

THE AGRICULTURAL COUNCIL OF ARKANSAS



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## 2019 RESOLUTIONS

FROM THE BOARD OF DIRECTORS OF THE AGRICULTURAL COUNCIL OF ARKANSAS

12/13/2018

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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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6 **2019**

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2 **TITLE I – General Policy Statements**  
3

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 in conservation practices by farmers  
45 and landowners. The Council wants to ensure the public of agriculture's commitment to a  
46 healthy environment and sustainable agriculture production. The goal of this effort is to continue

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

## 15 **GENERAL GOVERNMENT AGRICULTURE POLICY**

### 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.

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.

### 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 maintain low property tax rates on agricultural lands. The State should make efforts to ensure  
45 that taxes on agriculture remain competitive with neighboring states.

1 The State should continue to help fund statewide efforts to 1) promote agriculture commodities,  
2 2) provide reasonable, common sense regulations for the use of certain agricultural inputs and  
3 other goods and services that carry inherent risks to farmers, 3) combat pests like the boll weevil,  
4 4) conduct scientific research and provide extension services to advance agriculture, and 5)  
5 educate the public of the importance of agriculture. The Ag Council supports the Arkansas State  
6 Plant Board, the Department of Agriculture, and the University of Arkansas System’s Division  
7 of Agriculture and other research institutions seeking to support the agriculture industry. The Ag  
8 Council believes that these organizations should continue to seek the input of farmers as they  
9 make decisions that will impact the agriculture industry in Arkansas.

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

## 18 19 **TITLE II – Farm Bill Policy Statements**

### 20 21 **FUTURE FARM BILL**

22  
23 The Ag Council would like to see a farm bill that provides adequate economical support to the  
24 Agricultural industry, and such a system must be designed to continue providing American  
25 citizens with an abundant, affordable and safe food, fiber and fuel supply. The next Farm Bill  
26 should provide adequate levels of support to keep the American producers competitive in the  
27 global marketplace. The 2014 Farm Bill provides such support; yet, we are still losing producers  
28 at an alarming rate. The Ag Council believes the Farm Bill should provide programs to  
29 encourage young and beginning farmers to farm, especially future generations of family farming  
30 operations.

31  
32 The legislation must also create a safety net that reduces the risk of operating a farm to the  
33 maximum extent possible. The safety net should not be restricted based upon size and  
34 configuration of farming operation or place other arbitrary restrictions on who can qualify based  
35 upon level of management or specific labor contributions. The legislation should provide low  
36 interest capital opportunities and other incentives for farm investments in implements, storage  
37 capacity, information technology, farm equipment, workers’ compensation insurance, irrigation  
38 and energy systems, conservation practices, education and job training, and job creation. Such  
39 programs should abstain from requiring income requirements and other means testing methods or  
40 payment limitations.

### 41 42 **Payment Limits/Income Testing**

43 The Ag Council strongly opposes any program which provides for ceilings or limitations on the  
44 price, loan, price or revenue support payment, direct payment, marketing loan gain, crop  
45 insurance, or any other income which any agricultural producer may receive. Such  
46 discrimination is unfair, inequitable and disrupts and defeats the purpose of any program

1 designed to improve the economic position of agriculture. The Ag Council opposes any kind of  
2 means testing for farm program benefits that place a bias against farming operations of a certain  
3 scale as capital risks are similar for farms of all sizes. Setting such eligibility tests on farmers  
4 would directly harm many farms in Arkansas. Marketing loan gains and loan deficiency  
5 payments should be excluded from any payment limitation.  
6

### 7 Commodity Title

8 Farmers prefer earning their income from the marketplace rather than being dependent on  
9 government support programs. Unfortunately, until world trade practices are made fair and  
10 equitable, government support for agriculture will remain imperative. Even if the marketplace  
11 could yield satisfactory profits for agriculture, government regulations restricting farming  
12 practices can make it difficult for farmers to manage their businesses.  
13

14 The Ag Council believes that farm programs should be designed for the direct benefit of  
15 producers. While Direct Payments were eliminated in the 2014 Farm Bill, we still believe this  
16 program was important to Arkansas' agriculture, especially as an effort to provide expeditious  
17 relief to farmers following natural disasters. The Ag Council strongly believes that payment  
18 limits and/or income testing or other means tests such as management and labor contributions for  
19 commodity title programs and other farm programs should be removed as they represent bad  
20 policy and do not reflect the economics of modern farming operations. They do not reflect the  
21 economics of modern farming operations and they should be removed. Farm programs should  
22 include safety nets for producers that recognize the realities of the cost of production as well as  
23 global commodity markets and the subsidizing methods employed by other governments in trade  
24 and agriculture.  
25

26 The Ag Council supports Direct Payments and believes that if Congress insists on eliminating  
27 this program that remaining funds are redirected towards new risk management programs that  
28 work for producers in Arkansas and other parts of the Mid-South. While the 2014 Farm Bill  
29 attempted to provide new risk management programs, we believe they remain insufficient and  
30 should continue to be improved upon. The Ag Council believes that such programs are  
31 necessary for farmers to stay in business in lean years and to access credit from lenders. Yield  
32 loss policies typically do not work well for irrigated farmers as they are typically able to produce  
33 crops even during significant drought periods. Cost of production insurance, price protection,  
34 and shallow loss insurance policies to protect against yield and revenue losses are more  
35 applicable and more critical to Mid-South agriculture than a program that only offers yield  
36 protection. However, there must be multiple options of each for farmers to choose among for  
37 each commodity. For each risk management program, the Government should adequately share  
38 costs.  
39

40 The Ag Council appreciates the initiatives of Secretary Tom Vilsack and Sonny Perdue to  
41 provide gin cost share assistance for cotton producers. We also appreciate the work of Secretary  
42 Perdue to provide trade mitigation assistance for farmers to offset some of the damage caused by  
43 trade disputes resulting from efforts to renegotiate trade relations with key export markets.  
44 However, such assistance is not sufficient in offsetting expected economic losses, and we plea  
45 for more assistance should these trade disputes continue or result in significant market share  
46 losses.

1  
2 The Ag Council appreciates and strongly supports the new amendment to the 2014 farm bill  
3 approved in the fiscal year 2018 appropriations bill that provides a PLC program for “seed  
4 cotton.” This program is critical and should be carried forward in any future farm bill or  
5 extension of current law. Despite the delivery of this new program by Congress, we maintain  
6 our belief that the U.S. Secretary of Agriculture has the authority to designate “seed cotton” (a  
7 combination of lent cotton and cotton seed) as an eligible oilseed to receive eligibility for  
8 commodity title programs including Price Loss Coverage (PLC) under the “other oilseeds”  
9 provision of the 2014 Farm Bill. It’s critical that a safety net program be in place to prevent the  
10 complete dissolution of infrastructure and jobs that support the processing of cotton in Arkansas.

11  
12 In establishing a “seed cotton” PLC program, we support utilizing the generic base as the  
13 foundation for a cotton seed program, however, we would strongly encourage that maximum  
14 flexibility be granted to farmers to allow for a choice in the re-allocation of generic base acres so  
15 that farmers can choose what distribution best meets the needs and economic interests of each  
16 farm.

17  
18 The Ag Council believes that reference prices for commodity programs should remain the same  
19 as under the 2014 farm bill or increased to reflect cost of production.

20  
21 *Disaster Support:*

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

31  
32 The Ag Council encourages Congress to grant the Secretary the authority to utilize Section 32  
33 Commodity Credit Corporation funds to provide direct emergency assistance to farmers on an  
34 ad-hoc basis as was the case prior to 2012.

35  
36 **Insurance Title**

37  
38 *Federal Crop Insurance:*

39 The Ag Council encourages Congress to develop and make available to the farmer an affordable  
40 and effective crop insurance program. The program should be designed to allow the farmer to  
41 protect himself from excessive production risks, price risks, weather risks, and other revenue  
42 risks. Additionally, the premium paid by the producer must be realistically priced by the  
43 Government to encourage broad based producer participation and support from farm production  
44 lenders.

1 The crop insurance program should be administered in a manner that discourages abuse of the  
2 program while encouraging participation.

3  
4 The crop insurance program should maintain a high level of government cost share for premiums  
5 to help share risk and keep premiums reasonable and affordable. It should cover all commodities  
6 and be available to producers in all counties.

7  
8 The crop insurance programs should not have eligibility requirements or other means testing  
9 requirements. Crop insurance program should not have payment limits either.

10  
11 The Ag Council believes the federal crop insurance programs should be improved upon to  
12 operate as a more effective insurance program. It should allow the farmer to insure his  
13 investment in the crop or cost of production, but not allow the farmer to earn a profit from an  
14 insured loss.

15  
16 The Ag Council believes crop insurance program should provide price support as well as support  
17 for yield loss and revenue loss. Price support should be at a level for each commodity that will  
18 allow farmers to remain viable during times of exceptionally low market prices. The Ag Council  
19 believes the shallow loss insurance programs for cotton (STAX) in the 2014 farm bill was  
20 lacking the safety net needed by U.S. cotton farms. The Ag Council would like Congress and the  
21 Risk Management Agency (RMA) to work with different commodity groups to develop a new  
22 risk management tool that would provide coverage for cost of production increases, price  
23 declines, and revenue declines for all commodities in all counties.

24  
25 The Ag Council opposes further cuts to the Standard Reinsurance Agreement (SRA) would have  
26 a negative effect on the agriculture sector by weakening crop insurance and the companies  
27 offering such policies. This could lead to increased costs to accessing coverage, and could limit  
28 the choices of providers and policies available to producers.

29  
30 The Ag Council also encourages Congress to consider advancing initiatives to stimulate cotton  
31 demand through incentives and other means.

