production agriculture in Arkansas in order to serve in this role.

25
26 *Penalty Matrix:*

27 The Ag Council supports the new law (Act 778 of the 91st General Assembly) that establishes a
28 new provision in the Plant Board's penalty matrix to increase the maximum fine for egregious
29 violations of crop protection tools within the penalty matrix from \$1,000 and *up to* \$25,000 for
30 illegal and egregious applications of dicamba and other auxin herbicides. However, we believe
31 the law should be amended to remove the language that requires proof of off-target injury prior
32 to assigning a fine of greater than \$1,000.

33
34 Based on findings and experiences from the 2017 crop year, it's evident that in many cases the
35 Plant Board would be unable to assign a fine of greater than \$1,000 because the source of the
36 injury is often unidentifiable. Rather, the law should allow for a fine of greater than \$1,000
37 solely based on the illegal act, which carried a likely potential for significant off-target injury.
38 Such a change is necessary in order to create a significant and workable deterrent for illegal, and
39 potentially harmful use of these crop protection tools.

40
41 The Plant Board should use caution in assessing the new maximum penalty by only applying the
42 full civil penalty fine in cases where off target crop damage was likely caused and where the
43 application was made unlawfully in a knowing and willing manner that exhibited complete
44 disregard for the laws regulating use.

45
46 *New seed and crop protection technologies:*

1 The Ag Council supports the development and use of new seed and crop protection technologies
2 in a manner that is consistent with safety standards established by the EPA or the State Plant
3 Board. However, we also expect companies that deliver such technology that carries off-target
4 risks to conduct due diligence in marketing their product and implement sufficient measures to
5 trace sales, penalize misuse of product, and ensure proper stewardship and use. We encourage
6 the companies to work with the University of Arkansas to conduct verification studies on new
7 products and to deliver technology stewardship education and training for end users.

8
9 *Seed pre-emption clarification:*

10 The Ag Council supports laws approved by the 91st General Assembly that would allow for the
11 state plant board to be recognized as the singular regulatory body over seeds within the state of
12 Arkansas so that their regulations would supersede any attempts by counties or municipalities to
13 attempt to regulate seeds. This would bring parity for seeds in line with existing state laws
14 regulating fertilizers and pesticides.

15
16 *Industrial Hemp:*

17 The Ag Council supports law changes in the 91st General Assembly that would allow for the
18 Plant Board to establish rules, regulations and processes that would lead to further research in
19 partnership with the University of Arkansas Division of Agriculture into industrial hemp to
20 determine how to best develop and grow an industrial hemp industry in Arkansas to benefit
21 farmers, the agriculture industry and the economy of the state.

22
23 **Check-off/Commodity Support Programs**

24 The Ag Council continues to support mandatory check-offs for cotton, soybeans, rice, wheat, and
25 corn and grain sorghum in Arkansas. The Ag Council believes the state should explore the
26 possibility of developing a new check-off program for peanuts. The Ag Council strongly
27 supports continuing its statutory authority to nominate members to the promotion boards. In
28 addition, the Ag Council believes the promotion boards should continue to represent grower
29 interests by requiring all board members be farmers.

30
31 The Ag Council supports the programs of Cotton Incorporated, the National Cotton Council,
32 Arkansas Soybean Association, the Arkansas Soybean Promotion Board, the United Soybean
33 Board, the Arkansas Rice Research Board, the Arkansas Wheat Promotion Board, the Arkansas
34 Wheat Growers Association, the Arkansas Corn and Grain Sorghum Board, the United Sorghum
35 Check-off Program, and the Soil Test Review Board. The Ag Council opposes a policy of
36 allowing an individual to simultaneously serve on the USB and on the American Soybean
37 Association Board.

38
39 The Ag Council strongly supports the various research and promotion check-off programs in
40 Arkansas, and we encourage the members of these boards to ensure that the share of the check-
41 off dollars intended for the state are wisely invested in the state, particularly with in-state
42 University researchers for purposes of benefiting Arkansas farmers through research
43 investments. We oppose any efforts to siphon our state's shares to a national program that would
44 likely not prioritize or spend dollars in a way that benefits producers in Arkansas. We believe
45 that USDA Agricultural Marketing Service (AMS) should ensure that funds intended for states

1 are retained in the states in which they are collected and utilized in a manner that benefits
2 producers in those states.

