

THE AGRICULTURAL COUNCIL OF ARKANSAS



2021 RESOLUTIONS

FROM THE BOARD OF DIRECTORS OF THE AGRICULTURAL COUNCIL OF ARKANSAS

12/16/2020

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



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2 **THE AGRICULTURAL COUNCIL OF ARKANSAS**
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6 **2021**

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1
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 and Arkansas State University.
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

6 The Ag Council supports the concept of organizing a 501 (c) (3) private, non-profit conservation
7 group similar to Delta Farmers Advocating Resource Management (FARM) in Mississippi that
8 will seek to encourage conservation and best management practices on farms while also
9 promoting conservation activities of agriculture to the general public. This organization would
10 support research and education in conservation, encourage adoption of conservation practices,
11 seek to identify and address resource concerns, measure progress made in conservation, assist
12 farmers in implementing conservation practices, and help promote the positive environmental
13 impact of agriculture.
14

15 **GENERAL GOVERNMENT AGRICULTURE POLICY**

16 **Role of Federal Government in Agriculture**

17 The Ag Council believes the federal government should enact policies that support the domestic
18 production agriculture industry and rural communities as a primary method of providing security
19 and social stability for the United States and our allies. The federal government should wisely
20 use taxpayer dollars to support farmers during disaster periods due to weather, revenue
21 shortages, and low commodity prices. Such support should work as a safety net to protect
22 American farmers and keep them in business following disasters. The federal government
23 should provide affordable risk management tools for farmers that protect against price, revenue,
24 and yield risks. The federal government should also continue to invest in conservation measures
25 that partner with private landowners.
26
27

28 The federal government should provide a strong defense for U.S. agricultural policy within the
29 World Trade Organization (WTO) and the International Trade Commission (USITC), and they
30 should vigorously pursue cases against nations who violate various trade agreements or
31 otherwise harm U.S. agriculture through illicit trade related activities. During trade disputes
32 between the U.S. and other nations, the U.S. should provide supplemental economic adjustment
33 assistance to farmers and agribusinesses negatively affected by market disruptions caused by
34 such disputes.
35

36 In addition, the federal government should promote American agriculture products domestically
37 and abroad. The federal government should also play a key role in funding agriculture research
38 to enhance our nation's production capabilities and expand market opportunities for commodities
39 grown in America. The government can and should provide or encourage lending institutions to
40 provide low interest capital to farmers seeking to establish or expand a farming operation. The
41 government should always seek to expand trade opportunities for American agriculture products
42 around the world. The government should establish reasonable and fair regulations that protect
43 the environment, provide a safe workplace, and ensure continued agriculture production of a safe
44 and abundant supply of food, fiber and fuel in America. The government should also continue to
45 invest in adequate infrastructure systems that assist farmers in developing and marketing crops.
46

1 We concur with the belief that agriculture and food production is an essential service and
2 industry, and therefore should be granted the abilities to operate at optimal capacity through
3 natural disasters and public health crises to meet the health and safety demands of the U.S.
4 population and our allies.
5

6 **Role of State Government in Agriculture**

7 The State of Arkansas should support farmers and the agricultural industry in Arkansas. The
8 State of Arkansas should continue to provide tax incentives to farmers that purchase equipment
9 and other inputs for purposes of producing, processing and marketing crops and tax incentives
10 for making conservation investments for reducing water waste and energy use. The State should
11 maintain low property tax rates on agricultural lands. The State should make efforts to ensure
12 that taxes on agriculture remain competitive with neighboring states and remain in alignment to
13 the best extent possible with federal tax policy where such alignment is beneficial to farmers and
14 agriculture businesses in Arkansas.
15

16 The State should continue to help fund statewide efforts to 1) promote agriculture commodities,
17 2) provide reasonable, common sense regulations for the use of certain agricultural inputs and
18 other goods and services that carry inherent risks to farmers, 3) combat pests like the boll weevil,
19 herbicide resistant weeds, and invasive species; 4) conduct scientific research and provide
20 extension services to advance agriculture, 5) aid the industry in laboratory work in the areas of
21 seed and soil health; and 6) educate the public of the importance of agriculture.
22

23 The Ag Council supports the Arkansas State Plant Board, the Department of Agriculture, and the
24 University of Arkansas System’s Division of Agriculture and other research institutions seeking
25 to support the agriculture industry. We support the Arkansas Soil Test Program, and believe this
26 program should continue to be funded with assessments on fertilizer sales and be offered at no
27 costs to farmers. We also believe the Ag Council should maintain a position on the Soil Test
28 Review Board. The Ag Council believes that these organizations should continue to seek the
29 input of farmers through organizations like the Ag Council as they make decisions that will
30 impact the agriculture industry in Arkansas.
31

32 The Ag Council believes the Arkansas Department of Agriculture, Arkansas Department of
33 Environmental Quality, and the Arkansas Natural Resources Commission should work to ensure
34 that the State Water Plan, non-point source water management plan, and other environmental
35 regulatory infrastructures do not negatively impact Arkansas farms. The Ag Council believes
36 these agencies should include recommendations in the State Water Plan that benefit the farmer
37 and the environment. Such recommendations may require policy or law changes from the
38 legislature or relevant state and federal agencies.
39

40 We concur with the belief that agriculture and food production is an essential service and
41 industry, and therefore should be granted the abilities to operate at optimal capacity through
42 natural disasters and public health crises to meet the health and safety demands of the U.S.
43 population and our allies.
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1
2 **TITLE II – Farm Bill Policy Statements**
3

4 **FUTURE FARM BILL**
5

6 The Ag Council would like to see a farm bill that provides adequate economic support to the
7 Agricultural industry, and such a system must be designed to continue providing American
8 citizens with an abundant, affordable and safe food, fiber and fuel supply. The next Farm Bill
9 should provide adequate levels of support to keep the American producers competitive in the
10 global marketplace. The 2018 Farm Bill provides such support; yet, we are still losing producers
11 at an alarming rate. The Ag Council believes the Farm Bill should provide programs to
12 encourage young and beginning farmers to farm, especially future generations of family farming
13 operations.
14

15 The Farm Bill must also create a safety net that reduces the risk of operating a farm to the
16 maximum extent possible. The safety net should not be restricted based upon size and
17 configuration of farming operation or place other arbitrary restrictions on who can qualify based
18 upon level of management or specific labor contributions. The legislation should provide low
19 interest capital opportunities and other incentives for farm investments in implements, storage
20 capacity, information technology, farm equipment, workers' compensation insurance, irrigation
21 and energy systems, conservation practices, education and job training, and job creation. Such
22 programs should abstain from requiring income requirements and other means testing methods or
23 payment limitations.
24

25 **Payment Limits/Income Testing**

26 The Ag Council strongly opposes any program which provides for ceilings or limitations on the
27 price, loan, price or revenue support payment, direct payment, marketing loan gain, crop
28 insurance, or any other income which any agricultural producer may receive. Such
29 discrimination is unfair, inequitable and disrupts and defeats the purpose of any program
30 designed to improve the economic position of agriculture. The Ag Council opposes any kind of
31 means testing for farm program benefits that place a bias against farming operations of a certain
32 scale as capital risks are similar for farms of all sizes. Setting such eligibility tests on farmers
33 would directly harm many farms in Arkansas. Marketing loan gains and loan deficiency
34 payments should continue to be excluded from any payment limitation.
35

36 While we oppose any payment limits on commodity title programs, we were pleased to see the
37 Commodity Credit Corporation (CCC) Market Facilitation Program (MFP) and Coronavirus
38 Food Assistance Program (CFAP) payment limits provided by Secretary Perdue set at \$250,000
39 (double the farm bill commodity title program limits), and we would support similar increases in
40 payment limits for the next farm bill – though we still prefer no limits whatsoever as they are
41 arbitrary, they don't account for continuous increases in costs of production, and they don't
42 recognize that U.S. farms operate at various sizes and scales.
43

44 **Commodity Title**

45 Farmers prefer earning their income from the marketplace rather than being dependent on
46 government support programs. Unfortunately, until world trade practices are made fair and

1 equitable, government support for agriculture will remain imperative. Even if the marketplace
2 could yield satisfactory profits for agriculture, government regulations restricting farming
3 practices can make it difficult for farmers to manage their businesses.
4

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

17 The Ag Council supports the redirection of Direct Payments towards new market based risk
18 management programs such as Price Loss Coverage (PLC), which work for producers in
19 Arkansas and other parts of the Mid-South. While the 2014 and 2018 Farm Bills provided new
20 risk management programs in the Commodity Title, we believe they remain insufficient and
21 should continue to be improved upon, especially in relation to reference prices and payment
22 limitations.
23

24 The Ag Council believes that Commodity Title programs are necessary for farmers to stay in
25 business in lean years and to access credit from lenders. Crop insurance and yield loss policies
26 typically do not work well for irrigated farmers as they are usually able to produce crops even
27 during significant drought periods. Cost of production insurance, price protection, and revenue
28 protection insurance policies to protect against yield and revenue losses are more applicable and
29 more critical to Mid-South agriculture than a program that only offers yield protection.
30 However, there must be multiple options of each for farmers to choose among for each
31 commodity. For each risk management program, the Government should adequately share costs.
32

33 We were pleased to see changes in the 2018 Farm Bill that returned cotton to the Commodity
34 Title with the "Seed Cotton" program, which offered meaningful support programs to cotton
35 farmers through the Price Loss Coverage (PLC) and Agriculture Loss Coverage (ARC-CO)
36 structure.
37

38 The Ag Council appreciates the initiatives of Secretary Tom Vilsack and Sonny Perdue to
39 provide gin cost share assistance for cotton producers between the conclusion of the 2014 Farm
40 Bill and the 2018 Farm Bill. We also appreciate the work of Secretary Perdue to provide trade
41 mitigation assistance in 2018 and 2019 through the Market Facilitation Program (MFP), Food
42 Purchase Program (FPP), Agriculture Trade Promotion (ATP) program, and the Coronavirus
43 Food Assistance Program (CFAP). These support measures were extremely critical in helping
44 farmers offset some of the damage caused by trade disputes resulting from efforts of the U.S. to
45 renegotiate trade relations with key export markets and the COVID-19 pandemic. However, such
46 assistance is not sufficient in fully offsetting expected economic losses, and we plea for more

1 assistance should these trade disputes continue or result in significant market share losses.
2 Failure to provide such needed assistance could cause irreparable harm to Arkansas farmers, the
3 agriculture industry of Arkansas, and many rural communities in Arkansas.