32  
33 **Conservation Title**

34 *USDA, NRCS & Natural Resources:*

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

39  
40 The Ag Council believes that USDA should continue to deem farmland, which could be classed  
41 as wetland, eligible for conservation payments. We encourage increased funding in conservation  
42 in order to increase the number of acres that could be enrolled in conservation programs.

43  
44 The Ag Council places a high priority on national and state legislation which offers incentives to  
45 farmers to impound water for irrigation purposes, to recover tail water, make other land



1 improvements, or invest in other irrigation water management (IWM) systems to better  
2 maximize on-farm water use.

3  
4 The Ag Council opposes any restrictions on streams in agricultural areas which would limit the  
5 use of excess flow. In fact, additional excess surface water flow should be made available for  
6 non-riparian agriculture water users. We encourage additional incentives be provided to offset  
7 costs of purchasing advanced irrigation water management (IWM) systems, including hardware  
8 and software. We also support the establishment of a permanent conservation funding program to  
9 support various voluntary efforts to reduce ground water consumption in the alluvial aquifer  
10 basin area.

11  
12 The Ag Council encourages the continued development of surface water storage and usage,  
13 especially conjunctive water management. Conjunctive water management allows agriculture to  
14 withdraw surface water from rivers and streams during periods of excess flow in order to deliver  
15 to reservoirs and other distribution infrastructure for the purposes of providing agriculture with  
16 irrigation water during the growing season.

17  
18 The Ag Council supports the use of USDA funds, USACE funds, state funds, and other funding  
19 sources to develop USACE projects including the Bayou Meto Irrigation Project and the Grand  
20 Prairie Irrigation Project as both of these projects are considered to be environmentally sound  
21 and represent improved surface water utilization to help ensure long-term sustainable agricultural  
22 production in Arkansas. The Ag Council supports “earmarks” for these critical water projects,  
23 which are important for the environment and sustainability of Arkansas farmers. The Ag  
24 Council believes the USDA Natural Resources Conservation Service (NRCS) should provide  
25 some financial and technical help to these projects.

26  
27 Conservation programs should abstain from means testing for qualifying and should not contain  
28 payment limitations.

29  
30 We strongly support the Regional Conservation Partnership Program (RCPP), especially the  
31 ongoing USA Rice/Ducks Unlimited Rice Stewardship Partnership. We encourage continuation  
32 of this program, and we support additional Environmental Quality Incentives Program (EQIP)  
33 dollars to support continued advancement in irrigation water management technologies and best  
34 practices.

35  
36  
37 **Energy Title**

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

42  
43 The Ag Council also encourages continued support for research and development to promote  
44 increased production and utilization of ethanol, biodiesel and all other alternative energy sources.  
45 The Ag Council supports tax credits as incentives to promote research, development, production  
46 and utilization of all alternative energy sources. As the alternative fuel infrastructure develops,

1 the Ag Council encourages utilization of alternative fuels by governments for State and Federal  
2 vehicles. The Ag Council also encourages the use of biodiesel fuel in farm equipment. The Ag  
3 Council supports any tax credits or grants available to producers that purchase equipment or  
4 technology that will improve energy efficiency, reduce energy usage on farms, and improve  
5 irrigation systems.

6  
7 The Ag Council opposes eminent domain for energy transmission lines that could have a  
8 detrimental impact on agriculture production. Should energy transmission companies seek to  
9 build transmission systems across working agricultural lands through eminent domain or  
10 otherwise, the Ag Council encourages these companies to sufficiently compensate landowners  
11 and farmers for the land use and the negative impacts experienced by the landowner and farmer.

12  
13 The Ag Council opposes mandates on fuel storage infrastructure on farms if such regulations are  
14 cost prohibitive or unwarranted. The Ag Council objects to any efforts to retroactively enforce  
15 compliance with any federal regulation pertaining to on farm fuel storage.

### 16 17 **Credit Title**

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

24  
25 We encourage that the amount of funding available for the guaranteed loan programs be  
26 increased to match demand and prevent a backlog of unfunded loan applications. We encourage  
27 new credit programs that incentivize investments and purchases of new technologies that  
28 advance agriculture in the areas of energy production, energy savings, production efficiency,  
29 environmental sustainability, labor management, and other farm operation systems. We also  
30 encourage the investment in and acceleration of innovative start-up businesses developing  
31 products and services in this area.

### 32 33 **Trade Title**

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

39  
40 We support the efforts of USDA and USTR to proactively pursue WTO cases against  
41 competitors who are in violation of their WTO obligations, and we support sufficient funding to  
42 USDA for purposes of investigating and prosecuting such cases as well as providing defense for  
43 United States’

44  
45 The Ag Council urges full funding and implementation of the export Foreign Agriculture  
46 Services’ enhancement programs so as to provide maximum benefit to producers. The Market

1 Access Program (MAP), Foreign Market Development program, and other related programs are  
2 important to promotion and market development for U.S. commodities. U.S. trade policy and  
3 trade negotiations should enhance U.S. farm programs and thereby lower the cost of such  
4 programs.

5  
6 **Nutrition Title**

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

16  
17 The Ag Council believes that the Nutrition Title is a key component of farm and food policy and  
18 should be included in a comprehensive farm bill. The Ag Council does not support efforts to  
19 divorce the nutrition title from the other titles included in the farm bill. The Ag Council  
20 understands that nutrition programs provide a market for agricultural commodities, helps feed  
21 the less fortunate, and improves the economic conditions of food makers, transportation  
22 companies, and food retail stores.

23  
24 **Rural Development Title**

25 The Ag Council believes that rural development programs should be funded at the highest  
26 possible levels and should be distributed to those seeking to improve the rural economies by  
27 targeting farms, rural businesses and entrepreneurship. The Ag Council supports the Delta  
28 Regional Authority (DRA) and its mission to improve the economies of the Mississippi River  
29 Delta Region. The Ag Council also supports Rural Development programs that provide  
30 infrastructure for water, roads, health care, education, economic development, and information  
31 technology.

32  
33 We encourage more investments in entrepreneurship and innovation in agriculture particularly as  
34 it relates to value-added, bio-based products as well as production and processing efficiencies  
35 and agriculture technologies in an effort to create new jobs, advance agriculture with new  
36 products and services, and grow our economy. In order to ensure that agriculture technologies  
37 can come to market, we encourage state and federal government to support initiatives and  
38 programs to deliver broadband internet access and cellular networks to agricultural areas to  
39 support technologies such as Internet of Things (IoT), autonomous machinery and robots,  
40 advanced monitoring and control systems, and other artificial intelligence systems that support  
41 agriculture.

42  
43 We believe rural electric cooperatives should be eligible for accessing rural broadband funds set  
44 aside through telecommunication fees collected by consumers for purposes of delivering  
45 broadband communication systems in underserved areas. We further believe rural electric

1 cooperatives should be eligible for all other state or federal rural broadband funds provided they  
2 seek to use funds to expand broadband access in underserved areas.

3  
4 We also encourage and support accelerator and venture capital initiatives designed to stimulate  
5 innovation and entrepreneurship within agriculture. We continue to support the AgLaunch  
6 Program of Memphis, the Winrock/Accelerate Arkansas Delta I-Fund Accelerator program, and  
7 other similar regional initiatives.

8  
9 We oppose any effort of USDA Agriculture Marketing Service (AMS) to terminate operations at  
10 the Dumas Cotton Classing Office. We encourage our Congressional delegation, USDA AMS,  
11 and the State of Arkansas to consider all available options for maintaining the facility and  
12 operations in Dumas. The office is considered profitable and serves an important role for the  
13 cotton industry of Arkansas and the economy of Southeast Arkansas.

### 14 15 **Research Title**

#### 16 *Research and Extension Services:*

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

24  
25 The Ag Council believes check-off funds should continue to be invested in research projects  
26 done by the University of Arkansas's Division of Agriculture Research and Extension Service.  
27 We encourage collaboration with other research institutions in Arkansas.

28  
29 The Ag Council encourages the UofA, USDA, and other government research institutions to  
30 research, verify, and develop new technologies in information technology systems to increase  
31 efficiency in energy and water use, chemical applications, and other components of precision  
32 agriculture. Such technologies include, but are not limited to, smart phone and tablet apps,  
33 unmanned aerial vehicle systems, robotics and artificial intelligence, farm data management and  
34 analytics, remote irrigation and energy controls, irrigation systems management, field monitors  
35 and sensors, and other technologies of the future.

#### 36 37 *Agriculture Research Service:*

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

#### 45 46 *Congressionally Directed Spending:*

1 The Ag Council understands that Congressionally directed spending in the form of “earmarks”  
2 may be necessary to quickly direct federal funds to agriculture research projects critical to  
3 Arkansas and the agriculture industry, and we support the use of earmarks for such purposes.  
4

### 5 6 7 **TITLE III – Policy Statements on Miscellaneous Items** 8

#### 9 10 **Deficit Reduction Policy**

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

21 While we support the reduction of federal income taxes generally for farm operations and  
22 agricultural businesses, we believe that reforms to the tax code should not eliminate key  
23 provisions of the tax code currently benefiting the agriculture industry, including exemptions,  
24 credits and deductions.  
25

#### 26 **Trade Policy**

27 The Ag Council favors government policy which permits the sale of any agricultural products to  
28 any country with the resources to purchase them. The Ag Council supports lifting all trade  
29 sanctions against Cuba, especially those under the Department of Treasury’s jurisdiction. We  
30 greatly appreciate the members of the Arkansas Congressional delegation who have supported  
31 efforts to open agricultural exports to Cuba for commodities grown in Arkansas. We also greatly  
32 appreciate the Governor’s efforts to establish and build relations with Cuba for such purposes.  
33 We oppose efforts to limit agricultural trade and diplomatic relations with Cuba.  
34

35 U.S. foreign policy often has a tremendous effect on the farm economy. Although we do not  
36 advocate putting the interests of farmers ahead of the nation's interests, the Ag Council believes  
37 that under no circumstance should agriculture be asked to bear an unfair share of the burden of  
38 U. S. foreign policy. The Ag Council opposes the export embargo of any agricultural  
39 commodity. Such export embargoes place arbitrary limitations on commerce and free markets,  
40 and they often carry negative economic impacts by limiting opportunity to market crops.  
41

42 The Ag Council opposes the movement of all commodities to offshore sites for further  
43 processing such as, but not limited to, milling packaging and weaving unless covered by free  
44 trade agreement.  
45

1 The Ag Council believes that American trade policy should be supported within WTO  
2 negotiations, and that American trade policy must be consistent with U. S. agricultural policies.  
3 It is essential to monitor America’s trading competitors’ policy positions relating to agriculture  
4 and trade. The Ag Council supports the agreement reached in 2014 between the U.S. and Brazil  
5 to end the cotton trade case.