3
4 The Ag Council urges Cotton Incorporated, with the assistance of land grant colleges, USDA,
5 and other public scientists, to continue developing a national cotton breeding program with the
6 following objectives: Develop new cotton varieties with 1) higher, more stable yields to enable
7 cotton producers to earn a profit growing cotton, and 2) improved, more uniform fiber properties
8 to enable cotton spinners to utilize new spinning technologies for more effective competition
9 with imports. We encourage Cotton Incorporated to invest more resources into innovative
10 research and entrepreneurship that supports in the development of new woven and non-woven
11 products that could stimulate demand for cotton.

12
13 The Ag Council strongly supports the current nomination and appointment process for all state
14 related boards and commissions that relate to agriculture. The current structure allows for
15 industry organizations to identify and nominate individuals to serve on behalf of the industry.
16 This process is important as it allows for a peer review process and the selection of qualified
17 business leaders to serve in important roles of government that directly impact agriculture
18 businesses. In addition, this process helps keep the organization informed of the work done by
19 the various boards and commissions as typically those appointees serve in leadership roles for
20 the industry organization and report at the organization meetings. Any efforts to repeal this
21 nomination process could carry a negative impact on the regulated industries for a variety of
22 reasons due to the lack of peer selection and peer accountability.

23 24 **Taxes**

25 The Ag Council favors maintaining the sales tax exemptions and income tax deductions/credits
26 (targeted tax cuts) presently made available to Arkansas farmers through state law. Such
27 exemptions and deductions/credits should be expanded where possible. We adamantly oppose
28 any attempt to effectively raise taxes on agriculture through increased property taxes or the
29 elimination of targeted tax cuts for purposes of offsetting income tax cuts for individuals and
30 businesses. Agriculture should not be tasked with shouldering the burden of overall tax cuts or
31 covering new government expenses, particularly during a time in which the industry is under
32 economic duress.

33
34 The Ag Council supports the tax cuts provided in the 89th Arkansas General Assembly that
35 reduced taxes for bale wrap supplies, replacement parts for equipment, and sales and use taxes
36 for energy used in aquaculture, grain drying, rice milling, soybean oil milling, and cotton
37 ginning. The Ag Council supports additional state tax incentives for making land improvements
38 for better irrigation water management and to implement more efficient technologies and best
39 management practices for water utilization and energy use.

40
41 The Ag Council supports tax cuts approved by the 91st General Assembly that over time would
42 create a sales tax exemption for manufacturers, including gins and grain processors on their
43 repair and replacement parts by phasing out the entire sales tax by 1 percent a year until
44 complete by June 30, 2022.

1 The Ag Council supports the new Act approved by the 90th General Assembly that clarified the
2 exemption of migrant labor, which permits farms to not pay taxes for unemployment insurance
3 because migrant labor would not utilize benefits if they did not have employment.
4

5
6 **Boll Weevil Eradication Board**

7 The Ag Council supports a post boll weevil eradication maintenance program with assistance
8 from State surplus revenues. The Council should maintain a key role in nominating members to
9 the Governor for consideration for the Boll Weevil Board. The Council also supports federal
10 financial assistance for boll weevil maintenance in Arkansas and all cotton producing states.
11

12 The Boll Weevil Board should reduce to the maximum advisable extent overhead costs and fees
13 collected during the post-eradication period while also maintaining enough resources to respond
14 to a future outbreak. The Ag Council believes that the Arkansas Boll Weevil Eradication Board
15 should work with neighboring states and the National Cotton Council to prevent a re-infestation.
16

17 The Ag Council is pleased with the leadership of the Boll Weevil Foundation Board as they
18 successfully repaid ahead of schedule all debt owed to the USDA Farm Service Agency (FSA) as
19 it relates to the boll weevil eradication effort in Arkansas.
20

21 **University of Arkansas Division of Agriculture**

22 Maximum development of the agricultural potential in any state is dependent on a strong Land
23 Grant institution. A successful College of Agriculture must maintain the interest and support of
24 farmers. The Ag Council will continue to improve communications with the University in order
25 to sharpen farmer interest in research, extension and teaching activities. The Ag Council pledges
26 its full support toward making Arkansas' Land Grant College the best possible. To this end, we
27 support increasing annual funding to the University Division of Agriculture, which has not seen
28 any increase in annual state funding in nearly a decade aside from a one-time \$3 million
29 contribution of surplus funds from Governor Hutchinson.
30

31 The Ag Council urges the University of Arkansas and Arkansas State University to engage in
32 research aimed at protecting the right of farmers to continue to use pesticides, fertilizers, growth
33 regulators, etc.
34