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

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

19
20 The Ag Council believes that reference prices for commodity programs should remain the same
21 as under the 2018 farm bill or increased to reflect cost of production.

22
23 *Disaster Support:*

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

33
34 The Ag Council supports broad discretion to Secretary of Agriculture in utilizing Section 32
35 Commodity Credit Corporation (CCC) funds to provide direct emergency assistance to farmers
36 on an ad-hoc basis without Congressional approval.

37
38 The Ag Council supports the Economic Adjustment Assistance for Textile Mills, which provides
39 per bale assistance payments at \$.04/lb for domestic cotton mills.

40
41 **Insurance Title**

42
43 *Federal Crop Insurance:*

44 The Ag Council encourages Congress to develop and make available to the farmer an affordable
45 and effective crop insurance program. The program should be designed to allow the farmer to
46 protect themselves from excessive production risks, price risks, weather risks, and other revenue

1 risks. Additionally, the premium paid by the producer must be realistically priced by the
2 Government to encourage broad based producer participation and support from farm production
3 lenders.

4
5 The crop insurance program should be administered in a manner that discourages abuse of the
6 program while encouraging participation.

7
8 The crop insurance program should maintain a high level of government cost share for premiums
9 to help share risk and keep premiums reasonable and affordable. It should cover all commodities
10 and be available to producers in all counties.

11
12 The crop insurance programs should not have eligibility requirements or other means testing
13 requirements. Crop insurance program should not have payment limits either.

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

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

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

33 34 **Conservation Title**

35 *USDA, NRCS & Natural Resources:*

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

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

1 The Ag Council places a high priority on national and state legislation which offers incentives to
2 farmers to impound water for irrigation purposes, to recover tail water, make other land
3 improvements, or invest in other irrigation water management (IWM) systems to better
4 maximize on-farm water use.

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

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

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

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

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

37
38 We support the development of Ecosystems Services Markets (ESMs) either through public
39 policy or the private market provided they are free of excessive government mandates and offer
40 sufficient incentives for landowners for the conservation activity. Such marketplaces could offer
41 farmers additional revenue streams for voluntary conservation activities related to
42 carbon/greenhouse gas reductions and capture activities, water quantity/quality improvement
43 activities, soil health enhancement practices, energy production and use activities, wildlife
44 habitat services, and other related activities that carry known and measurable positive
45 environmental impacts. Such practices have been studied and recommended for such markets by
46 the Noble Institute and the Ecosystems Services Market (ESM) Consortium. The development of

1 such programs should not come at the cost of existing conservation programs or other Farm Bill
2 program funds.

3
4 **Energy Title**

5 The Ag Council encourages research and development necessary to provide adequate, affordable
6 electricity for rural communities as well as production agriculture. We oppose efforts to
7 mandate renewable energy production as Arkansas does not have sufficient supply of renewable
8 energy and any costs to comply would be passed along to the end users. We support any and all
9 incentives to encourage the use of solar and other renewable energy production and use on
10 farmlands.

11
12 The Ag Council also encourages continued support for research and development to promote
13 increased production and utilization of ethanol, biodiesel and all other alternative energy sources.
14 The Ag Council supports tax credits as incentives to promote research, development, production
15 and utilization of all alternative energy sources. As the alternative fuel infrastructure develops,
16 the Ag Council encourages utilization of alternative fuels by governments for State and Federal
17 vehicles. The Ag Council also encourages the use of biodiesel fuel in farm equipment. The Ag
18 Council supports any tax credits, loan programs or grants available to producers that purchase
19 equipment or technology that will improve energy efficiency, reduce energy usage on farms,
20 increase use of renewable energy, and improve irrigation systems.

21
22 The Ag Council opposes mandates on fuel storage infrastructure on farms if such regulations are
23 cost prohibitive or unwarranted. The Ag Council objects to any efforts to retroactively enforce
24 compliance with any federal regulation pertaining to on farm fuel storage.

25
26 **Credit Title**

27 The Ag Council recommends that Congress look to expand opportunities for farmers to access
28 capital at favorable levels that encourage investment. The Ag Council would like to see more
29 government guaranteed low interest, long-term agriculture and rural community development
30 loans. The Ag Council is concerned that a reduction in commodity programs will make
31 obtaining an operating loan more difficult as fewer lending institutions would be willing to lend
32 money with increased risk of default. The Ag Council supports the Farm Credit System.

33
34 We strongly support an increase to the amount of funding available for the guaranteed loan
35 programs be increased to match demand and prevent a backlog of unfunded loan applications.
36 We encourage new credit programs that incentivize investments and purchases of new
37 technologies that advance agriculture in the areas of energy production, energy savings,
38 production efficiency, environmental sustainability, labor management, and other farm operation
39 systems. We also encourage the investment in and acceleration of innovative start-up businesses
40 developing products and services in this area.

41
42 **Trade Title**

43 The Ag Council would like the USDA to work with the Department of Commerce and other
44 agencies to expand trade opportunities, resolve trade disputes, and promote U.S. agriculture
45 products in foreign markets. The Ag Council also encourages USDA and other relevant trade

1 related agencies to serve as an advocate for U.S. agriculture when it comes to trade enforcement
2 and market development.

3
4 We support the efforts of USDA and USTR to proactively pursue WTO cases against
5 competitors who are in violation of their WTO obligations, and we support sufficient funding to
6 USDA for purposes of investigating and prosecuting such cases as well as providing defense for
7 U.S. agriculture interests.

8
9 The Ag Council urges increased funding and implementation of the export Foreign Agriculture
10 Services' enhancement programs so as to provide maximum benefit to producers. The Market
11 Access Program (MAP), Foreign Market Development program, and other related programs are
12 important to promotion and market development for U.S. commodities. U.S. trade policy and
13 trade negotiations should enhance U.S. farm programs and thereby lower the cost of such
14 programs.

15
16 We support efforts to establish an office at USDA that would provide additional oversight and
17 protection the U.S. agriculture industry from threats of espionage, intellectual property and trade
18 secret theft, foreign direct investments, and other potential foreign and domestic threats to
19 American agriculture.

20 21 **Nutrition Title**

22 The Ag Council would like the federal government to utilize U.S. commodities to feed low
23 income, mal-nourished in the U.S. and around the world. We believe that school meal programs
24 are an important piece of the Nutrition Title of the Farm Bill, and we believe that these meals are
25 important to the health and education of children in America. The Ag Council strongly believes
26 that any additional funding for nutrition should not come from other agriculture programs. The
27 Ag Council believes that some savings could be achieved in Administrative costs and through
28 reducing fraud and abuse within existing nutrition programs. In addition, the Ag Council
29 believes nutrition programs and other similar welfare programs should do more to encourage
30 participants to seek education, job training, and employment opportunities. Such efforts should
31 be designed to ultimately help citizens reduce and eliminate their dependence on welfare
32 programs.

33
34 The Ag Council believes that the Nutrition Title is a key component of farm and food policy and
35 should be included in a comprehensive farm bill. The Ag Council does not support efforts to
36 divorce the nutrition title from the other titles included in the farm bill. The Ag Council
37 understands that nutrition programs provide a market for agricultural commodities, helps feed
38 the less fortunate, and improves the economic conditions of food makers, transportation
39 companies, and food retail stores.

40 41 **Rural Development Title**

42 The Ag Council believes that rural development programs should be funded at the highest
43 possible levels and should be distributed to those seeking to improve the rural economies by
44 targeting farms, rural businesses and entrepreneurship. The Ag Council supports the Delta
45 Regional Authority (DRA) and its mission to improve the economies of the Mississippi River
46 Delta Region. The Ag Council also supports Rural Development programs that provide

1 infrastructure for water, roads, health care, education, economic development, and information
2 technology.

3
4 We encourage more investments in entrepreneurship and innovation in agriculture particularly as
5 it relates to value-added, bio-based products as well as production and processing efficiencies
6 and agriculture technologies in an effort to create new jobs, advance agriculture with new
7 products and services, and grow our economy. In order to ensure that agriculture technologies
8 can come to market, we encourage state and federal government to support initiatives and
9 programs to deliver broadband internet access and cellular networks to agricultural areas to
10 support technologies such as Internet of Things (IoT), autonomous machinery and robots,
11 advanced monitoring and control systems, and other artificial intelligence systems that support
12 agriculture.

13
14 We believe rural electric cooperatives should be eligible for accessing rural broadband funds set
15 aside through telecommunication fees collected by consumers for purposes of delivering
16 broadband communication systems in underserved areas. We further believe rural electric
17 cooperatives should be eligible for all other state or federal rural broadband funds provided they
18 seek to use funds to expand broadband access in underserved areas.

19
20 We also encourage and support accelerator and venture capital initiatives designed to stimulate
21 innovation and entrepreneurship within agriculture. We continue to support the AgLaunch
22 Program of Memphis, the Winrock/Accelerate Arkansas Delta I-Fund Accelerator program, and
23 other similar regional initiatives.

24
25 We oppose any effort of USDA Agriculture Marketing Service (AMS) to terminate operations at
26 the Dumas Cotton Classing Office. We encourage our Congressional delegation, USDA AMS,
27 and the State of Arkansas to consider all available options for maintaining the facility and
28 operations in Dumas. The office is considered profitable and serves an important role for the
29 cotton industry of Arkansas and the economy of Southeast Arkansas.

30 **Research Title**

31 *Research and Extension Services:*

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

39
40
41 The Ag Council believes check-off funds should continue to be invested in research projects
42 done by the University of Arkansas's Division of Agriculture Research and Extension Service.
43 We encourage collaboration with other research institutions in Arkansas.

44
45 The Ag Council encourages the UofA, USDA, and other government research institutions to
46 research, verify, and develop new technologies in information technology systems to increase

1 efficiency in energy and water use, chemical applications, and other components of precision
2 agriculture. Such technologies include, but are not limited to, smart phone and tablet apps,
3 unmanned aerial vehicle systems, robotics and artificial intelligence, farm data management and
4 analytics, remote irrigation and energy controls, irrigation systems management, field monitors
5 and sensors, and other technologies of the future.