6  
7 The Ag Council supports free trade agreements that are fair to U.S. producers and expand export  
8 opportunities for U.S. grown commodities. Trade Promotion Authority (TPA) can be a very  
9 useful tool in advancing free trade agreements, but it should not be granted without the  
10 Administration’s commitment to make agriculture a top priority in any trade negotiations. With  
11 regard to the Trans Pacific Partnership (TPP), the Trans-Atlantic Trade and Investment  
12 Partnership (TTIP) free trade agreements (TPAs), and any other multi-lateral or bilateral trade  
13 agreement under consideration, the U.S. should make every effort to satisfy U.S. agriculture  
14 interests by increasing market access and reducing trade barriers for commodities.

15  
16 We were very concerned with the potential negative impact that the TPP could have had on the  
17 Mexican rice market as Vietnam would be able to enter the market with far less expensive rice.  
18 Because of this known risk, we encouraged the administration to take action to attempt to offset  
19 these potential losses in advance by investing more in food aid that incorporates rice, provide  
20 additional marketing assistance program (MAP) funds, assist in market development Mexico,  
21 Iraq, and Cuba, and continue to vigorously pursue cases against nations violating their WTO  
22 obligations. However, since the U.S. withdrew from the agreement, we encourage the current  
23 administration to explore ways to find new market access for U.S. rice and other agricultural  
24 commodities to the Asian market.

25  
26 The Ag Council believes that government should be active in maintaining open markets,  
27 especially when foreign nations arbitrarily halt imports of U.S. agricultural products based on  
28 phytosanitary specifications or other arbitrary standards.

29  
30 The Ag Council concurs with President Trump’s general assessment with regard to missed  
31 opportunities in previously agreed to trade deals, and we support efforts to seek renegotiations of  
32 past agreements, find new agreements with free market access, and make improvements to the  
33 World Trade Organization, especially regarding enforcement of WTO violations by competing  
34 nations. We support other trade policy reforms, WTO or otherwise, that benefit U.S. agriculture.

35  
36 We remain extremely concerned however with trade disputes that have escalated into tariff rate  
37 hikes on U.S. agricultural exports. We encourage expeditious negotiations with countries where  
38 these cases are active so that tariffs may be lifted and normalized export access restored and  
39 improved upon.

40  
41 While we support the assistance offered by USDA in the form of trade mitigation assistance to  
42 offset or mitigate harm caused by such market disruption, nothing can provide relief equal to  
43 full, unfettered market access for our crops. In addition, we have concerns with rising import  
44 costs for key inputs due to tariffs, which will increase operating costs for farmers. We strongly  
45 support additional relief if trade disputes persist causing economic harm to farmers. Such relief  
46 should be equal to any near term or long term damage caused.

1  
2 **Environmental Policy**

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

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

10  
11 The Ag Council strongly opposes the EPA’s 2014 Final Rule defining Waters of the United  
12 States (WOTUS). Their final rule dramatically expanded the regulatory reach from navigable  
13 waters to any body of water with a nexus to navigable waters. This rule would have demanded  
14 significant compliance cost for landowners, limitations on land improvements, and unnecessary  
15 and costly litigation. Due to the wide expansion of regulated waters, this rule would have been  
16 difficult to enforce, and default enforcement would have been left to the courts, which would be  
17 costly and time consuming to agriculture. The Ag Council believes the definition should  
18 completely exempt agriculture and focus on navigable waterways.

19  
20 We support the multi-state lawsuit against the EPA, and we support the recent efforts of the  
21 Trump Administration’s EPA to vacate the rule and develop a new rule that provides necessary  
22 exemptions to agriculture. The Ag Council remains frustrated by the manner in which the EPA  
23 handled the entire rulemaking process under the Obama Administration, most notably how they  
24 seemed to ignore concerns expressed by the U.S. Army Corps of Engineers and how they  
25 attempted to influence public opinion on the rule during the public comment process.

26  
27 The EPA has further issued rules covering state issued permits for applications of pesticides over  
28 certain crops due to possible runoff. Ag Council believes that no further regulations are  
29 necessary since each product’s label has been reviewed and approved for proper application by  
30 EPA.

31  
32 The Ag Council would encourage Congress to consider mandating Congressional approval of  
33 any new regulations determined to pose a significant economic risk to the agriculture industry in  
34 the U.S.

35  
36 The Ag Council is concerned with recent attempts by the EPA to set nutrient standards for  
37 watersheds by setting pollutant discharge regulations for individual farms. The Ag Council  
38 believes such policies are unwarranted because they are not currently scientifically proven to be  
39 effective and are difficult to impose.

40  
41 The Ag Council supports legislation to reduce compliance costs and mandates associated with  
42 regulations on on-farm fuel storage.

43  
44 The Ag Council supports expanding the Renewable Fuel Standard (RFS) and blending  
45 requirements for fuel to at least E-15 provided there is sufficient supply of ethanol inputs and  
46 animal feed supply, and there are no mechanical issues with increasing the blending levels.

1  
2 The Ag Council supports the development and use of safe technologies in crop genetics and  
3 herbicides that will help farmers better control damaging weeds and maximize yield potentials.  
4

5 The Ag Council believes that USDA/EPA should maintain its commitment to U.S. farmers by  
6 conducting timely, scientific reviews of technologies, and get them to farmers in a time efficient  
7 manner. It's important for farmers to be able to utilize all safe and effective tools that may be  
8 available to them in order to produce crops, increase yields, and remain sustainable.  
9

10 *Biotechnology:*

11 The Ag Council supports continued advancements in biotechnology for seed and crop protection  
12 products to improve quality and yields for agriculture including genetically modified organisms  
13 (GMOs) and alternative methods of gene editing such as  
14 **Clustered Regularly Interspaced Short Palindromic Repeats (CRISPR/CAS9)**. Such technology is  
15 essential in helping feed the world and meeting future food supply challenges that are  
16 anticipated. This technology can also be very helpful in minimizing agriculture's environmental  
17 footprint with water use and chemical applications, thus lowering production costs. We  
18 encourage regulatory bodies to conduct adequate scientific review of these products and get them  
19 to farmers in an expeditious manner.  
20

21 *Chemical Use Policy:*

22 The Ag Council supports the responsible use of approved and permitted pesticides, herbicides,  
23 and other crop protection tools.  
24

25 Should any restrictions be placed on the use of farm land because of environmental concerns, it  
26 is the Ag Council's conviction that any costs or reduction in income incurred by farmers, due to  
27 such restrictions, should be paid for by the public through government.  
28

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

30 The Ag Council questions the mechanism by which any biological species is determined to be  
31 threatened or endangered as it often appears to be opinion based rather than science based. The  
32 Ag Council strongly opposes the USFWS attempts to designate Critical Habitat Designations  
33 under the ESA without an adequate comprehensive economic impact analysis of establishing  
34 such designations. The economic review should determine the full economic impact on  
35 communities impacted by the designations. In addition, the USFWS should use science based  
36 data to determine the condition of the habitat and threats to prospective species.  
37

38 The Ag Council supports efforts to reform the ESA to ensure the ability of working farmlands to  
39 continue their operations without disruptions unless absolutely warranted.  
40

41 The Ag Council believes that new listing of certain mussel species under the Endangered Species  
42 Act should not prohibit or restrict a farmer's ability to continue their farming operations.  
43

44 The Ag Council believes that the USFWS and USDA APHIS Wildlife Services should provide  
45 landowners, farmers, and aquaculture operators with a sufficient permitting process to address



1 the concerns related to invasive and predatory species such as the double breasted comorant and  
2 feral hogs.

3  
4 *Pollinator Health:*

5 The Ag Council supports the continued use of technologies to combat pests. We support  
6 continued scientific research to determine bee health to determine all possible causes of Colony  
7 Collapse Disorder (CCD), including threatening diseases, pests, genetic disorders, and other  
8 natural threats. We also support efforts to raise awareness to pollinators and to minimize  
9 unnecessary exposure for bee hives to agricultural crop protection tools, and we support efforts  
10 to improve crop protection tools in order to minimize risk of applications moving off target. We  
11 also support incentives for landowners to develop or preserve pollinator habitat.

12  
13 *USFWS Lacey Act and Carp:*

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

17  
18 *Double Breasted Cormorant:*

19 The Ag Council supports efforts to ensure landowners, particularly those with aquaculture  
20 production systems have the ability to gain depredation permits for management of the nuisance  
21 double breasted cormorant.

22  
23 *Feral Hogs:*

24 The Ag Council believes state and federal governments should do more to eradicate feral hogs,  
25 which are causing crop damage throughout the state. We also appreciate recent efforts by the  
26 Arkansas General Assembly to help landowners, the Game and Fish Commission, and others to  
27 better manage feral hog populations through capturing and termination. We support the ongoing  
28 work of the Feral Hog Task Force as they seek to develop policies to help manage the population  
29 or eradicate the population of feral hogs in Arkansas.