35 The Ag Council encourages members to consider giving gifts to the University of Arkansas
36 Agriculture Development Council's Foundation. Such gifts enhance the University's abilities to
37 serve the agriculture industry into the future through education, research and extension efforts.
38

39 *Extension Services:*

40 The Ag Council supports the concept of five research and extension centers being developed by
41 the University of Arkansas, Division of Agriculture.
42

43 The Ag Council urges the Experiment station and the Cooperative Extension Service to continue
44 addressing real-life, on farm problems, such as herbicide resistant weeds. It is imperative these
45 problems be given top priority.
46

1
2 In addition, the Ag Council would like for the Division of Agriculture to continue to seek and
3 retain highly qualified staff.
4

5 *Research:*

6 The Ag Council would like for the University to continue its research efforts on behalf of the
7 promotion boards. The Ag Council would like to work with the University and other institutions
8 to encourage entrepreneurship and innovation in agriculture in an effort to create new jobs,
9 advance agriculture with new products and services, and grow our economy. The Ag Council
10 has concerns with the contractual non-disclosure agreements between the University researchers
11 and private companies they partner with. We encourage the University to seek agreements that
12 allow for greater disclosure between researchers and the public.
13

14 **Tourism**

15 The Ag Council supports efforts of the State of Arkansas to promote agri-tourism throughout
16 Arkansas. To the extent possible, the Ag Council would like to participate in these efforts.
17

18 The Ag Council supports recently passed liability protection for farms providing the public with
19 agri-tourism opportunities. This law may need to be amended to provide additional protections.
20

21 The Ag Council supports efforts to generate tourism opportunities in Eastern Arkansas and
22 interest in agriculture history and rural arts.
23

24 **State Water Plan**

25 The Ag Council commends the Arkansas Natural Resources Commission (ANRC) for the
26 sincere effort to develop a rational State Water Plan to help conserve water without negatively
27 impacting Arkansas's ability to produce crops.
28

29 While we had some initial concerns about the process by which the State Water Plan was
30 developed, however we agree with most of the findings of the State Water Plan, especially where
31 the plan calls for increased incentives and investment to support the efficient use of surface and
32 ground water for irrigation. The Ag Council was pleased that the State Water Plan did not create
33 restrictions in use of ground or surface water for irrigation. We believe the Water Plan's
34 recommendation for incentivizing precision agriculture and efforts to reduce energy and water
35 use on farms was very wise, and we look forward to helping change the laws to implement these
36 incentive enhancements.
37

38 The Ag Council believes the Governor and General Assembly should work to ensure that the
39 implementation of the State Water Plan does not negatively impact Arkansas farms.
40

41 We stand ready to assist the Commission, the Governor, and the General Assembly in quickly
42 advancing legislation that will address these key recommendations, which are cited below with
43 comments from our organization:
44

45 **1) Tax Incentives and Credits for Integrated Irrigation Water Conservation (Section**
46 **2402.2)** The Ag Council of Arkansas agrees that the legislature should enhance incentives for

1 landowners to make land improvements and adopt certain conservation practices that concern
2 water. We believe the Water Resources Development and Conservation Act (**ACA §26-51-1001**
3 **et seq.**) needs to be enhanced by a) increasing allowable tax credits; b) extending the time in
4 which the credits can be claimed; and c) expanding the program to include new technologies that
5 can contribute to water savings. These enhancements would assist landowners in water
6 conservation efforts.

7
8 **2) Excess Water for Non-Riparian Withdrawal and Use (Section 2402.5-B)** The Ag Council
9 of Arkansas agrees that the water available for non-riparian use should be increased. We suggest
10 that in doing so, the level be raised from 25 percent of excess flow to 75 percent of excess flow.
11 Making more surface water available in times of excess flow will minimize agriculture’s
12 dependence on groundwater sources and ensure that we better utilize water during periods of
13 heavy streamflow rather than experiencing floods or allowing the water to simply leave the
14 state’s boundaries.

15
16 **3) Funding Water Resources Development Projects (Section 2402.3)** The Ag Council of
17 Arkansas agrees that the state should increase the amount of funding for infrastructure related to
18 water systems. We support the recommendation that calls for an increase the bond authority for
19 the state from \$300 million to \$600 million for water projects. Increasing this borrowing
20 authority will assist the state in developing much needed water systems for wastewater and for
21 key regional irrigation systems for agriculture that will deliver water to critical groundwater
22 areas.