6
7 *Agriculture Research Service:*

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

15
16 The Ag Council is concerned about the impact of staff losses to the National Institute for Food
17 and Agriculture (NIFA) and the Economic Research Service (ERS) following the decision to
18 move the offices from the Washington, D.C., area to Kansas City. We encourage USDA to
19 quickly ensure appropriate staff and financial resources to these agencies which provide key
20 services to the U.S. agriculture industry.

21
22 *Congressionally Directed Spending:*

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

1
2 **TITLE III – Policy Statements on Miscellaneous Items**
3
4

5 **Deficit Reduction Policy**

6 The Ag Council is concerned with our nation’s current debt load. The Ag Council believes that
7 Congress should work in a bipartisan manner to address our nation’s debt and to reduce our
8 annual budget deficits. The Ag Council believes Congress should also take action to reduce our
9 nation’s trade deficit. The Ag Council believes agriculture can and should participate in these
10 efforts. However, the Ag Council does not support placing disproportionate deficit reduction
11 burden upon agriculture. The Ag Council believes that tax reform that is not detrimental to
12 agriculture may need to play a significant part in reducing our national debt. The 2014 and 2018
13 farm bills were significant contributors to deficit reduction, and we encourage Congress to look
14 elsewhere for any additional budget cuts in future years.
15

16 While we support the reduction of federal income taxes generally for farm operations and
17 agricultural businesses, we believe that reforms to the tax code should not eliminate key
18 provisions of the tax code currently benefiting the agriculture industry, including exemptions,
19 credits and deductions.
20

21 **Trade Policy**

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

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

37 The Ag Council opposes the movement of all commodities to offshore sites for further
38 processing such as, but not limited to, milling packaging and weaving unless covered by free
39 trade agreement.
40

41 The Ag Council believes that American trade policy should be supported within WTO
42 negotiations, and that American trade policy must be consistent with U. S. agricultural policies.
43 It is essential to monitor America’s trading competitors’ policy positions relating to agriculture
44 and trade. The Ag Council supports the agreement reached in 2014 between the U.S. and Brazil
45 to end the cotton trade case.
46

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

9
10 We were very concerned with the potential negative impact that the TPP could have had on the
11 Mexican rice market as Vietnam would be able to enter the market with far less expensive rice.
12 Because of this known risk, we encouraged the administration to take action to attempt to offset
13 these potential losses in advance by investing more in food aid that incorporates rice, provide
14 additional marketing assistance program (MAP) funds, assist in market development Mexico,
15 Iraq, and Cuba, and continue to vigorously pursue cases against nations violating their WTO
16 obligations. However, since the U.S. withdrew from the agreement, we encourage the current
17 administration to explore ways to find new market access for U.S. rice and other agricultural
18 commodities to the Asian market.

19
20 While we generally support the Trump Administration’s U.S. – Japan Free Trade Agreement, we
21 are disappointed that it did not include new market access for U.S. rice, particularly Arkansas
22 and Mid-South grown rice, to Japan, and we encourage U.S. negotiators to continue to seek such
23 market access in future rounds of discussion with Japan. We strongly support the U.S., Mexico,
24 Canada (USMCA) Free Trade Agreement as approved by Congress.

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 We do not believe that China and Brazil should enjoy the benefits offered to those countries
36 provided with “developing nation” status at the WTO.

37
38 We support ongoing efforts to provide more market access for U.S. agricultural commodities in
39 the U.K., E.U., China, and other export markets around the world. However, we remain
40 extremely concerned with trade disputes that have escalated into tariff rate hikes on U.S.
41 agricultural exports. We encourage expeditious negotiations with countries where these cases are
42 active so that tariffs may be lifted and normalized export access restored and improved upon. We
43 seek resolutions to all trade disputes provided they result in better market access and a more level
44 playing field for U.S. agriculture.

1 We support the “Phase 1” trade agreement with China, which would set China on a trajectory to
2 exceed traditional levels of agriculture imports from the U.S. We want to encourage the U.S. to
3 ensure that China meets its commitments for such purchases. We also want to ensure that the
4 agreement is extended beyond the current agreement and is expanded over time.
5

6 While we supported the assistance offered by USDA in the form of trade mitigation assistance to
7 offset or mitigate harm caused by such market disruption, nothing can provide relief equal to
8 full, unfettered market access for our crops. In addition, we have concerns with rising import
9 costs for key inputs due to tariffs, which will increase operating costs for farmers. We strongly
10 support additional relief if trade disputes persist causing economic harm to farmers. Such relief
11 should be equal to any near term or long-term damage caused. The recent and ongoing trade
12 disputes have led to higher costs of farm machinery and crop inputs; an over-supply of U.S.
13 commodity stocks; depressed commodity futures markets; depressed local cash markets through
14 basis and damage discounts; shifted export markets; reduced market share for U.S. crops in key
15 markets; and provided more access to those key markets for our foreign competitors. Much of
16 the damage caused by these disputes will take years to recover from.
17

18 **Environmental Policy**

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

20 The Ag Council believes that the EPA under recent administrations moved outside of
21 congressional authority by announcing its intentions to regulate certain aspects of air quality and
22 water quality through emission standards, the Clean Air Act, and the Clean Water Act. The Ag
23 Council strongly suggests that the U. S. Congress put further checks and balances on the EPA
24 that would provide needed oversight and limit of such attempts, especially in regulating
25 agricultural practices in the Mississippi River basin.
26

27 The Ag Council strongly opposes the EPA’s 2014 Final Rule defining Waters of the United
28 States (WOTUS). Their final rule dramatically expanded the regulatory reach from navigable
29 waters to any body of water with a nexus to navigable waters. This rule would have demanded
30 significant compliance cost for landowners, limitations on land improvements, and unnecessary
31 and costly litigation. Due to the wide expansion of regulated waters, this rule would have been
32 difficult to enforce, and default enforcement would have been left to the courts, which would be
33 costly and time consuming to agriculture. The Ag Council supports the new definitions provided
34 by the Trump Administration, which represents a vast improvement from the previous
35 administration’s rule as it places a greater focus on limiting regulations on farms by focusing on
36 navigable waterways.
37

38 We support the multi-state lawsuit against the EPA, and we support the recent efforts of the
39 Trump Administration’s EPA to vacate the rule and develop a new rule that provides necessary
40 exemptions to agriculture. The Ag Council remains frustrated by the manner in which the EPA
41 handled the entire rulemaking process under the Obama Administration, most notably how they
42 seemed to ignore concerns expressed by the U.S. Army Corps of Engineers and how they
43 attempted to influence public opinion on the rule during the public comment process.
44

45 The EPA has further issued rules covering state issued permits for applications of pesticides over
46 certain crops due to possible runoff. Ag Council believes that no further regulations are

1 necessary since each product's label has been reviewed and approved for proper application by
2 EPA.

3
4 The Ag Council would encourage Congress to consider mandating Congressional approval of
5 any new regulations determined to pose a significant economic risk to the agriculture industry in
6 the U.S.

7
8 The Ag Council supports the federal framework for regulating various pesticides under the
9 Federal Insecticide, Fungicide, and Rodenticide Act, and we oppose efforts to legislate pesticide
10 use or further hinder the EPA's processes for establishing rules and regulations based on a
11 foundation of science that takes into consideration economic, social and environmental impacts
12 as they establish registration and labels for sale, distribution and use of various crop protection
13 products.

14
15 The Ag Council is concerned with recent attempts by the EPA to set nutrient standards for
16 watersheds by setting pollutant discharge regulations for individual farms. The Ag Council
17 believes such policies are unwarranted because they are not currently scientifically proven to be
18 effective and are difficult to impose.

19
20 The Ag Council supports legislation to reduce compliance costs and mandates associated with
21 regulations on on-farm fuel storage.

22
23 The Ag Council supports expanding the Renewable Fuel Standard (RFS) and blending
24 requirements for fuel to at least year-round E-15 provided there is sufficient supply of ethanol
25 inputs and animal feed supply, and there are no mechanical issues with increasing the blending
26 levels. We oppose the granting of unwarranted "small refinery" exemptions to the RFS.

27
28 The Ag Council supports the development and use of safe technologies in crop genetics and
29 herbicides that will help farmers better control damaging weeds, insects, and other pests, while
30 maximizing yield potentials.

31
32 The Ag Council believes that USDA/EPA should maintain its commitment to U.S. farmers by
33 conducting timely, scientific reviews of technologies, and get them to farmers in a time efficient
34 manner. It's important for farmers to be able to utilize all safe and effective tools that may be
35 available to them in order to produce crops, increase yields, and remain sustainable.

36
37 *Biotechnology:*

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

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Chemical Use Policy:

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

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

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

The Ag Council questions the mechanism by which any biological species is determined to be threatened or endangered as it often appears to be opinion based rather than science based. The Ag Council strongly opposes the USFWS attempts to designate Critical Habitat Designations under the ESA without an adequate comprehensive economic impact analysis of establishing such designations. The economic review should determine the full economic impact on communities impacted by the designations. In addition, the USFWS should use science-based data (beyond the science sourced by those who file to seek such protections) to determine the condition of the habitat and threats to prospective species.

We support efforts to provide additional clarification for the Secretary to provide for exclusions of areas of critical habitat in an effort to provide focused and targeted relief to subject species without causing undue harm to economic activities unrelated to the species or the habitat in need of protection. Such exclusions should require public justifications and allow for full transparency in making related determinations.

The Ag Council supports efforts of the Trump Administration and Congress to reform the ESA to ensure the ability of working farmlands to continue their operations without disruptions unless absolutely warranted.

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

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

Pollinator Health:

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

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

5
6 *Double Breasted Cormorant:*
7 The Ag Council supports efforts to ensure landowners, particularly those with aquaculture
8 production systems have the ability to gain depredation permits for management of the nuisance
9 double breasted cormorant.

10
11 *Feral Hogs:*
12 The Ag Council believes state and federal governments should do more to eradicate feral hogs,
13 which are causing crop damage throughout the state. We also appreciate recent efforts by the
14 Arkansas General Assembly to help landowners, the Game and Fish Commission, and others to
15 better manage feral hog populations through capturing and termination. We support the ongoing
16 work of the Feral Hog Task Force as they seek to develop policies to help manage the population
17 or eradicate the population of feral hogs in Arkansas. We encourage the State of Arkansas to
18 utilize federal funds provided for the eradication of feral hogs on farmland in Arkansas where the
19 economic damages are greatest.