30  
31 **Labor Policy**

32 *Right to work status:*

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

35  
36 *Department of Labor (OSHA):*

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

41  
42 *Worker's Compensation:*

43 The Ag Council strongly supports and endorses the Agricultural Group Self Insurer Fund (AG  
44 COMP SIF) worker's compensation program and recommends that all eligible farms and agri-  
45 businesses in Arkansas join the Ag Council and participate in the program to comply with  
46 employer liability statutes under section 11-9-401 of Arkansas Code. The program offers a

1 number of direct benefits to farms, agri-businesses, and agricultural employees. The fund should  
2 continue to serve as a non-profit entity managed by members, and they should continue to  
3 provide member surplus distributions pending the health status of the fund.  
4

5 We support legislative fixes proposed by the Arkansas State Chamber of Commerce to limit fund  
6 liability for the Death and Permanent Disability Trust Fund as well as those relating to  
7 subrogation rights for the AG COMP SIF.  
8

9 *Overtime Rules:*

10 The Ag Council believes that farm workers should be exempt from overtime rules that were  
11 designed to affect more traditional labor markets with larger businesses and more traditional  
12 work hours.  
13

14 The Ag Council supports new laws approved by the 91<sup>st</sup> General Assembly related to donning  
15 and doffing that establish that an employer is not subject to liability on account of the failure of  
16 the employer to pay an employee minimum wage or to pay an employee overtime compensation  
17 for or on account of certain activities that are not principal to the employee's job.  
18

19 *Worker Protection Standard:*

20 The Ag Council believes that Workplace Safety Standards should incorporate common sense and  
21 not carry a detrimental economic impact to farm operations.  
22

23 **Tax Policy**

24 *Social Security:*

25 We oppose further increases in Social Security taxes.  
26

27 *Estate Taxes:*

28 The Ag Council supports the total and permanent repeal of all estate and inheritance taxes,  
29 especially as they relate to family farms and rural small businesses. We strongly oppose any  
30 effort that makes transitioning farmland and farm businesses from one generation to the next  
31 more difficult. We encourage policy makers to ensure that estate taxes encourage the  
32 preservation of the family farm.  
33

34 *Other Taxes:*

35 The Ag Council strongly supports the permanent extension of the Section 179 deduction and  
36 bonus depreciation. These programs are critical in helping farmers remain competitive in the  
37 global market and continue to increase efficiencies with equipment, land, and facilities. We  
38 support all tax exemptions or credits that keep input costs lower.  
39

40 *Federal Tax Reform:*

41 The Ag Council generally supports all tax benefits provided to the agricultural industry under the  
42 2017 Tax Cut and Jobs Act, and we encourage Congress to make these tax cuts permanent where  
43 they were not made permanent under the Act.  
44

45 We oppose any efforts of reforming federal tax laws in a manner that would increase the tax  
46 liability of farming operations.

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*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 for individuals and businesses provided they are not paid for by an increase to taxes on agriculture.

We generally support the initial recommendations of the Arkansas Legislative Task Force for Tax Reform and Relief, including the conversion of the sales tax exemption for ATVs to a tax rebate to ensure that the program is not abused by non-farmers.

**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.

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

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

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

7  
8 *Licensing Requirements:*

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

15  
16  
17 **Energy Policy**

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

23  
24 The Ag Council encourages research and development necessary to provide adequate electricity  
25 for rural communities as well as production agriculture. The Ag Council encourages research  
26 and development to promote increased production and utilization of ethanol, biodiesel and all  
27 other alternative energy sources. The Ag Council supports tax credits as incentives to promote  
28 research, development, production and utilization of all alternative energy sources. As the  
29 alternative fuel infrastructure develops, the Ag Council encourages utilization of alternative fuels  
30 by governments for State and Federal vehicles. The Ag Council also encourages the use of  
31 biodiesel fuel in farm equipment.

32  
33 The Ag Council supports policy related to net-metering by the Arkansas Public Service  
34 Commission that offers economically attractive payment ratios for power generated and  
35 delivered to the electric grid from agricultural areas utilizing renewable energy production  
36 systems including solar, wind and bio-based power. Net metering rates should incentivize  
37 renewable production from the agriculture sector and should provide long-term certainty for  
38 investments made in the power generation and delivery systems.

39  
40 We support legislation to further encourage investment in solar energy systems for agriculture.

41  
42 The Ag Council opposes the use of eminent domain in the development of utility transmission  
43 lines and other energy systems, especially in instances that primarily benefit private parties rather  
44 than the general public. Landowners should be compensated adequately for any land use for  
45 such purposes, and such utility companies should utilize existing right a ways and infrastructure

1 when developing such lines. In addition, proposals to develop such infrastructure should be  
2 subject to scrutiny and review from regulatory agencies, legislative bodies, and the general  
3 public prior to approval. The Ag Council supports legislation introduced by members of the  
4 Arkansas Congressional Delegation that would require state approval for energy transmission  
5 lines that are being sought through eminent domain under section 1222 of the 2005 Energy  
6 Policy Act.

7  
8 We strongly opposed the Clean Line Energy’s use of Section 1222 of the 2005 Energy Policy  
9 Act, which effectively forced landowners to grant right of way for the high voltage direct current  
10 transmission line between Oklahoma and Tennessee without sufficient compensation for  
11 landowners or appropriate consideration of alternative route options. Lastly, the use of Section  
12 1222 severely limits the state’s ability to influence the project. We were pleased that this project  
13 was ultimately abandoned by its investors.

14  
15 The Ag Council supports the development and use of renewable fuels from agricultural sources.  
16 Policies that support the development and use of such fuels provide an alternative market for  
17 agricultural commodities and helps create stability in commodity markets. Any policies to create  
18 a mandate for the development and use of such fuels should provide adequate “off-ramps”  
19 should any unintended consequences arise in association with food supply or domestic security.

20  
21 The Ag Council believes to the maximum extent possible that government regulators and fuel  
22 providers should work to ensure that the Arkansas agriculture industry has safe access to  
23 adequate and affordable fuel supplies.

24  
25 *“Cap & Trade” Systems:* The Ag Council believes that the U.S. should not establish Cap and  
26 Trade policies until all developed and developing nations reach a full and fair agreement on how  
27 to reduce emissions of greenhouse gases. China and India, the two largest cotton and textile  
28 producing countries, are competitors with United States cotton in the international market. Both  
29 countries are significantly increasing greenhouse gas emissions and both have thus far refused to  
30 sign on to any agreement to curtail their emissions. However, we do support the establishment  
31 and participation in voluntary carbon and greenhouse gas (GHG) markets where credits are  
32 established to benefit agriculture with potential payments for farms that voluntarily implement  
33 farming practices that reduce GHG emissions.

34  
35 The Ag Council also opposes arbitrary renewable energy portfolio standards for utility  
36 companies. Such mandates could prove costly in states like Arkansas that are heavily reliant on  
37 fossil fuels as energy sources. Compliance costs would be transferred to users, and that would  
38 greatly impact agriculture and other major energy users in Arkansas putting us at a disadvantage  
39 to competitors in other states and around the world. The Ag Council opposes the recent EPA  
40 rule on carbon emissions (“Clean Power Plan”) that would establish state goals for carbon output  
41 as it unfairly punishes Arkansas, and could lead to increased energy costs through utility bills in  
42 order to allow companies to pay for compliance with the federal mandates. We support the  
43 multi-state lawsuit that the State of Arkansas has taken against the EPA on this rule.

44  
45 In the event of such legislative action, the Ag Council believes USDA should develop and  
46 administer agriculture offsets in a Cap and Trade program. The development of these offsets is a

1 means to mitigate, to some degree, the impact of significantly higher energy and input costs to  
2 production agriculture and agribusiness; all production, marketing and processing will be  
3 adversely affected in varying degrees. The Ag Council remains concerned that additional  
4 production costs resulting from implementation of provisions of any Cap and Trade program will  
5 place United States' agriculture and agriculture products at a clear disadvantage in international  
6 markets.

7  
8 We support the development of new (private sector, voluntary) markets for greenhouse gases and  
9 water that carry the potential to directly benefit landowners and producers with compensation for  
10 implementing systems or techniques that provide energy efficiencies, irrigation efficiencies, or  
11 otherwise reduce levels of GHG emissions.

### 12 13 **Transportation Policy**

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

20  
21 The Ag Council supports interaction with Arkansas Dept. of Transportation (ARDOT) to  
22 improve the ability to move farm commodities and farm equipment on Arkansas' roads and  
23 highways more effectively and efficiently, and the Ag Council supports the concept of securing  
24 low-cost permits and tags for such movements. We encourage the ARDOT and General  
25 Assembly to provide more reasonable policies on the enforcement of size and weight restrictions  
26 for grains and other agricultural commodities, especially during harvest season and upon leaving  
27 the field en route to first location of processing or handling. We believe such weight exemption  
28 should apply to cotton seed from its first point of severance (cotton gin) to its first place of  
29 processing thereafter – especially in-state oil mills.

30  
31 The Ag Council would point out that construction of interstate highways should consider present  
32 land use and provide proper access to land, and we support fair compensation for landowners  
33 when use and access is restricted.

34  
35 The Ag Council remains concerned with dock strikes and other transportation union strikes  
36 which can pose serious threats to exports and domestic marketing of farm commodities. With  
37 due regard to the position of both labor and domestic marketing of farm commodities, we believe  
38 it is in the national interest and essential to the well-being of agriculture in America, that  
39 government action be taken to prevent prolonged work stoppages in our nation's transportation  
40 system.

41  
42 The Ag Council favors export shipment of agricultural products by the least costly method. The  
43 Ag Council also supports size and weight exemptions for truck carrying agricultural  
44 commodities and products, including cotton seed. The Ag Council supports the development of  
45 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 91<sup>st</sup> 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 and applicable to all agricultural commodities  
10 including cotton seed.