23
24
25 With regard to the recommendation regarding nutrient management plans under **Improving**
26 **Water Quality Through Nonpoint Source Management (Section 2402.8 D)**, we would like to
27 once again express our concern and opposition to this provision of the Water Plan. The provision
28 was the result of a recommendation submitted by a single commissioner at one of the later
29 Commission meetings. It would “*encourage the General Assembly to require nutrient*
30 *management plans for the application of poultry litter and animal manure throughout the state.*”
31 We oppose this for several reasons, beginning with the manner in which it was introduced and
32 ultimately included in the Water Plan. The subject of expanding nutrient management plans for
33 poultry litter was not discussed at any of the public meetings where policy was developed, and it
34 was not sufficiently vetted by stakeholders. In addition, there was no substantive scientific
35 evidence presented to suggest a need for such a requirement. We also have concerns about this
36 provision because, if implemented, it would create a new paperwork burden for both the farmer
37 or landowner and government agencies. We currently oppose this recommendation, and we
38 would likely work to oppose any legislative effort to implement this provision.

39 40 **Education**

41 We support all Arkansas institutions of higher learning, especially those which contribute to
42 agricultural research and education. All levels of education in Arkansas should consider required
43 learning of the importance of agriculture in Arkansas. The Ag Council would like to work with
44 the institutions of higher education and other centers of innovation to encourage entrepreneurship
45 and innovation in agriculture in an effort to create new jobs, advance agriculture with new
46 products and services, and grow our economy.

1
2 **H2O Initiative**

3 The Ag Council of Arkansas is a partner in the H2O Initiative with Delta Plastics and other
4 stakeholders in an effort to reduce water consumption by 20 percent by the year 2020 through the
5 adoption of conservation programs and best management practices and technologies including
6 multiple inlet irrigation, alternate wetting and drying, surge valves, soil moisture monitoring, and
7 other advanced irrigation water management systems. A key component is utilization of
8 irrigation efficiency software known as PipePlanner. We will work to educate water users to the
9 benefit of utilizing these no-cost programs in an effort to increase adoption. Minimizing water
10 consumption will help sustain water supply, conserve energy, minimize water waste and run-off,
11 and save farmers money. We encourage Ag Council members to contact their extension agents
12 or representatives of Delta Plastics to take flow rate measurements of their irrigation wells in
13 order to utilize the PipePlanner program to better conserve water.
14

15 **Grain Marketing Regulations**

16 The Ag Council of Arkansas is very concerned with the recent failure of grain merchandiser
17 Turner Grain. We encourage the judicial process to expeditiously consider all cases related to
18 the failure of Turner Grain. If illegal activities are identified, we urge appropriate prosecution
19 and sentencing of guilty parties. We also encourage bankruptcy proceedings to place high
20 priority on grain sellers in the order of creditors eligible for any payments to be received.
21

22 The Ag Council supports Act 601, which is known as the Grain Dealer Act. It's our belief that
23 the Plant Board and its staff has worked diligently in an honest effort to develop rules in
24 accordance with the new act. It's clear that the Plant Board is committed to protecting farmers
25 and minimizing the risk of a future grain dealer catastrophe like the one experienced through the
26 failure of Turner Grain in 2014. The following components of Act 601 are important in
27 protecting farmers from falling victim to a similar business failure in the future:

- 28 1. Requirement that grain dealer businesses to be registered and licensed with the State Plant
29 Board;
- 30 2. Requirement that grain dealers to prove a minimal level of creditworthiness;
- 31 3. Requirement that grain dealers to file annual reports to the State Plant Board (better record
32 keeping);
- 33 4. Granting the Plant Board authority to conduct periodic examinations and audits;
- 34 5. Granting the Plant Board authority to revoke licenses, suspend operations, and take
35 receivership;
- 36 6. Setting new penalties for grain dealers who operate out of compliance with the law;
- 37 7. Requirement that the State Plant Board publish on their website a list of all licensed grain
38 dealers in the state; and
- 39 8. Establishment of a hot-line for sellers to report late payments from grain dealers
40

41 **Petroleum Storage Tank Trust Fund**

42 The Ag Council supports legislation approved in the 91st General Assembly that authorizes reimbursement
43 for corrective actions paid by the owner, including farms and agricultural businesses, of above-ground
44 petroleum storage tanks if the owner voluntarily registers the tanks.
45
46

1 **TITLE V – Commendations**

2
3 **Arkansas Congressional Delegation**

4 The Council extends its sincere thanks and appreciation to the Arkansas Congressional
5 delegation from Arkansas, especially Senator Boozman and Congressman Crawford for their
6 efforts to advance trade opportunities for Arkansas agricultural commodities to Cuba.