20
21 **Labor Policy**

22 *Right to work status:*
23 We urge our Congressional delegation to continue to support retention of Section 14(b) of the
24 Taft-Hartley Act.

25
26 *Migrant Labor:*
27 We support the H-2A program as it provides for much needed labor force in agriculture. We
28 support needed reforms to simplify the program, reduce burden on those utilizing the program, to
29 provide greater access to a migrant labor force, lengthen the terms of stay for migrant workers,
30 and to provide reasonable wages for employers.

31
32 *Department of Labor (OSHA):*
33 The Ag Council believes the Department of Labor must consider the farm labor shortages when
34 implementing any new rule related to child labor on farms. Farm families should be exempted
35 from any such child labor restrictions. The Ag Council recommends that current labor rules for
36 farms, which exempt family farms, should not be amended.

37
38 *Worker's Compensation:*
39 The Ag Council strongly supports and endorses the Agricultural Group Self Insurer Fund (AG
40 COMP SIF) worker's compensation program and recommends that all eligible farms and agri-
41 businesses in Arkansas join the Ag Council and participate in the program to comply with
42 employer liability statutes under section 11-9-401 of Arkansas Code. The program offers a
43 number of direct benefits to farms, agri-businesses, and agricultural employees. The fund should
44 continue to serve as a non-profit entity managed by members, and they should continue to
45 provide member surplus distributions pending the health status of the fund.

46

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

4
5 *Overtime Rules:*

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

9
10 The Ag Council supports new laws approved by the 91st General Assembly related to donning
11 and doffing that establish that an employer is not subject to liability on account of the failure of
12 the employer to pay an employee minimum wage or to pay an employee overtime compensation
13 for or on account of certain activities that are not principal to the employee's job.

14
15 *Worker Protection Standard:*

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

18
19 **Tax Policy**

20 *Social Security:*

21 We oppose further increases in Social Security taxes.

22
23 *Estate Taxes:*

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

29
30 *Opportunity Zones:*

31 The Ag Council supports the Opportunity Zone tax program provided by the Jobs and Tax Act of
32 2017, which provides incentives for capital deployment in businesses located in designated areas,
33 many of which are in rural areas of Arkansas. We encourage Ag Council members to closely
34 consider use of this program for existing and future businesses. We encourage an expansion of
35 this program to a wider area of rural Arkansas. We were pleased to see the State of Arkansas
36 approve legislation that allowed the State Tax Code to mirror the federal law, thus providing
37 additional incentives for such investments.

38
39 *Other Taxes:*

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

1 *Federal Tax Reform:*

2 The Ag Council generally supports all tax benefits provided to the agricultural industry under the
3 2017 Tax Cut and Jobs Act, and we encourage Congress to make these tax cuts permanent where
4 they were not made permanent under the Act.

5
6 We oppose any efforts of reforming federal tax laws in a manner that would increase the tax
7 liability of farming operations.

8
9 *Arkansas Tax Reform:*

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

16
17 We believe property taxes should not be increased to accommodate any decreases in income tax
18 rates or any other tax benefits offered by government.

19
20 We support reduced income tax rates for individuals and businesses provided they are not paid
21 for by an increase to taxes on agriculture.

22
23 We generally supported the recommendations of the Arkansas Legislative Task Force for Tax
24 Reform and Relief, and we were pleased with the various changes to the state's tax laws during
25 the 92nd General Assembly as they reduced tax burdens for individuals and corporations,
26 maintained critical sales and use tax policy for Arkansas agriculture, and avoided increased
27 property taxes for Arkansas farmland owners.

28
29 We support changes to the state tax laws to provide greater alignment and consistency with
30 federal tax law where such alignment would benefit farms and agricultural businesses.

31
32 We would support the following changes to state tax laws to benefit Arkansas farms and
33 agriculture businesses:

- 34
- 35 • Establish an elective pass-through entity tax to enhance federal deductibility of Arkansas
36 income taxes from federal taxes.
 - 37 • Extend net operating loss-carryover for income averaging purposes beyond 10 years
 - 38 • Increase depreciation deductions from \$25,000 to levels more in line with federal law,
39 which allows for up to \$1 million
 - 40 • Reduce or eliminate the state's ability to tax farm program and ad-hoc assistance
41 payments as income
 - 42 • Reduce or eliminate sales and use taxes on parts and labor for used equipment and
43 replacement parts.
- 44
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Bankruptcy Policy

The Ag Council supports statutory increases to debt levels to qualify for Chapter 12 bankruptcy. We were pleased to see these levels increased in 2019. Such increases are important to reflect the size and scale of U.S. agriculture and the costs associated with farming.

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 and encourages 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.

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

Licensing Requirements:

We generally support the continuation of various license programs and registration requirements for professional services offered to the agricultural industry. While we do not support unnecessary or overly burdensome regulations related to occupations, we believe in reasonable regulations, such as licensing, bonding, insurance and training, for businesses and occupations

1 containing inherent risks, including commercial and private applicators, grain dealers, and others
2 with general certification and licensing requirements.

3 **Energy Policy**

4 The Ag Council supports policy that assures adequate and reliable energy supplies necessary for
5 rural community viability as well as agricultural production, harvesting, processing and
6 transporting agricultural commodities. Use of renewable energy resources, alternate fuel sources,
7 recycling and conservation should be the basis of any energy policy. The Ag Council supports
8 public policy that continues to provide incentives for entities in the development of biofuel.
9

10 The Ag Council encourages research and development necessary to provide adequate electricity
11 for rural communities as well as production agriculture. The Ag Council encourages research
12 and development to promote increased production and utilization of ethanol, biodiesel and all
13 other alternative energy sources. The Ag Council supports tax credits as incentives to promote
14 research, development, production and utilization of all alternative energy sources. As the
15 alternative fuel infrastructure develops, the Ag Council encourages utilization of alternative fuels
16 by governments for State and Federal vehicles. The Ag Council also encourages the use of
17 biodiesel fuel in farm equipment.
18

19 The Ag Council supports policy related to net-metering by the Arkansas Public Service
20 Commission that offers economically attractive payment ratios for power generated and
21 delivered to the electric grid from agricultural areas utilizing renewable energy production
22 systems including solar, wind and bio-based power. Net metering rates should incentivize
23 renewable production from the agriculture sector and should provide long-term certainty for
24 investments made in the power generation and delivery systems.
25

26 We support legislation to further encourage investment in solar energy systems for agriculture,
27 rural communities and rural utility providers.
28

29 The Ag Council opposes the use of eminent domain in the development of utility transmission
30 lines and other energy systems, especially in instances that primarily benefit private parties rather
31 than the general public. Landowners should be compensated adequately for any land use for
32 such purposes, and such utility companies should utilize existing right a ways and infrastructure
33 when developing such lines. In addition, proposals to develop such infrastructure should be
34 subject to scrutiny and review from regulatory agencies, legislative bodies, and the general
35 public prior to approval. The Ag Council supports legislation introduced by members of the
36 Arkansas Congressional Delegation that would require state approval for energy transmission
37 lines that are being sought through eminent domain under section 1222 of the 2005 Energy
38 Policy Act.
39

40 We strongly opposed the Clean Line Energy's use of Section 1222 of the 2005 Energy Policy
41 Act, which effectively forced landowners to grant right of way for the high voltage direct current
42 transmission line between Oklahoma and Tennessee without sufficient compensation for
43 landowners or appropriate consideration of alternative route options. Lastly, the use of Section
44 1222 severely limits the state's ability to influence the project. We were pleased that this project
45 was ultimately abandoned by its investors.

1
2 The Ag Council supports the development and use of renewable fuels from agricultural sources.
3 Policies that support the development and use of such fuels provide an alternative market for
4 agricultural commodities and helps create stability in commodity markets. Any policies to create
5 a mandate for the development and use of such fuels should provide adequate “off-ramps”
6 should any unintended consequences arise in association with food supply or domestic security.
7

8 The Ag Council supports expanding the Renewable Fuel Standard (RFS) and blending
9 requirements for fuel to at least year-round E-15 provided there is sufficient supply of ethanol
10 inputs and animal feed supply, and there are no mechanical issues with increasing the blending
11 levels. We oppose the granting of unwarranted “small refinery” exemptions to the RFS
12

13 The Ag Council believes to the maximum extent possible that government regulators and fuel
14 providers should work to ensure that the Arkansas agriculture industry has safe access to
15 adequate and affordable fuel supplies.
16

17 *“Cap & Trade” Systems:* The Ag Council believes that the U.S. should not establish Cap and
18 Trade policies until all developed and developing nations reach a full and fair agreement on how
19 to reduce emissions of greenhouse gases. China and India, the two largest cotton and textile
20 producing countries, are competitors with United States cotton in the international market. Both
21 countries are significantly increasing greenhouse gas emissions and both have thus far refused to
22 sign on to any agreement to curtail their emissions.
23

24 However, we do support the establishment and participation in voluntary carbon and greenhouse
25 gas (GHG) markets where credits are established to benefit agriculture with potential payments
26 for farms that voluntarily implement farming practices that reduce GHG emissions. We also
27 generally support the development of Ecosystems Services Markets (ESMs) either through
28 public policy or the private market provided they are free of excessive government mandates and
29 offer sufficient incentives for landowners for the conservation activity.
30

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

42 In the event of such legislative action, the Ag Council believes USDA should develop and
43 administer agriculture offsets in a Cap and Trade program. The development of these offsets is a
44 means to mitigate, to some degree, the impact of significantly higher energy and input costs to
45 production agriculture and agribusiness; all production, marketing and processing will be
46 adversely affected in varying degrees. The Ag Council remains concerned that additional

1 production costs resulting from implementation of provisions of any Cap and Trade program will
2 place United States' agriculture and agriculture products at a clear disadvantage in international
3 markets.

4
5 We support the development of new (private sector, voluntary) markets for greenhouse gases and
6 water, and other ecosystems services, that carry the potential to directly benefit landowners and
7 producers with compensation for implementing systems or techniques that provide energy
8 efficiencies, irrigation efficiencies, or otherwise reduce levels of GHG emissions.