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

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

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

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

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 transportation projects critical to Arkansas  
32 and the agriculture industry, and we support the use of earmarks for such purposes. We believe  
33 that transportation infrastructure in Arkansas is an investment in national infrastructure and for  
34 economic growth.

### 35 36 **Water and Water Infrastructure Policy**

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

42  
43 The Ag Council believes Congress and the Administration should develop a new infrastructure  
44 plan that provides adequate funding for agricultural irrigation projects of national significance  
45 and domestic security to help finance the construction and completion of irrigation distribution  
46 systems that utilize conjunctive water management to deliver surface water during periods of

1 excess flows to agricultural areas producing food crops critical to our nation’s security  
2 domestically and internationally. Projects eligible to qualify for funding should be in the  
3 construction phase and ready to build. Projects with public private partnerships and state and  
4 federal government cost sharing should be given great consideration. Priority should be placed  
5 on projects located in areas identified as having groundwater shortages by state government  
6 entities or the federal government.  
7

8 The Ag Council requests Congress to address the failure of the Corps of Engineers to certify the  
9 levees in its districts and further request prompt certification of said levees to alleviate the  
10 farmers of paying millions of dollars in unnecessary flood insurance coverage. The levee  
11 certification issue is vital to members of this organization and the rural communities throughout  
12 much of the state. The Ag Council opposes FEMA’s efforts to set new regulations related to  
13 flood plains that would mandate the purchasing of flood insurance.  
14

15 The Ag Council urges expedited completion of the river basin projects in Arkansas for which  
16 funds have been authorized and appropriated. The Ag Council supports maximum appropriations  
17 for all lower Mississippi Valley flood control and improvement projects.  
18

19 The Ag Council urges authorization and appropriation of federal funds for maintenance of banks,  
20 dikes and control structures along the Arkansas River. The Ag Council also supports funding for  
21 inland ports and waterways. The Ag Council supports a 12’ navigational channel in the  
22 MKARNS. The Ag Council also supports dredging the lower Mississippi River, but not at the  
23 expense of other water infrastructure projects in Arkansas.  
24

25 The Ag Council opposes proposals to enhance the Inland Waterways Trust Fund through  
26 increased lockage fees.  
27

28 The Ag Council supports completion of the work proposed by the Corps of Engineers to improve  
29 the Mississippi levees, from Cape Girardeau, Missouri, to the Gulf of Mexico, so as to fully  
30 protect the citizenry and property in the states of the lower Mississippi Valley.  
31

32 The Ag Council also supports legislation to preserve wildlife habitat by authorizing the Secretary  
33 of the Army, acting through the Chief of Engineers, to acquire easement in lieu of fee for lands  
34 designated for acquisition in mitigation of losses or damage to fish and wildlife resulting from  
35 Federal improvement.  
36

37 The Ag Council recognizes that beavers have become a major impediment to drainage of both  
38 farm and timber lands in Arkansas. The Ag Council pledges its cooperation with federal, state  
39 and local agencies in searching for a solution to this problem.  
40

41 The Ag Council supports the efforts of the US Geological Survey to map ground water reservoirs  
42 throughout the alluvial aquifer basin for purposes of learning more about the position of  
43 groundwater throughout the aquifer.  
44

45 The Ag Council understands that Congressionally directed spending in the form of “earmarks”  
46 may be necessary to quickly direct federal funds to water infrastructure projects critical to



1 Arkansas and the agriculture industry, and we support the use of earmarks for such purposes. We  
2 believe that flood control, navigation, and irrigation infrastructure in Arkansas is an investment  
3 in national infrastructure and for economic growth.  
4

5 Drainage - Section 404: The Ag Council believes in a healthy environment, and we are  
6 committed to good drainage as we, know it to be essential to the productivity of the alluvial areas  
7 of the country. The Ag Council is convinced that a reasonable balance can be achieved for the  
8 good of the country between these two objectives if EPA and Corps of Engineers will  
9 promulgate sensible regulations and administer them in a wise manner. The Ag Council opposes  
10 the unfair increases in fees for obtaining a Section 404 permit which were proposed at one time  
11 by the Corps of Engineers.  
12

13 The Ag Council recommends restricting Section 404 jurisdiction to the historical definition of  
14 "navigable waters." We also think Congress should adopt a reasonable definition of "wetlands."  
15 We further recommend that any new legislation make it clear that the Corps of Engineers has  
16 final authority to issue permits under Section 404. The Ag Council believes decisions on 404  
17 permits should be rendered within six months.  
18

19 Farmed Wetlands: We believe that any farmland that was in cultivation prior to 1985 should be  
20 considered prior converted cropland regardless of how long water may stand on it during the  
21 growing season.  
22

### 23 **Food Safety Policy**

24 The Ag Council supports the development and enforcement of regulations by USDA/FDA to  
25 ensure the safety of all food and sources of food for the nation, whether produced domestically  
26 or internationally. The Ag Council believes inspection of imported agricultural products is  
27 lacking and should be enhanced.  
28

29 The Ag Council supports federal funding for USDA inspections of imported catfish from  
30 overseas. This program was first authorized in the 2008 Farm Bill and reauthorized in the 2014  
31 Farm Bill, finally went into full effect in early 2016 and has proven to be effective as many  
32 shipments have already been rejected by USDA inspectors. We oppose any and all proposals  
33 that would place catfish inspections in the FDA instead of the USDA.  
34

35 The Ag Council also supports recently approved laws to identify country of origin labeling for  
36 catfish and catfish like species sold in Arkansas restaurants and by food services to better inform  
37 consumers. The Ag Council believes consumers should receive such notice at restaurants,  
38 cafeterias, lunch room, food stands, and other similar food facilities in Arkansas.  
39

40 The federal government should establish an indemnity program for errors made by regulatory  
41 agencies in food contamination recall cases.  
42

### 43 **Commodity Market Oversight Policy**

44 In lieu of recent overall market problems, the Ag Council supports absolute clear definitions of  
45 marketing terms including, but not limited, to hedging, speculating, and transparency. Any new  
46 regulations should be developed with the intent to increase transparency and limit unwarranted

1 market volatility. The Ag Council has concerns with the impact of automated electronic trading  
2 and its potential impact on market volatility and is often based on artificially created supply and  
3 demand. We encourage market regulators to establish reasonable rules to minimize the potential  
4 negative impacts of automated electronic trading on market volatility for commodities.

### 5 6 **Commodity Policies**

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

10  
11 *Rice:* Rice has long been the world's number one food grain. It has become Arkansas' largest  
12 program crop. It is vital to the state's economy and to Ag Council members. In order to fulfill  
13 America's desire to help feed the world's needy people we recommend full use of all government  
14 programs to maximize the exportation of rice.

15  
16 We support the USA Rice Federation's efforts to use all the money from the Columbian Free  
17 Trade Agreement Tariff Rate Quotas (TRQ) for research.

18  
19 The Ag Council believes rice should be promoted as a nutritious food based upon its qualities.  
20 The USDA, FDA, and other relevant federal and state agencies should encourage rice  
21 consumption as an important component to any meal. The Ag Council believes arsenic levels  
22 occurring in rice are naturally occurring organic or inorganic, and are not at levels deemed  
23 harmful to human health. We support the FDA's efforts to work with industry and researchers to  
24 determine how arsenic levels in rice may be decreased.

25  
26 *Soybeans:* The assurance of viable Soybean seed is vital to Arkansas' farmers. We encourage  
27 uniform standard testing of soybean seed and results made available to farmers upon request.  
28 The Ag Council supports continued development of biodiesel from soybeans. We support the  
29 Natural Soybean and Grain Alliance (NSGA), which was established to develop new markets for  
30 non-GMO soybean varieties in an effort to provide farmers with premiums for new niche  
31 markets.

32  
33 *Cotton:* The Ag Council encourages cotton commodity brokers to be bonded. The Ag Council  
34 supports the seed cotton Price Loss Coverage (PLC) Program. The Ag Council supports  
35 continuing to comply with the U.S. – Brazil agreement for the WTO case against the U.S. The  
36 Ag Council encourages USDA Secretary to implement farm program policies for seed cotton.  
37 We encourage further incentives from USDA and Cotton Incorporated to develop woven and  
38 non-woven markets in the U.S. through investments in innovation and consumer demand.

### 39 40 **Fertilizer Costs**

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

1 **Property Rights Policy**

2 *Trespass:*

3 The Ag Council supports private property rights and encourage the strict enforcement of trespass  
4 laws. Additionally, we support newly approved laws from the 91<sup>st</sup> General Assembly that would  
5 assign felony crimes to individuals previously convicted two times for criminal trespass provided  
6 proof of intent to steal can be determined on the act of trespass.  
7

8 We support laws approved in the 91<sup>st</sup> General Assembly that would strengthen employers'  
9 defenses against common forms of corporate espionage and employee sabotage by prohibiting  
10 any person from placing a camera or electronic surveillance device on the employer's premises  
11 without permission. The law also prohibits employees from capturing or removing the  
12 employer's data, papers or records, or from recording sounds or images.  
13

14 *Eminent Domain:*

15 Property acquired under the right of eminent domain, when not used for the purpose for which it  
16 was taken, should be offered for resale to the person from whom it was seized at the price at  
17 which it was confiscated.  
18

19 The Ag Council opposes the use of eminent domain in the development of utility transmission  
20 lines and other energy systems, especially in instances that primarily benefit private parties rather  
21 than the general public. Landowners should be compensated adequately for any land use for  
22 such purposes.  
23

24 If any governmental entity takes, appropriates, seizes, restricts, or modifies the use of private  
25 property, the owner should be adequately compensated for any present or future loss.  
26

27 *Landlord:*

28 The Ag Council supports Article 9 of the Arkansas Uniform Commercial Code that gives  
29 automatic priority status of landlord liens on crops under Ark. Code Ann. Section 18-41-101.  
30

31 **Welfare Policy**

32 *Unemployment Compensation:*

33 Ag Council members are alarmed about the escalating costs of unemployment compensation.  
34 Administration of this program is of great concern. Government employees tend to side with  
35 other employees. Oftentimes former employees are allowed to continue drawing unemployment  
36 compensation after they have found other employment. Reason needs to be brought to the  
37 program.  
38

39 The Ag Council supports new reforms to welfare programs, including nutrition programs, in  
40 order to limit the eligibility and use of these programs and encourage participants to seek and  
41 accept employment opportunities.  
42

43 **Anti-Trust Policy**

44 Ag Council members are increasingly concerned with recent and ongoing mergers and  
45 consolidation between agricultural suppliers and the resultant erosion in competition reflected in  
46 increased prices of crop production inputs (primarily seed, fertilizer, and ag chemicals). Primary

1 among these today are Monsanto and Bayer (Bayer); Dow and Dupont (Corteva); Syngenta and  
2 ChemChina; and Agrium, Potash Co and CPS (Nutrien).