7
8 **Arkansas General Assembly**

9 The Ag Council commends members of the Arkansas General Assembly who supported the
10 priorities of the Ag Council of Arkansas during the 90th Session in 2016. The Ag Council will
11 continue to applaud those who support agriculture and our priorities in the future.

12
13 **Agricultural Council of Arkansas**

14 The membership is grateful to the officers; directors and committee members who have given of
15 their time and efforts on behalf of this organization.

16
17 **Secretary Wes Ward**

18 The Ag Council appreciates the service provided by Secretary Wes Ward serving as the third
19 Secretary of Agriculture for the State of Arkansas. We appreciate his unwavering service and
20 dedication to the row crop farmer and agriculture industry in Arkansas. He has served agriculture
21 interests well, and we look forward to continuing to work with him in the future.

22
23 **Governor Asa Hutchinson**

24 The Ag Council appreciates the leadership and service delivered by Governor Asa Hutchinson in
25 his first term as Governor of Arkansas. He’s proven through his first term that he’s a strong
26 proponent of Arkansas agriculture and economic development. We owe him a great debt of
27 gratitude for his continued service to the agriculture industry and the people of this state.

28
29 **Bill Reed**

30 The Ag Council appreciates the service and leadership of Bill Reed who offered strong
31 leadership for Riceland Foods in the area of public and government affairs. He’s advocated for
32 farmers and agriculture for many years in an effective manner, and he’s been active and
33 supportive of the Ag Council. We wish him well in his retirement, and in his continued efforts to
34 grow and shape future leaders of Arkansas.

35
36 **Chuck Wilson**

37 The Ag Council appreciates the contributions of Chuck Wilson on behalf of USA Rice. Chuck
38 served the industry well over the years helping to identify, grow, and shape industry leaders in
39 Arkansas and across the U.S. His impact is witnessed through those he’s mentored, many of
40 whom are leading the rice industry today. We wish him well in his retirement.

41
42 **Forrest Laws**

43 The Ag Council of Arkansas would like to commend Forrest Laws for his 37 years of
44 commitment to Farm Press and the agriculture industry. As a journalist, he’s covered many
45 important issues for agriculture, and he’s helped communicate our message to many audiences.

1 He's been a helpful voice for the Ag Council, and he's been a loyal supporter of Mid-South
2 agriculture. We wish him well in his retirement.

3
4 **Ben Noble**

5 The Ag Council appreciates the many years of service by Ben Noble in his many roles he's
6 played for the agriculture industry. We especially appreciate his efforts on behalf of the USA
7 Rice industry, Catfish farmers, and the University of Arkansas Division of Agriculture. Ben has
8 been a true champion for agriculture, and we wish him well as he transitions to a full time
9 position with Riceland Foods.

10
11 **Adam McClung**

12 The Ag Council of Arkansas would like to commend Adam McClung for his service to
13 agriculture as the Executive Director of the Arkansas Cattlemen's Association. We are saddened
14 by his sudden passing, and we share our deepest condolences to his family. He was a strong
15 partner and ally to our organization on a variety of issues facing agriculture. He will be missed.

16
17 **Drew Oliver**

18 The Ag Council of Arkansas would like to commend Drew Oliver for his service to Arkansas
19 agriculture and its soybean industry. Drew put in many volunteer hours to support the Arkansas
20 Soybean Association and the Arkansas Soybean Research and Promotion Board. He was a
21 strong advocate for research and he worked hard to advance the soybean industry of the state.
22 We are saddened by his sudden passing, and we share our deepest condolences to his family. He
23 will be missed.

24
25 **Gene Sullivan**

26 The Ag Council of Arkansas would like to commend Gene Sullivan for his service to Arkansas
27 agriculture through his many contributions in conservation and water management. Gene was a
28 leader in these areas in Arkansas and across the nation. He was an innovative mind and visionary
29 in the area of conservation and water management, and he is responsible for advancing
30 agriculture in our state.

31
32 **Floyd Fulkerson**

33 The Ag Council of Arkansas would like to commend Floyd Fulkerson for his many contributions
34 to agriculture, the State of Arkansas, and our nation. Floyd served our nation honorably as a
35 fighter pilot in World War II, and he had many accomplishments in agriculture and in real estate
36 development. We thank him for his life, his service, and his contributions to Arkansas
37 agriculture.