9
10 **Transportation Policy**

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

17
18 The Ag Council supports interaction with Arkansas Dept. of Transportation (ARDOT) to
19 improve the ability to move farm commodities and farm equipment on Arkansas' roads and
20 highways more effectively and efficiently, and the Ag Council supports the concept of securing
21 low-cost permits and tags for such movements. We encourage the ARDOT and General
22 Assembly to provide more reasonable policies on the enforcement of size and weight restrictions
23 for grains and other agricultural commodities, especially during harvest season and upon leaving
24 the field en route to first location of processing or handling. We believe such weight exemption
25 should apply to cotton seed from its first point of severance (cotton gin) to its first place of
26 processing thereafter – especially in-state oil mills.

27
28 The Ag Council would point out that construction of interstate highways should consider present
29 land use and provide proper access to land, and we support fair compensation for landowners
30 when use and access is restricted.

31
32 The Ag Council remains concerned with dock strikes and other transportation union strikes
33 which can pose serious threats to exports and domestic marketing of farm commodities. With
34 due regard to the position of both labor and domestic marketing of farm commodities, we believe
35 it is in the national interest and essential to the well-being of agriculture in America, that
36 government action be taken to prevent prolonged work stoppages in our nation's transportation
37 system.

38
39 The Ag Council favors export shipment of agricultural products by the least costly method. The
40 Ag Council also supports size and weight exemptions for truck carrying agricultural
41 commodities and products, including cotton seed. The Ag Council supports the development of
42 a voluntary statewide system of pre-inspections for safety compliance that would reduce the risk
43 of targeted pull-overs of agricultural trucks transporting grain and other agricultural products,
44 especially during harvest season.

1 The Ag Council supports provisions approved by the 91st and 92nd General Assembly and signed
2 into law by Governor Hutchinson that would allow the ARDOT to provide waivers to certain
3 truckloads carrying agricultural products (commodities and equipment) issue one year, special
4 transportation permits to allow for trucks with 5 axles to carry up to 100,000 pounds of gross
5 weight. We encourage ARDOT to make this exemption permanent and applicable to all
6 agricultural commodities including cotton seed, and make associated fees nominal in cost.

7
8 The Ag Council supports reforms to the Surface Transportation Board (STB) that would provide
9 more shippers rights for the transportation of agricultural commodities and products while
10 maintaining a healthy railroad industry.

11
12 The Ag Council supports the development and use of Unmanned Aerial Vehicle (UAV) systems
13 for precision agriculture practices. Regulations for use must work for farmers and landowners.
14 Such regulations should not increase cost of use or limit the ability to use on private property.
15 The Federal Aviation Administration (FAA) should provide rules that will permit agriculture to
16 take advantage of the many benefits promised through UAVs.

17
18 The Ag Council requests that the Corps of Engineers manage, maintain, and improve waterways
19 in a manner that will ensure the full use of navigable waterways at all times. The Ag Council
20 also supports funding for inland ports and waterways. The Ag Council supports a 12'
21 navigational channel in the Arkansas River Navigation System (MKARNS).

22
23 The Ag Council also supports the continued expansion of our national and state highway system
24 including I-40, I-69, I-555, and I-55.

25
26 The Ag Council supports the 2020 ballot initiative approved by the 92nd General Assembly to
27 provide for a permanent continuation of the ½ cent sales tax that is dedicated to transportation
28 infrastructure in Arkansas. These funds are critical to maintaining and improving farm to market
29 roads, including federal highways, state highways, county roads, and municipal roadways. We
30 believe this initiative should be approved by Arkansas.

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

37 38 **Water and Water Infrastructure Policy**

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

44
45 The Ag Council believes Congress and the Administration should develop a new infrastructure
46 plan that provides adequate funding for agricultural irrigation projects of national significance

1 and domestic security to help finance the construction and completion of irrigation distribution
2 systems that utilize conjunctive water management to deliver surface water during periods of
3 excess flows to agricultural areas producing food crops critical to our nation's security
4 domestically and internationally. Projects eligible to qualify for funding should be in the
5 construction phase and ready to build. Projects with public private partnerships and state and
6 federal government cost sharing should be given great consideration. Priority should be placed
7 on projects located in areas identified as having groundwater shortages by state government
8 entities or the federal government.

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

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

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

26
27 The Ag Council supports the ongoing work of the Governor's Levee Task Force, which was
28 established following the 2019 floods to assess the status of levees and flood control
29 infrastructure and their related management structures to determine how to ensure that the
30 infrastructure is sufficiently managed and funded. We also support the Governor's deployment
31 of \$10 million of rainy-day funds to provide funding to rebuild damaged flood control
32 infrastructure, and we support making this program permanent to provide state support for flood
33 control infrastructure. We will continue to monitor the work of the Task Force and seek solutions
34 that work for landowners and farmers.

35
36 The Ag Council opposes proposals to enhance the Inland Waterways Trust Fund through
37 increased lockage fees.

38
39 The Ag Council supports completion of the work proposed by the Corps of Engineers to improve
40 the Mississippi River levees, from Cape Girardeau, Missouri, to the Gulf of Mexico, so as to
41 fully protect the citizenry and property in the states of the lower Mississippi Valley.

42
43 The Ag Council also supports legislation to preserve wildlife habitat by authorizing the Secretary
44 of the Army, acting through the Chief of Engineers, to acquire easement in lieu of fee for lands
45 designated for acquisition in mitigation of losses or damage to fish and wildlife resulting from
46 Federal improvement.

1
2 The Ag Council recognizes that beavers have become a major impediment to drainage of both
3 farm and timber lands in Arkansas. The Ag Council pledges its cooperation with federal, state
4 and local agencies in searching for a solution to this problem.
5

6 The Ag Council supports the efforts of the US Geological Survey to map ground water reservoirs
7 throughout the alluvial aquifer basin for purposes of learning more about the position of
8 groundwater throughout the aquifer.
9

10 The Ag Council understands that Congressionally directed spending in the form of “earmarks”
11 may be necessary to quickly direct federal funds to water infrastructure projects critical to
12 Arkansas and the agriculture industry, and we support the use of earmarks for such purposes. We
13 believe that flood control, navigation, and irrigation infrastructure in Arkansas is an investment
14 in national infrastructure and for economic growth.
15

16 *Drainage - Section 404:* The Ag Council believes in a healthy environment, and we are
17 committed to good drainage as we, know it to be essential to the productivity of the alluvial areas
18 of the country. The Ag Council is convinced that a reasonable balance can be achieved for the
19 good of the country between these two objectives if EPA and Corps of Engineers will
20 promulgate sensible regulations and administer them in a wise manner. The Ag Council opposes
21 the unfair increases in fees for obtaining a Section 404 permit which were proposed at one time
22 by the Corps of Engineers.
23

24 The Ag Council recommends restricting Section 404 jurisdiction to the historical definition of
25 "navigable waters." We also think Congress should adopt a reasonable definition of "wetlands."
26 We further recommend that any new legislation make it clear that the Corps of Engineers has
27 final authority to issue permits under Section 404. The Ag Council believes decisions on 404
28 permits should be rendered within six months.
29

30 *Farmed Wetlands:* We believe that any farmland that was in cultivation prior to 1985 should be
31 considered prior converted cropland regardless of how long water may stand on it during the
32 growing season.
33

34 **Food Safety Policy**

35 The Ag Council supports the development and enforcement of regulations by USDA/FDA to
36 ensure the safety of all food and sources of food for the nation, whether produced domestically
37 or internationally. The Ag Council believes inspection of imported agricultural products is
38 lacking and should be enhanced.
39

40 The Ag Council supports federal funding for USDA inspections of imported catfish from
41 overseas. This program was first authorized in the 2008 Farm Bill and reauthorized in the 2014
42 Farm Bill, finally went into full effect in early 2016 and has proven to be effective as many
43 shipments have already been rejected by USDA inspectors. We oppose any and all proposals
44 that would place catfish inspections in the FDA instead of the USDA.
45

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

5
6 The federal government should establish an indemnity program for errors made by regulatory
7 agencies in food contamination recall cases.

8
9 The Ag Council supports recent grants under the Coronavirus Aid, Relief and Economic Security
10 (CARES) Act from the Arkansas Department of Agriculture to support local meat processing to
11 ensure a stable food supply and greater access to locally grown meat. We also support expansion
12 of this program, and the establishment of a state-wide meat inspection program to support the
13 growth of local meat processors.

14
15 The Ag Council is concerned with the use of food labels that are misleading to consumers,
16 particularly as it relates to “rice pretenders,” those who market products with little or no rice as
17 something that contains rice. We encourage the FDA to address this concern to ensure that no
18 food products can be described as rice without containing the grain or components derived from
19 the grain. We support the truth in labeling laws approved by the 92nd General Assembly (Act 741
20 and Act 501) to establish state standards for food labeling and penalties for false and misleading
21 labels as it relates to rice, and to allow the Plant Board to penalize related violations.

22 **Commodity Market Oversight Policy**

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

31 **Commodity Policies**

32 It is the Ag Council’s position to work with the various national and state commodity-based
33 organizations to promote agriculture and advocate for policies where the Ag Council and the
34 commodity organizations are in agreement.

35
36
37 *Rice:* Rice has long been the world's number one food grain. It has become Arkansas' largest
38 program crop. It is vital to the state's economy and to Ag Council members. In order to fulfill
39 America's desire to help feed the world's needy people we recommend full use of all government
40 programs to maximize the exportation of rice.

41
42 We support the USA Rice Federation’s efforts to use all the money from the Columbian Free
43 Trade Agreement Tariff Rate Quotas (TRQ) for research.