3  
4 In addition, we are concerned with the market power among grain merchants. Recent activities  
5 during the 2018 harvest period related to basis and adjustments to soybean damage discount  
6 schedules and moisture discounts has raised suspicions among farmers. These activities should  
7 be closely reviewed by appropriate state and federal government entities to determine if they  
8 were legal and if there should be reforms to state or federal laws and regulations to better protect  
9 farmers.

10  
11 The Ag Council believes it is crucial that producers not be placed at the mercy of one or two  
12 dominant companies for various input products and post-harvest services. Such consolidation can  
13 lead to fewer seed and crop protection choices, higher input prices, reduced customer care, lower  
14 farm income and generally a lack of innovation and competition.

15  
16 Due to the economic challenges facing row crop farmers (ever increasing input cost, historically  
17 low commodity prices, and shrinking farm income), we encourage seed and crop protection  
18 companies to consider reducing the costs of their products.

19  
20 We encourage the federal government to increase investments in land grant university research  
21 for agriculture seed and crop protection technologies in order to stimulate innovation in this area,  
22 encourage competition in science, and to develop and maintain more affordable alternative  
23 options for producers to counter the expected issues related to mega merger consolidation of seed  
24 and crop protection companies.

25  
26 The Ag Council recommends that the Arkansas Attorney General and the U.S. DOJ continue to  
27 remain vigilant in identifying and prosecuting violations of anti-trust laws, especially as they  
28 relate to agriculture suppliers, grain merchants, agricultural service and equipment providers.

### 29 **Education Policy**

30  
31 The Ag Council supports required learning related to educating students of the importance of  
32 agriculture to our economy and our nation's history. Students should learn more about the farm  
33 families that produce the food they eat. The Ag Council supports scholarship programs to  
34 students seeking degrees related to agriculture.

35  
36 The Ag Council supports Future Farmers of America (FFA), 4-H, and other agriculture  
37 education programs for children and young adults. The Ag Council would like to work with  
38 these organizations to educate these students and future agriculture leaders on the importance of  
39 organizations like the Ag Council. It is the intent of the Ag Council to establish and fund a non-  
40 profit charitable organization known as the Ag Council Trust for the purpose of donating to  
41 research and education efforts that benefit agriculture and residents in the communities in which  
42 we live.

### 43 **Science Policy**

44 *Biotechnology:*  
45

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

5  
6 The Ag Council urges USDA and other appropriate governmental agencies to expedite the  
7 testing and release of recombinant plants containing the useful genes which have the potential to  
8 render crop production more efficient.

9  
10 The Ag Council encourages research to develop traits beneficial to consumers which will open  
11 new uses and new markets for commodities.

12  
13 The Ag Council encourages the development and deployment of new technologies in the area of  
14 artificial intelligence, robotics, internet of things (IoT), data processing and analytics, and other  
15 emerging technologies that can advance agriculture, improve efficiency in agriculture, and make  
16 farming more profitable.

17  
18 **Immigration Policy**

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

22  
23 We oppose any legislation to further limit the number of migrant workers in agriculture or any  
24 legislation that makes it more difficult to hire such labor, including cumbersome paperwork and  
25 costly identification systems.

26  
27 **TITLE IV – Policy Statements on State Issues**

28  
29  
30 **STATE GOVERNMENT**

31  
32 **Agriculture Department of Arkansas**

33 It is the policy of the Ag Council to work closely with the Agriculture Department of Arkansas  
34 to promote agriculture and assist in commodity marketing programs. The Ag Council supports  
35 raising the awareness of the importance of agriculture to the state's economy among the citizens  
36 of Arkansas and within state government. The Ag Council will assist in the development of  
37 marketing strategies to enable the producer to receive a fair market price. Development of  
38 alternative fuel production and use is just one example of added value to oil seed production that  
39 the Agriculture Department should explore. The Arkansas Department of Agriculture should  
40 continue to encourage innovation in the agriculture industry and develop markets for Arkansas  
41 grown products.

42  
43 The Arkansas Department of Agriculture should continue to work directly with farmers in  
44 Arkansas and seek their advice. The Ag Council would like to work with the Department of  
45 Agriculture to educate members of the state legislature on the functions and purposes of the state  
46 commodity promotion boards.

1  
2 The Secretary of Agriculture should be a strong proponent and supporter of row-crop production  
3 in Arkansas and be familiar with the state's agriculture industry and state government.  
4

5 Generally speaking, we support efforts of the Agriculture Department to seek efficiencies in use  
6 of tax dollars by eliminating duplicative or outdated expenses and making reinvestments in  
7 matters of critical importance today. However, we express concern about too much agency  
8 reform without proper review and input from agriculture groups like the Ag Council. We  
9 encourage the Governor and Secretary of Agriculture to work closely with us and other  
10 agricultural organizations in the state as they continue to enhance the agency and its contribution  
11 to the state's top industry. Such work should initiate well in advance of future legislative sessions  
12 in order to fully vet any proposal to improve efficiencies.  
13

14 We believe any efficiency measures, legislative or administrative, should not impact the makeup  
15 and constructs of the Plant Board or its authorities in establishing rules and regulations.  
16

17 In addition, we believe that revenues collected from the plant industry should be reserved for the  
18 State Plant Board activities and not redirected to the Agriculture Department or other places in  
19 state government. We support the staff of the State Plant board and believe salaries at the agency  
20 should be at a level that can attract and retain highly qualified and motivated staff. We also  
21 believe the agency should invest in modern technologies and equipment that can improve  
22 efficiency, reduce workload, and help the agency better serve the industry. We believe the  
23 position of Assistant Director should be maintained and filled upon vacancies as it's a critical  
24 position for the plant industry and the agency.  
25

26 We support plans to incorporate the Arkansas Natural Resources Commission (ANRC) into the  
27 Arkansas Agriculture Department. We encourage the consideration of moving other agencies  
28 with a rural development focus to the Arkansas Agriculture Department.  
29

### 30 **Arkansas State Plant Board**

#### 31 *Role in Chemical Permit Requests:*

32 The Ag Council believes the Arkansas State Plant Board (ASPB) should work closely with the  
33 Ag Council in seeking permits for products to be used in Arkansas. The Ag Council would like  
34 the ASPB to review and approve beneficial new seed and crop protection products at the earliest  
35 moment possible provided there is science based data supporting the need for such a product.  
36 Products that will assist farmers in mitigating damages from threatening pests from bugs to  
37 weeds should take a high priority. The ASPB should take considerable steps to penalize and  
38 discourage the misapplication of agricultural crop protection tools that may cause harm to off-  
39 target crops. The ASPB should also take considerable steps to educate and train inspectors and  
40 users of proper use of such crop protection tools. The Ag Council encourages FMC to change  
41 their label for Command so that rice farmers will be able to utilize the chemical without fear of  
42 violating the label restrictions for use.  
43

44 The Ag Council strongly supports the State Plant Board and the role it plays in regulating the  
45 agriculture industry. We believe that the volunteer system of self-regulation by industry is  
46 superior to allowing such decision-making authority to government bureaucrats. We believe it's

1 also critical that industry groups maintain their ability to appoint people from their organizations  
2 to serve as it allows for accountability among industry stakeholders and offers opportunities for  
3 industries to select individuals they feel are best suited to serve in such a critical role of  
4 representing their segment of industry.

5  
6 We believe that the farmer positions assigned to the Plant Board, as individuals, must be actively  
7 engaged in production agriculture in Arkansas in order to serve in this role.

8  
9 *Penalty Matrix:*

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

16  
17 Based on findings and experiences from the 2017 and 2018 crop year, it's evident that in many  
18 cases the Plant Board would be unable to assign a fine of greater than \$1,000 because the source  
19 of the injury is often unidentifiable. Rather, the law should allow for a fine of greater than \$1,000  
20 solely based on the illegal act if made in a knowing and willing fashion without regard for the  
21 law or concern for neighbors and carried a likely potential for significant off-target injury. Such a  
22 change is necessary in order to create a significant and workable deterrent for illegal, and  
23 potentially harmful use of these crop protection tools.

24  
25 The Plant Board should use caution in assessing the new maximum penalties by only applying  
26 the full civil penalty fines in cases where off target crop damage was likely caused and where the  
27 application was made unlawfully in a knowing and willing manner that exhibited complete  
28 disregard for the laws regulating use.

29  
30 *New seed and crop protection technologies:*

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

38  
39 *Seed pre-emption clarification:*

40 The Ag Council supports laws approved by the 91<sup>st</sup> General Assembly that would allow for the  
41 state plant board to be recognized as the singular regulatory body over seeds within the state of  
42 Arkansas so that their regulations would supersede any attempts by counties or municipalities to  
43 attempt to regulate seeds. This would bring parity for seeds in line with existing state laws  
44 regulating fertilizers and pesticides.