44
45 We support the development of the new Northeast Arkansas Rice Research Station as it looks to
46 play an important role in supporting the Arkansas rice industry. We recognize the need for the

1 University of Arkansas System’s Division of Agriculture to raise matching funds to meet its
2 commitment to endow the new station and its operations, and we therefore support the
3 exploration of various opportunities to source funds for this purpose.
4

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

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

19 *Cotton:* The Ag Council encourages cotton commodity brokers to be bonded. The Ag Council
20 supports the seed cotton Price Loss Coverage (PLC) Program. The Ag Council supports
21 continuing to comply with the U.S. – Brazil agreement for the WTO case against the U.S. We
22 encourage further incentives from USDA and Cotton Incorporated to develop woven and non-
23 woven markets in the U.S. through investments in innovation and consumer demand. We also
24 encourage Cotton Incorporated to continue to contrast natural fibers with synthetic fibers to
25 identify environmental advantages associated with cotton. We encourage Ag Council members
26 to enroll in the U.S. Cotton Trust Protocol.
27

28 *Peanuts:* The Ag Council supports the continued growth of the peanut industry in Arkansas,
29 especially the newly developed Delta Peanut LLC company, which is composed of many Ag
30 Council of Arkansas members. We will support the policy needs of this industry as it continues
31 to develop and grow in Arkansas, including the exploration of a research and promotion board.
32

33 **Fertilizer Costs**

34 The Ag Council supports efforts to conduct a feasibility study on the viability of developing and
35 operating fertilizer production facilities in Arkansas for the purposes of increasing competition
36 among producers and providing farmers with lower cost options for fertilizers. The Ag Council
37 supports the reduction or elimination of duties on imported fertilizer products in order to keep
38 such costs to a minimum.
39

40 **Property Rights Policy**

41 *Trespass:*

42 The Ag Council supports private property rights and encourage the strict enforcement of trespass
43 laws. Additionally, we support newly approved laws from the 91st General Assembly that would
44 assign felony crimes to individuals previously convicted two times for criminal trespass provided
45 proof of intent to steal can be determined on the act of trespass.
46

1 We support laws approved in the 91st General Assembly that would strengthen employers’
2 defenses against common forms of corporate espionage and employee sabotage by prohibiting
3 any person from placing a camera or electronic surveillance device on the employer’s premises
4 without permission. The law also prohibits employees from capturing or removing the
5 employer’s data, papers or records, or from recording sounds or images. We believe the
6 Arkansas Attorney General should defend this law vigorously when under challenge by non-
7 agricultural interest groups.

8
9 *Eminent Domain:*

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

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

18
19 If any governmental entity takes, appropriates, seizes, restricts, or modifies the use of private
20 property, the owner should be adequately compensated for any present or future loss.

21
22 *Landlord:*

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

25
26 **Welfare Policy**

27 *Unemployment Compensation:*

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

33
34 The Ag Council supports new reforms to welfare programs, including nutrition programs, in
35 order to limit the eligibility and use of these programs and encourage participants to seek and
36 accept employment opportunities.

37
38 **Anti-Trust Policy**

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

42
43 In addition, we are concerned with the market power among grain merchants. Recent activities
44 during the 2018 harvest period related to basis and adjustments to soybean damage discount
45 schedules and moisture discounts negatively impacted farmers. We support the Grain Grading
46 Act of 2019, which established greater adherence to grading standards and better ways for sellers

1 to challenge the grade findings and discounts of buyers. These activities should be closely
2 reviewed by appropriate state and federal government entities to determine if there should be
3 reforms to state or federal laws and regulations to better protect farmers.

4
5 The Ag Council is concerned about recent consolidation among grain merchants in the
6 Mississippi River corridor, and we urge appropriate federal oversight of such deals to review any
7 risks associated with foreign ownership or concentration of market power.

8
9 The Ag Council believes it is crucial that producers not be placed at the mercy of one or two
10 dominant companies for various input products and post-harvest services. Such consolidation can
11 lead to fewer seed and crop protection choices, higher input prices, reduced customer care, lower
12 farm income and generally a lack of innovation and competition.

13
14 Due to the economic challenges facing row crop farmers (ever increasing input cost, historically
15 low commodity prices, and shrinking farm income), we encourage seed and crop protection
16 companies to consider reducing the costs of their products.

17
18 We encourage the federal government to increase investments in land grant university research
19 for agriculture seed and crop protection technologies in order to stimulate innovation in this area,
20 encourage competition in science, and to develop and maintain more affordable alternative
21 options for producers to counter the expected issues related to mega merger consolidation of seed
22 and crop protection companies.

23
24 The Ag Council recommends that the Arkansas Attorney General and the U.S. DOJ continue to
25 remain vigilant in identifying and prosecuting violations of anti-trust laws, especially as they
26 relate to agriculture suppliers, grain merchants, agricultural service and equipment providers.

27 28 **Education Policy**

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

33
34 The Ag Council supports Future Farmers of America (FFA), 4-H, and other agriculture
35 education programs for children and young adults. The Ag Council would like to work with
36 these organizations to educate these students and future agriculture leaders on the importance of
37 organizations like the Ag Council. It is the intent of the Ag Council to establish and fund a non-
38 profit charitable organization known as the Ag Council Trust for the purpose of donating to
39 research and education efforts that benefit agriculture and residents in the communities in which
40 we live.

41 42 **Science Policy**

43 *Biotechnology:*

44 Recognizing that biotechnology may contribute useful technology to agriculture which could
45 enhance both quality and competitiveness of farm products, the Ag Council encourages

1 continued development in this field. Such research and development is necessary to meet global
2 food demands of the future.

3
4 The Ag Council urges USDA and other appropriate governmental agencies to expedite the
5 testing and release of recombinant plants containing the useful genes which have the potential to
6 render crop production more efficient.

7
8 The Ag Council encourages research to develop traits beneficial to consumers which will open
9 new uses and new markets for commodities.

10
11 The Ag Council encourages the development and deployment of new technologies in the area of
12 artificial intelligence, robotics, internet of things (IoT), data processing and analytics, and other
13 emerging technologies that can advance agriculture, improve efficiency in agriculture, and make
14 farming more profitable.

15
16 **Immigration Policy**

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

20
21 We oppose any legislation to further limit the number of migrant workers in agriculture or any
22 legislation that makes it more difficult to hire such labor, including cumbersome paperwork and
23 costly identification systems.

1
2 **TITLE IV – Policy Statements on State Issues**
3
4

5 **STATE GOVERNMENT**
6

7 **Arkansas Department of Agriculture**

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

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

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

26 Generally speaking, we support efforts of the Agriculture Department to seek efficiencies in use
27 of tax dollars by eliminating duplicative or outdated expenses and making reinvestments in
28 matters of critical importance today. However, we express concern about too much agency
29 reform without proper review and input from agriculture groups like the Ag Council. We
30 encourage the Governor and Secretary of Agriculture to work closely with us and other
31 agricultural organizations in the state as they continue to enhance the agency and its contribution
32 to the state’s top industry. Such work should initiate well in advance of future legislative sessions
33 in order to fully vet any proposal to improve efficiencies. We appreciate being able to provide
34 input and guidance in the development of the Government Transformation Act approved in 2019.
35

36 We believe any efficiency measures, legislative or administrative, should not impact the makeup
37 and constructs of the Plant Board or its authorities in establishing rules and regulations.
38

39 We were pleased that the Government Transformation Act approved by the 92nd General
40 Assembly strengthened the Arkansas Department of Agriculture while maintaining the structure
41 and functions of the State Plant Board. We were also pleased to see the Department of
42 Agriculture absorb the Arkansas Natural Resources Commission and the unpaved roads program.
43 We believe the Department of Agriculture and its related agencies will be able to better serve the
44 interests of Arkansas agriculture and rural communities by working together through the
45 Department of Agriculture.
46

1 With regard to the State Plant Board, we believe that revenues collected from the plant industry
2 should be reserved for the State Plant Board activities and not redirected to the Agriculture
3 Department or other places in state government. We support the staff of the Plant Industry
4 Division of the Arkansas Department of Agriculture and believe salaries at the agency should be
5 at a level that can attract and retain highly qualified and motivated staff. We also believe the
6 agency should invest in modern technologies, equipment, and resources that can improve
7 efficiency, reduce workload, conduct enforcement and help the agency better serve the industry.
8 We believe the position of Assistant Director should be maintained and filled upon vacancies as
9 it's a critical position for the plant industry and the agency.

10
11 We were disappointed that the cotton oil mill representation was stricken from the Plant Act as
12 the position reserved for fertilizer and oil mills was amended to only provide a position from the
13 fertilizer industry. We encourage the legislature to reconsider this change in the future as plant-
14 based oil mills are regulated by the Plant Board. We also urge the General Assembly to maintain
15 or consider increasing farmer representation on the Plant Board. We support the addition of two
16 new row crop farmer seats to the Plant Board to represent producer interest organizations,
17 including the Ag Council.

18
19 We believe that the Plant Board should consider amending its by-laws to ensure that the
20 pesticide committee includes a majority of row crop farmer representation and the decisions of
21 the pesticide committee are not easily over-ruled by the full board without opportunities for
22 reconsideration by the pesticide committee.

23 24 **Arkansas State Plant Board**

25 *Role in Chemical Permit Requests:*

26 The Ag Council believes the Arkansas State Plant Board (ASPB) should work closely with the
27 Ag Council in seeking permits for products to be used in Arkansas. The Ag Council would like
28 the ASPB to review and approve beneficial new seed and crop protection products at the earliest
29 moment possible provided there is science-based data supporting the need for such a product.
30 Products that will assist farmers in mitigating damages from threatening pests from bugs to
31 weeds should take a high priority. The ASPB should take considerable steps to penalize and
32 discourage the misapplication of agricultural crop protection tools that may cause harm to off-
33 target crops. The ASPB should also take considerable steps to educate and train inspectors and
34 users of proper use of such crop protection tools.

35
36 The Ag Council strongly supports the State Plant Board and the role it plays in regulating the
37 agriculture industry. We believe that the volunteer system of self-regulation by industry is
38 superior to allowing such decision-making authority to government bureaucrats. We believe it's
39 also critical that industry groups maintain their ability to appoint people from their organizations
40 to serve as it allows for accountability among industry stakeholders and offers opportunities for
41 industries to select individuals they feel are best suited to serve in such a critical role of
42 representing their segment of industry. We support changing the nomination and appointment
43 process for Plant Board seats so they are all consistent with the processes related to the Research
44 and Promotion Boards where the industry organizations would recommend nominees to serve
45 and Governor would appoint.

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

3
4 *Penalty Matrix:*

5 The Ag Council supports the new laws (Act 778 of the 91st General Assembly and Act 423 of the
6 92nd General Assembly) that establishes a new provision in the Plant Board’s penalty matrix to
7 increase the maximum fine for egregious violations of crop protection tools within the penalty
8 matrix from \$1,000 and *up to* \$25,000 for illegal and egregious applications of dicamba and
9 other auxin herbicides. We believe such a fine structure is necessary to provide a significant and
10 workable deterrent for illegal, and potentially harmful use of these crop protection tools.

11
12 The Plant Board should use caution in assessing the new maximum penalties by only applying
13 the full civil penalty fines in cases where off target crop damage was likely caused and where the
14 application was made unlawfully in a knowing and willing manner that exhibited complete
15 disregard for the laws regulating use. We support legislation to further modify the civil penalty
16 structure for egregious violations in order to ensure that the authority is appropriately applied to
17 cases based on the degree of severity of the alleged violations.

18
19 *New seed and crop protection technologies:*

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

27
28 *Seed pre-emption clarification:*

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

34
35 *Industrial Hemp:*

36 The Ag Council supports law changes in the 91st General Assembly and 92nd General Assembly
37 that allow for the Plant Board to establish rules, regulations and processes that would lead to
38 further research in partnership with the University of Arkansas Division of Agriculture into
39 industrial hemp to determine how to best develop and grow an industrial hemp industry in
40 Arkansas to benefit farmers, the agriculture industry and the economy of the state.

41
42 The Ag Council supports new regulations made by the Plant Board to implement a research
43 program to further study the potential of commercial hemp in Arkansas. Since Congress has
44 removed hemp from the controlled substance act, we support the state expansion of the
45 commercialization of industrial hemp. We also encourage state and federal regulators to provide
46 more flexibility on THC levels in hemp prior to processing into consumer products.

1
2 **Check-off/Commodity Support Programs**

3 The Ag Council continues to support mandatory check-offs for cotton, soybeans, rice, wheat, and
4 corn and grain sorghum in Arkansas. The Ag Council believes the state should explore the
5 possibility of developing a new check-off program for peanuts to support research and promotion
6 of this industry, which continues to expand and grow in Arkansas. The Ag Council strongly
7 supports continuing its statutory authority to nominate members to the promotion boards. In
8 addition, the Ag Council believes the promotion boards should continue to represent grower
9 interests by requiring all board members be farmers.

10
11 The Ag Council supports the programs of Cotton Incorporated, the National Cotton Council,
12 Arkansas Soybean Association, the Arkansas Soybean Promotion Board, the United Soybean
13 Board, the Arkansas Rice Research Board, the Arkansas Rice Federation and Arkansas Rice
14 Farmers, the Arkansas Wheat Promotion Board, the Arkansas Wheat Growers Association, the
15 Arkansas Corn and Grain Sorghum Board, the United Sorghum Check-off Program, and the Soil
16 Test Review Board. The Ag Council opposes a policy of allowing an individual to
17 simultaneously serve on the USB and on the American Soybean Association Board.

18
19 The Ag Council strongly supports the various research and promotion check-off programs in
20 Arkansas, and we encourage the members of these boards to ensure that the share of the check-
21 off dollars intended for the state are wisely invested in the state, particularly with in-state
22 University researchers for purposes of benefiting Arkansas farmers through research
23 investments. We oppose any efforts to siphon our state's shares to a national program that would
24 likely not prioritize or spend dollars in a way that benefits producers in Arkansas. We believe
25 that USDA Agricultural Marketing Service (AMS) should ensure that funds intended for states
26 are retained in the states in which they are collected and utilized in a manner that benefits
27 producers in those states.

28
29 The Ag Council urges Cotton Incorporated, with the assistance of land grant colleges, USDA,
30 and other public scientists, to continue developing a national cotton breeding program with the
31 following objectives: Develop new cotton varieties with 1) higher, more stable yields to enable
32 cotton producers to earn a profit growing cotton, and 2) improved, more uniform fiber properties
33 to enable cotton spinners to utilize new spinning technologies for more effective competition
34 with imports. We encourage Cotton Incorporated to invest more resources into innovative
35 research and entrepreneurship that supports in the development of new woven and non-woven
36 products that could stimulate demand for cotton.

37
38 The Ag Council strongly supports the current nomination and appointment process for all state
39 related boards and commissions that relate to agriculture. The current structure allows for
40 industry organizations to identify and nominate individuals to serve on behalf of the industry.
41 This process is important as it allows for a peer review process and the selection of qualified
42 business leaders to serve in important roles of government that directly impact agriculture
43 businesses. In addition, this process helps keep the organization informed of the work done by
44 the various boards and commissions as typically those appointees serve in leadership roles for
45 the industry organization and report at the organization meetings. Any efforts to repeal this

1 nomination process could carry a negative impact on the regulated industries for a variety of
2 reasons due to the lack of peer selection and peer accountability.

3 4 **Taxes**

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

13
14 The Ag Council supports the tax cuts provided in recent legislative sessions of the Arkansas
15 General Assembly that reduced taxes for bale wrap supplies, replacement parts for equipment,
16 and sales and use taxes for energy used in aquaculture, grain drying, rice milling, soybean oil
17 milling, and cotton ginning. We also support recent tax cuts for incomes of individuals and
18 corporations. The Ag Council supports additional state tax incentives for making land
19 improvements for better irrigation water management and to implement more efficient
20 technologies and best management practices for water utilization and energy use. We believe the
21 Arkansas Water Development and Conservation Law should: 1) provide more value per tax
22 credit issued; 2) allow for the credits to be carried forward for more years; and 3) should allow
23 such credits earned to be transferred to other taxpayers. We were pleased that the legislature
24 approved a change to the law in the 92nd General Assembly, which allowed for these credits to be
25 transferrable.

26
27 The Ag Council supports tax cuts approved by the 91st General Assembly that over time would
28 create a sales tax exemption for manufacturers, including gins and grain processors on their
29 repair and replacement parts by phasing out the entire sales tax by 1 percent a year until
30 complete by June 30, 2022.

31
32 The Ag Council supports the new Act approved by the 90th General Assembly that clarified the
33 exemption of migrant labor, which permits farms to not pay taxes for unemployment insurance
34 because migrant labor would not utilize benefits if they did not have employment.

35
36 We would support the following changes to state tax laws to benefit Arkansas farms and
37 agriculture businesses:

- 38
- 39 • Establish an elective pass-through entity tax to enhance federal deductibility of Arkansas
40 income taxes from federal taxes.
 - 41 • Extend net operating loss-carryover for income averaging purposes beyond 10 years
 - 42 • Increase depreciation deductions from \$25,000 to levels more in line with federal law,
43 which allows for up to \$1 million
 - 44 • Reduce or eliminate the state's ability to tax farm program and ad-hoc assistance
45 payments as income

- Reduce or eliminate sales and use taxes on parts and labor for used equipment and replacement parts.

Boll Weevil Eradication Board

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

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

The Ag Council is pleased with the leadership of the Boll Weevil Foundation Board as they successfully repaid ahead of schedule all debt owed to the USDA Farm Service Agency (FSA) as it relates to the boll weevil eradication effort in Arkansas. We are also pleased that the Foundation Board has significantly lowered per acre assessments while still maintaining a viable program.

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

University of Arkansas Division of Agriculture

Maximum development of the agricultural potential in any state is dependent on a strong Land Grant institution. A successful College of Agriculture must maintain the interest and support of farmers. The Ag Council will continue to improve communications with the University in order to sharpen farmer interest in research, extension and teaching activities. The Ag Council pledges its full support toward making Arkansas' Land Grant College the best possible. To this end, we support increasing annual funding to the University Division of Agriculture, which has not seen any increase in annual state funding in nearly a decade aside from the one-time \$3 million contributions of surplus funds from Governor Hutchinson and Arkansas Attorney General Leslie Rutledge in recent years. We appreciate funding increases provided by the 92nd General Assembly but we suggest this funding increase be increased further and made permanent to continue to serve the needs of the Arkansas agriculture industry and rural communities of Arkansas.

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

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

1 *Extension Services:*

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

4
5 The Ag Council urges the Experiment station and the Cooperative Extension Service to continue
6 addressing real-life, on farm problems, such as herbicide resistant weeds. It is imperative these
7 problems be given top priority.

8
9 In addition, the Ag Council would like for the Division of Agriculture to continue to seek and
10 retain highly qualified staff.

11
12 *Research:*

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

20
21 **Tourism**

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

24
25 The Ag Council supports recently passed liability protection for farms providing the public with
26 agri-tourism opportunities. This law may need to be amended to provide additional protections.

27
28 The Ag Council supports efforts to generate tourism opportunities in Eastern Arkansas and
29 interest in agriculture history and rural arts.

30
31 **State Water Plan & Arkansas Natural Resources Commission**

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

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

44
45 The Ag Council believes the Governor and General Assembly should work to ensure that the
46 implementation of the State Water Plan does not negatively impact Arkansas farms.