45  
46 *Industrial Hemp:*

1 The Ag Council supports law changes in the 91<sup>st</sup> General Assembly that would allow for the  
2 Plant Board to establish rules, regulations and processes that would lead to further research in  
3 partnership with the University of Arkansas Division of Agriculture into industrial hemp to  
4 determine how to best develop and grow an industrial hemp industry in Arkansas to benefit  
5 farmers, the agriculture industry and the economy of the state.  
6

7 The Ag Council supports new regulations made by the Plant Board to implement a research  
8 program to further study the potential of commercial hemp in Arkansas.  
9

### 10 **Check-off/Commodity Support Programs**

11 The Ag Council continues to support mandatory check-offs for cotton, soybeans, rice, wheat, and  
12 corn and grain sorghum in Arkansas. The Ag Council believes the state should explore the  
13 possibility of developing a new check-off program for peanuts. The Ag Council strongly  
14 supports continuing its statutory authority to nominate members to the promotion boards. In  
15 addition, the Ag Council believes the promotion boards should continue to represent grower  
16 interests by requiring all board members be farmers.  
17

18 The Ag Council supports the programs of Cotton Incorporated, the National Cotton Council,  
19 Arkansas Soybean Association, the Arkansas Soybean Promotion Board, the United Soybean  
20 Board, the Arkansas Rice Research Board, the Arkansas Rice Federation and Arkansas Rice  
21 Farmers, the Arkansas Wheat Promotion Board, the Arkansas Wheat Growers Association, the  
22 Arkansas Corn and Grain Sorghum Board, the United Sorghum Check-off Program, and the Soil  
23 Test Review Board. The Ag Council opposes a policy of allowing an individual to  
24 simultaneously serve on the USB and on the American Soybean Association Board.  
25

26 The Ag Council strongly supports the various research and promotion check-off programs in  
27 Arkansas, and we encourage the members of these boards to ensure that the share of the check-  
28 off dollars intended for the state are wisely invested in the state, particularly with in-state  
29 University researchers for purposes of benefiting Arkansas farmers through research  
30 investments. We oppose any efforts to siphon our state's shares to a national program that would  
31 likely not prioritize or spend dollars in a way that benefits producers in Arkansas. We believe  
32 that USDA Agricultural Marketing Service (AMS) should ensure that funds intended for states  
33 are retained in the states in which they are collected and utilized in a manner that benefits  
34 producers in those states.  
35

36 The Ag Council urges Cotton Incorporated, with the assistance of land grant colleges, USDA,  
37 and other public scientists, to continue developing a national cotton breeding program with the  
38 following objectives: Develop new cotton varieties with 1) higher, more stable yields to enable  
39 cotton producers to earn a profit growing cotton, and 2) improved, more uniform fiber properties  
40 to enable cotton spinners to utilize new spinning technologies for more effective competition  
41 with imports. We encourage Cotton Incorporated to invest more resources into innovative  
42 research and entrepreneurship that supports in the development of new woven and non-woven  
43 products that could stimulate demand for cotton.  
44

45 The Ag Council strongly supports the current nomination and appointment process for all state  
46 related boards and commissions that relate to agriculture. The current structure allows for



1 industry organizations to identify and nominate individuals to serve on behalf of the industry.  
2 This process is important as it allows for a peer review process and the selection of qualified  
3 business leaders to serve in important roles of government that directly impact agriculture  
4 businesses. In addition, this process helps keep the organization informed of the work done by  
5 the various boards and commissions as typically those appointees serve in leadership roles for  
6 the industry organization and report at the organization meetings. Any efforts to repeal this  
7 nomination process could carry a negative impact on the regulated industries for a variety of  
8 reasons due to the lack of peer selection and peer accountability.  
9

### 10 **Taxes**

11 The Ag Council favors maintaining the sales tax exemptions and income tax deductions/credits  
12 (targeted tax cuts) presently made available to Arkansas farmers through state law. Such  
13 exemptions and deductions/credits should be expanded where possible. We adamantly oppose  
14 any attempt to effectively raise taxes on agriculture through increased property taxes or the  
15 elimination of targeted tax cuts for purposes of offsetting income tax cuts for individuals and  
16 businesses. Agriculture should not be tasked with shouldering the burden of overall tax cuts or  
17 covering new government expenses, particularly during a time in which the industry is under  
18 economic duress.  
19

20 The Ag Council supports the tax cuts provided in the 89<sup>th</sup> Arkansas General Assembly that  
21 reduced taxes for bale wrap supplies, replacement parts for equipment, and sales and use taxes  
22 for energy used in aquaculture, grain drying, rice milling, soybean oil milling, and cotton  
23 ginning. The Ag Council supports additional state tax incentives for making land improvements  
24 for better irrigation water management and to implement more efficient technologies and best  
25 management practices for water utilization and energy use. We believe the Arkansas Water  
26 Development and Conservation Law should: 1) provide more value per tax credit issued; 2)  
27 allow for the credits to be carried forward for more years; and 3) should allow such credits  
28 earned to be transferred to other taxpayers.  
29

30 The Ag Council supports tax cuts approved by the 91<sup>st</sup> General Assembly that over time would  
31 create a sales tax exemption for manufacturers, including gins and grain processors on their  
32 repair and replacement parts by phasing out the entire sales tax by 1 percent a year until  
33 complete by June 30, 2022.  
34

35 The Ag Council supports the new Act approved by the 90<sup>th</sup> General Assembly that clarified the  
36 exemption of migrant labor, which permits farms to not pay taxes for unemployment insurance  
37 because migrant labor would not utilize benefits if they did not have employment.  
38

### 39 **Boll Weevil Eradication Board**

40 The Ag Council supports a post boll weevil eradication maintenance program with assistance  
41 from State surplus revenues. The Council should maintain a key role in nominating members to  
42 the Governor for consideration for the Boll Weevil Board. The Council also supports federal  
43 financial assistance for boll weevil maintenance in Arkansas and all cotton producing states.  
44

45 The Boll Weevil Board should reduce to the maximum advisable extent overhead costs and fees  
46 collected during the post-eradication period while also maintaining enough resources to respond

1 to a future outbreak. The Ag Council believes that the Arkansas Boll Weevil Eradication Board  
2 should work with neighboring states and the National Cotton Council to prevent a re-infestation.

3  
4 The Ag Council is pleased with the leadership of the Boll Weevil Foundation Board as they  
5 successfully repaid ahead of schedule all debt owed to the USDA Farm Service Agency (FSA) as  
6 it relates to the boll weevil eradication effort in Arkansas.

7  
8 The Ag Council is concerned with the 2018 finding of two male Mexican boll weevils in  
9 Mississippi, and we believe that this finding further justifies the need and importance of  
10 maintaining a trapping program with sufficient response resources should an outbreak occur.

### 11 12 **University of Arkansas Division of Agriculture**

13 Maximum development of the agricultural potential in any state is dependent on a strong Land  
14 Grant institution. A successful College of Agriculture must maintain the interest and support of  
15 farmers. The Ag Council will continue to improve communications with the University in order  
16 to sharpen farmer interest in research, extension and teaching activities. The Ag Council pledges  
17 its full support toward making Arkansas' Land Grant College the best possible. To this end, we  
18 support increasing annual funding to the University Division of Agriculture, which has not seen  
19 any increase in annual state funding in nearly a decade aside from the one-time \$3 million  
20 contributions of surplus funds from Governor Hutchinson and Arkansas Attorney General Leslie  
21 Rutledge.

22  
23 The Ag Council urges the University of Arkansas and Arkansas State University to engage in  
24 research aimed at protecting the right of farmers to continue to use pesticides, fertilizers, growth  
25 regulators, etc.

26  
27 The Ag Council encourages members to consider giving gifts to the University of Arkansas  
28 Agriculture Development Council's Foundation. Such gifts enhance the University's abilities to  
29 serve the agriculture industry into the future through education, research and extension efforts.

#### 30 31 *Extension Services:*

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

34  
35 The Ag Council urges the Experiment station and the Cooperative Extension Service to continue  
36 addressing real-life, on farm problems, such as herbicide resistant weeds. It is imperative these  
37 problems be given top priority.

38  
39 In addition, the Ag Council would like for the Division of Agriculture to continue to seek and  
40 retain highly qualified staff.