1
2 We stand ready to assist the Commission, the Arkansas Department of Agriculture, the
3 Governor, and the General Assembly in quickly advancing legislation that will address these key
4 recommendations, which are cited below with comments from our organization:
5

6 **1) Tax Incentives and Credits for Integrated Irrigation Water Conservation (Section**
7 **2402.2)** The Ag Council of Arkansas agrees that the legislature should enhance incentives for
8 landowners to make land improvements and adopt certain conservation practices that concern
9 water. We believe the Water Resources Development and Conservation Act (**ACA §26-51-1001**
10 **et seq.**) needs to be enhanced by a) increasing allowable tax credits; b) extending the time in
11 which the credits can be claimed; c) expanding the program to include new technologies that can
12 contribute to water savings; d) extending the timeframe for filing the certificate of completion for
13 projects; and e) making tax credits transferable. These enhancements will assist landowners in
14 water conservation efforts.
15

16 **2) Excess Water for Non-Riparian Withdrawal and Use (Section 2402.5-B)** The Ag Council
17 of Arkansas agrees that the water available for non-riparian use should be increased. We suggest
18 that in doing so, the level be raised from 25 percent of excess flow to 75 percent of excess flow.
19 Making more surface water available in times of excess flow will minimize agriculture’s
20 dependence on groundwater sources and ensure that we better utilize water during periods of
21 heavy streamflow rather than experiencing floods or allowing the water to simply leave the
22 state’s boundaries.
23

24 **3) Funding Water Resources Development Projects (Section 2402.3)** The Ag Council of
25 Arkansas agrees that the state should increase the amount of funding for infrastructure related to
26 water systems. We support the recommendation that calls for an increase the bond authority for
27 the state from \$300 million to \$600 million for water projects. Increasing this borrowing
28 authority will assist the state in developing much needed water systems for wastewater and for
29 key regional irrigation systems for agriculture that will deliver water to critical groundwater
30 areas.
31

32 With regard to the recommendation regarding nutrient management plans under **Improving**
33 **Water Quality Through Nonpoint Source Management (Section 2402.8 D)**, we would like to
34 once again express our concern and opposition to this provision of the Water Plan. The provision
35 was the result of a recommendation submitted by a single commissioner at one of the later
36 Commission meetings. It would “*encourage the General Assembly to require nutrient*
37 *management plans for the application of poultry litter and animal manure throughout the state.*”
38 We oppose this for several reasons, beginning with the manner in which it was introduced and
39 ultimately included in the Water Plan. The subject of expanding nutrient management plans for
40 poultry litter was not discussed at any of the public meetings where policy was developed, and it
41 was not sufficiently vetted by stakeholders. In addition, there was no substantive scientific
42 evidence presented to suggest a need for such a requirement. We also have concerns about this
43 provision because, if implemented, it would create a new paperwork burden for both the farmer
44 or landowner and government agencies. We currently oppose this recommendation, and we
45 would likely work to oppose any legislative effort to implement this provision.
46

1 We support the continuation of state grants from the ANRC for levees and other flood control
2 infrastructure. We also encourage the agency to enhance the recordkeeping and efficiency of tax
3 credit programs to ensure compliance with applicable law and rules, and to assist the industry in
4 telling the story of conservation activities taking place under these programs. We also urge the
5 agency and Department of Agriculture to focus on promoting the tax credit programs to
6 Arkansas farmers to provide greater participation for riparian repair and water conservation and
7 development.

8 9 **Education**

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

16 17 **H2O Initiative**

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

29 30 **Grain Grading Regulations**

31 The Ag Council of Arkansas was concerned with the impact of grain damage discounts applied
32 to the 2018 crops and the inconsistencies in grain grading experienced by farmers marketing
33 their crops. We generally support the Arkansas Grain Grading Act (Act 795) approved by the
34 92nd General Assembly as it is designed to provide more consistent grain grading by buyers
35 through adherence to federal grading standards and provides a mechanism for farmers to
36 challenge grades where significant discounts for damage are applied.

37 38 **Grain Marketing Regulations**

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

44
45 The Ag Council supports Act 601, which is known as the Grain Dealer Act. It's our belief that
46 the Plant Board and its staff has worked diligently in an honest effort to develop rules in

1 accordance with the new act. It's clear that the Plant Board is committed to protecting farmers
2 and minimizing the risk of a future grain dealer catastrophe like the one experienced through the
3 failure of Turner Grain in 2014. The following components of Act 601 are important in
4 protecting farmers from falling victim to a similar business failure in the future:

- 5 1. Requirement that grain dealer businesses to be registered and licensed with the State Plant
6 Board;
- 7 2. Requirement that grain dealers to prove a minimal level of creditworthiness;
- 8 3. Requirement that grain dealers to file annual reports to the State Plant Board (better record
9 keeping);
- 10 4. Granting the Plant Board authority to conduct periodic examinations and audits;
- 11 5. Granting the Plant Board authority to revoke licenses, suspend operations, and take
12 receivership;
- 13 6. Setting new penalties for grain dealers who operate out of compliance with the law;
- 14 7. Requirement that the State Plant Board publish on their website a list of all licensed grain
15 dealers in the state; and
- 16 8. Establishment of a hot-line for sellers to report late payments from grain dealers

17 18 **Smoke Management Guidelines**

19 The Ag Council of Arkansas continues to support the voluntary smoke management guidelines
20 established in cooperation with agricultural organizations and the Arkansas Department of
21 Agriculture. We encourage our members to participate in this voluntary, no-cost program in an
22 effort to enhance on farm sustainability and mitigate undesired outcomes from crop residue
23 burning. Such participation should be recognized as a best management practice and a method
24 for maintaining ability to maintain this important management tool.

25 26 **Farm Machinery and Equipment Quality Assurance Act**

27 The Ag Council supports legislation (Act 588) approved in the 92nd General Assembly that improved
28 lemon laws related to farm machinery and equipment purchased by farmers.

29 30 **Petroleum Storage Tank Trust Fund**

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

34 35 **TITLE V – Commendations**

36 37 **Arkansas Congressional Delegation**

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

41 42 **Arkansas General Assembly**

43 The Ag Council commends members of the Arkansas General Assembly who supported the
44 priorities of the Ag Council of Arkansas during the 92th Session in 2019, especially in the House
45 and Senate Agriculture Committee. The Ag Council will continue to applaud those who support
46 agriculture and our priorities in the future.

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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. He’s proven to be 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, especially in providing trade mitigation program funding for farmers and commodities harmed by ongoing trade disputes. We also greatly appreciate his leadership in aiding the agriculture industry through the COVID-19 pandemic, which has been a great struggle for farmers and the food and agriculture industries.

Dan Douglas

The Ag Council commends Representative Dan Douglas for his leadership in the Arkansas General Assembly as Chairman of the House Agriculture Committee. Representative Douglas has been a steadfast and reliable advocate for Arkansas agriculture, and he’s been a good friend to the Ag Council. We wish Representative Douglas well in his retirement from the General Assembly at the end of 2020.

Ronald Caldwell

The Ag Council commends Senator Ronald Caldwell for his leadership in the Arkansas General Assembly as Chairman of the Senate Agriculture Committee. Senator Caldwell has been a steadfast and reliable advocate for Arkansas agriculture, and he’s been a good friend to the Ag Council. We look forward to continuing to work with Senator Caldwell in the General Assembly.

Joe Jett

The Ag Council commends Representative Joe Jett for his leadership in the Arkansas General Assembly as Chairman of the House Revenue and Tax Committee. Representative Jett has been a steadfast and reliable advocate for Arkansas agriculture, and he’s been a good friend to the Ag Council. We look forward to continuing to work with Representative Jett in the General Assembly.

1 **Jonathan Dismang**

2 The Ag Council commends Senator Jonathan Dismang for his leadership in the Arkansas
3 General Assembly. Senator Dismang has been a steadfast and reliable advocate for Arkansas
4 agriculture, and he's been a good friend to the Ag Council. We look forward to continuing to
5 work with Senator Dismang in the General Assembly.
6

7 **Andy Davis**

8 The Ag Council commends Representative Andy Davis for his leadership in the Arkansas
9 General Assembly. Representative Davis has been a steadfast and reliable advocate for Arkansas
10 agriculture, and he's been a good friend to the Ag Council. We wish Representative Davis well
11 in his retirement from the General Assembly at the end of 2020.
12

13 **Blake Johnson**

14 The Ag Council commends Senator Blake Johnson for his leadership in the Arkansas General
15 Assembly. Senator Johnson has been a steadfast and reliable advocate for Arkansas agriculture,
16 and he's been a good friend to the Ag Council. We look forward to continuing to work with
17 Senator Johnson in the General Assembly.
18

19 **David Hillman**

20 The Ag Council commends Representative David Hillman for his leadership in the Arkansas
21 General Assembly. Representative Hillman has been a steadfast and reliable advocate for
22 Arkansas agriculture, and he's been a good friend to the Ag Council. We look forward to
23 continuing to work with Representative Hillman in the General Assembly.
24

25 **Robert "Bob" Nichols**

26 The Ag Council of Arkansas mourns the passing of Dr. Bob Nichols who passed away in
27 October after succumbing to ALS. Dr. Nichols provided 28 years of service to Cotton
28 Incorporated as director and senior director for research and he offered unique, wise, and
29 valuable advice to Arkansas and U.S. cotton farmers throughout his career.
30

31 **Terry Siebenmorgen**

32 The Ag Council of Arkansas mourns the passing of Terry Siebenmorgen. Siebenmorgen served
33 the agriculture industry as a well-known rice researcher and educator with the University of
34 Arkansas System. We are grateful for his work at the University of Arkansas and for the rice
35 industry, which was primarily focused on research and education in rice processing. He founded
36 the world-renowned Rice Processing Program at the University in 1994, and he was inducted
37 into the Arkansas Agriculture Hall of Fame in 2019.
38

39 **Rick Cartwright**

40 The Ag Council commends Dr. Rick Cartwright for his service to Arkansas agriculture, and we
41 wish him well in his retirement from the University of Arkansas this year. His 28 year career of
42 service with the University left indelible marks on the research and extension service, the people
43 who work there, and others he worked with and served in his various roles.
44

45 **Bob Scott**

46 The Ag Council of Arkansas commends Dr. Bob Scott for his service to Arkansas agriculture,

1 and we congratulate him on his recent promotion to the position of Director of Extension
2 Services with the University of Arkansas.

3
4 **Mike Conaway**

5 The Ag Council of Arkansas appreciates Chairman Mike Conaway of the U.S. House of
6 Representatives. Chairman Conaway was the key leader of the House Agriculture Committee in
7 drafting and advancing the 2018 farm bill. We appreciate his commitment to U.S. farmers, and
8 especially thank him for moving cotton back into the commodity title of the farm bill. We thank
9 Mr. Conaway for his service and wish him well in his upcoming retirement from Congress.

10
11 **Craig Brown**

12 The Ag Council of Arkansas recognizes Mr. Craig Brown, Director of Producer Affairs for the
13 National Cotton Council. Mr. Brown has been a tireless and relentless leader of the American
14 Cotton Producers (ACP), and he's been a key player in policy development for the U.S. Cotton
15 industry. We thank him for his leadership and service to the cotton industry, and we wish him
16 well in his recent retirement.

17
18 **Rich Hillman**

19 The Ag Council of Arkansas recognizes Rich Hillman who was nominated and elected to serve
20 as Farm Bureau President following the retirement of Randy Veach. We wish Rich Hillman great
21 success in his new role, and we look forward to working closely with him and the Arkansas Farm
22 Bureau organization on matters of mutual interest and importance.