#### 41 42 *Research:*

43 The Ag Council would like for the University to continue its research efforts on behalf of the  
44 promotion boards. The Ag Council would like to work with the University and other institutions  
45 to encourage entrepreneurship and innovation in agriculture in an effort to create new jobs,  
46 advance agriculture with new products and services, and grow our economy. The Ag Council

1 has concerns with the contractual non-disclosure agreements between the University researchers  
2 and private companies they partner with. We encourage the University to seek agreements that  
3 allow for greater disclosure between researchers and the public.  
4

### 5 **Tourism**

6 The Ag Council supports efforts of the State of Arkansas to promote agri-tourism throughout  
7 Arkansas. To the extent possible, the Ag Council would like to participate in these efforts.  
8

9 The Ag Council supports recently passed liability protection for farms providing the public with  
10 agri-tourism opportunities. This law may need to be amended to provide additional protections.  
11

12 The Ag Council supports efforts to generate tourism opportunities in Eastern Arkansas and  
13 interest in agriculture history and rural arts.  
14

### 15 **State Water Plan**

16 The Ag Council commends the Arkansas Natural Resources Commission (ANRC) for the  
17 sincere effort to develop a rational State Water Plan to help conserve water without negatively  
18 impacting Arkansas's ability to produce crops.  
19

20 While we had some initial concerns about the process by which the State Water Plan was  
21 developed, however we agree with most of the findings of the State Water Plan, especially where  
22 the plan calls for increased incentives and investment to support the efficient use of surface and  
23 ground water for irrigation. The Ag Council was pleased that the State Water Plan did not create  
24 restrictions in use of ground or surface water for irrigation. We believe the Water Plan's  
25 recommendation for incentivizing precision agriculture and efforts to reduce energy and water  
26 use on farms was very wise, and we look forward to helping change the laws to implement these  
27 incentive enhancements.  
28

29 The Ag Council believes the Governor and General Assembly should work to ensure that the  
30 implementation of the State Water Plan does not negatively impact Arkansas farms.  
31

32 We stand ready to assist the Commission, the Governor, and the General Assembly in quickly  
33 advancing legislation that will address these key recommendations, which are cited below with  
34 comments from our organization:  
35

36 **1) Tax Incentives and Credits for Integrated Irrigation Water Conservation (Section**  
37 **2402.2)** The Ag Council of Arkansas agrees that the legislature should enhance incentives for  
38 landowners to make land improvements and adopt certain conservation practices that concern  
39 water. We believe the Water Resources Development and Conservation Act (**ACA §26-51-1001**  
40 **et seq.**) needs to be enhanced by a) increasing allowable tax credits; b) extending the time in  
41 which the credits can be claimed; c) expanding the program to include new technologies that can  
42 contribute to water savings; and d) making tax credits transferable. These enhancements would  
43 assist landowners in water conservation efforts.  
44

45 **2) Excess Water for Non-Riparian Withdrawal and Use (Section 2402.5-B)** The Ag Council  
46 of Arkansas agrees that the water available for non-riparian use should be increased. We suggest

1 that in doing so, the level be raised from 25 percent of excess flow to 75 percent of excess flow.  
2 Making more surface water available in times of excess flow will minimize agriculture’s  
3 dependence on groundwater sources and ensure that we better utilize water during periods of  
4 heavy streamflow rather than experiencing floods or allowing the water to simply leave the  
5 state’s boundaries.  
6

7 **3) Funding Water Resources Development Projects (Section 2402.3)** The Ag Council of  
8 Arkansas agrees that the state should increase the amount of funding for infrastructure related to  
9 water systems. We support the recommendation that calls for an increase the bond authority for  
10 the state from \$300 million to \$600 million for water projects. Increasing this borrowing  
11 authority will assist the state in developing much needed water systems for wastewater and for  
12 key regional irrigation systems for agriculture that will deliver water to critical groundwater  
13 areas.  
14

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

### 30 **Education**

31 We support all Arkansas institutions of higher learning, especially those which contribute to  
32 agricultural research and education. All levels of education in Arkansas should consider required  
33 learning of the importance of agriculture in Arkansas. The Ag Council would like to work with  
34 the institutions of higher education and other centers of innovation to encourage entrepreneurship  
35 and innovation in agriculture in an effort to create new jobs, advance agriculture with new  
36 products and services, and grow our economy.  
37

### 38 **H2O Initiative**

39 The Ag Council of Arkansas is a partner in the H2O Initiative with Delta Plastics and other  
40 stakeholders in an effort to reduce water consumption by 20 percent by the year 2020 through the  
41 adoption of conservation programs and best management practices and technologies including  
42 multiple inlet irrigation, alternate wetting and drying, surge valves, soil moisture monitoring, and  
43 other advanced irrigation water management systems. A key component is utilization of  
44 irrigation efficiency software known as PipePlanner. We will work to educate water users to the  
45 benefit of utilizing these no-cost programs in an effort to increase adoption. Minimizing water  
46 consumption will help sustain water supply, conserve energy, minimize water waste and run-off,

1 and save farmers money. We encourage Ag Council members to contact their extension agents  
2 or representatives of Delta Plastics to take flow rate measurements of their irrigation wells in  
3 order to utilize the PipePlanner program to better conserve water.  
4

### 5 **Grain Marketing Regulations**

6 The Ag Council of Arkansas is very concerned with the recent failure of grain merchandiser  
7 Turner Grain. We encourage the judicial process to expeditiously consider all cases related to  
8 the failure of Turner Grain. If illegal activities are identified, we urge appropriate prosecution  
9 and sentencing of guilty parties. We also encourage bankruptcy proceedings to place high  
10 priority on grain sellers in the order of creditors eligible for any payments to be received.  
11

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

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

31 The Ag Council is concerned with the activities of grain merchants during the 2018 harvest  
32 season as it relates to the movement of basis and discount tables for damage and moisture. The  
33 activities have caused significant harm to farmers and call into question the legality of their  
34 actions. We encourage a thorough investigation of the activities and a review of current laws and  
35 regulations by appropriate state and federal authorities to determine how farmers can be better  
36 protected from such risks in the future. We also encourage appropriate reviews through the lens  
37 of antitrust laws and regulations to ensure there were no laws violated and to determine if  
38 existing laws and regulations should be amended to better protect farmers.  
39

### 40 **Petroleum Storage Tank Trust Fund**

41 The Ag Council supports legislation approved in the 91<sup>st</sup> General Assembly that authorizes reimbursement  
42 for corrective actions paid by the owner, including farms and agricultural businesses, of above-ground  
43 petroleum storage tanks if the owner voluntarily registers the tanks.  
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## 45 **TITLE V – Commendations**

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**Arkansas Congressional Delegation**

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

**Arkansas General Assembly**

The Ag Council commends members of the Arkansas General Assembly who supported the priorities of the Ag Council of Arkansas during the 91<sup>th</sup> Session in 2017. The Ag Council will continue to applaud those who support agriculture and our priorities in the future.

**Agricultural Council of Arkansas**

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

**Secretary Wes Ward**

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

**Governor Asa Hutchinson**

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

**Secretary Perdue**

The Ag Council commends USDA Secretary Sonny Perdue for his steadfast advocacy on behalf of U.S. farmers and his efforts to improve government services to farmers. We especially thank him for his support for gin cost-share assistance and trade mitigation assistance. Further, we appreciate his efforts to advocate for farmers on trade policy.

**Robert Moery**

The Ag Council commends Robert Moery for his service to Arkansas farmers and the agriculture industry during his time of service to the State of Arkansas as an assistant to Governor Hutchinson. His service as the Governor’s liaison on agricultural matters is to be commended. We congratulate him on his successful campaign chairmanship for Governor Hutchinson, and we wish him well in his future endeavors.

**West Higginbothom**

The Ag Council commends West Higginbothom for his service to the Ag Council of Arkansas as our President. West put in countless hours to serve his fellow farmer and the agriculture industry as a whole helping to develop a new farm bill, reduce federal tax liabilities for farmers, improve the efficiency of state government, and provide workable state tax policy for the agriculture industry. We wish him well in the future and hope for his continued involvement in the Ag Council into the future.

1 **Derek Haigwood**

2 The Ag Council commends Mr. Derek Haigwood for his efforts on behalf of Arkansas soybean  
3 farmers as he serves on the United Soybean Board (USB) and as Chairman of the United  
4 Soybean Export Council. He continues to work to improve trade relations and open export  
5 markets for Arkansas soybean farmers. We thank him for his service in this role at this critical  
6 time.

7  
8 **Otis Howe**

9 The Ag Council commends Mr. Otis Howe for his service on the Arkansas State Plant Board.  
10 Mr. Howe most recently served as Chairman of the Board where he was tasked with managing  
11 several complex matters facing Arkansas's agriculture industry. We thank him for his fair and  
12 thoughtful leadership on behalf of the entire agriculture industry of Arkansas. We wish him well  
13 in his retirement from service and in his future business endeavors.

14  
15 **Terry Walker**

16 The Ag Council commends Mr. Terry Walker for his service to the Arkansas State Plant Board.  
17 We thank him for his leadership and service as Director of the Plant Board, and we wish him  
18 well in his retirement.

19  
20 **Cal McCastlain**

21 The Ag Council commends Mr. Cal McCastlain for his service and leadership in the Ag Council.  
22 We especially appreciate his recent service as Treasurer to the Council. We encourage his  
23 continued involvement in the Council as a Past President.

24  
25 **Butch Calhoun**

26 The Ag Council commends Mr. Butch Calhoun for his service to agriculture and the State of  
27 Arkansas as he returns to public service as Director of the Arkansas State Plant Board. We are  
28 appreciative of his knowledge and expertise as it relates to the Arkansas Agriculture Department  
29 and the many issues that come before the Plant Board. We also appreciate his leadership and  
30 commitment to the employees of the Agriculture Department, particularly the State Plant Board.

31  
32 **Dan Douglas**

33 The Ag Council commends Representative Dan Douglas for his leadership in the Arkansas  
34 General Assembly as Chairman of the House Agriculture Committee. Mr. Douglas has been a  
35 steadfast and reliable advocate for Arkansas agriculture, and he's been a good friend to the Ag  
36 Council. We look forward to continuing to work with Representative Douglas in the upcoming  
37 legislative session.

38  
39 **Ronald Caldwell**

40 The Ag Council commends Senator Ronald Caldwell for his leadership in the Arkansas General  
41 Assembly as Chairman of the Senate Agriculture Committee. Mr. Caldwell has been a steadfast  
42 and reliable advocate for Arkansas agriculture, and he's been a good friend to the Ag Council.  
43 We look forward to continuing to work with Senator Caldwell in the upcoming legislative  
44 session, particularly in his new role as Chairman of the Committee on State Agencies.

45  
46 **Joe Jett**

1 The Ag Council commends Representative Joe Jett for his leadership in the Arkansas General  
2 Assembly as Chairman of the House Revenue and Tax Committee. Mr. Douglas has been a  
3 steadfast and reliable advocate for Arkansas agriculture, and he's been a good friend to the Ag  
4 Council. We look forward to continuing to work with Representative Jett in the upcoming  
5 legislative session, especially as the legislature considers tax policies.  
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