

**FINAL MINUTES**

Board of Agriculture and Consumer Services  
Patrick Henry Building  
1111 East Broad Street  
Richmond, VA 23219  
Thursday, March 21, 2019

The meeting of the Board of Agriculture and Consumer Services (Board) convened at approximately 9:00 a.m. on Thursday, March 21, 2019, at the Patrick Henry Building in Richmond, Virginia. President Mills called the meeting to order.

**ROLL CALL**

The Board Secretary called the roll:

**PRESENT**

O. Bryan Taliaferro, Jr.  
Shelley Barlow  
Clifton A. Slade  
Robert J. Mills, Jr.  
Rosalea R. Potter  
L. Wayne Kirby  
Kay Johnson Smith  
James S. Huffard, III  
John R. Marker  
Richard Sellers  
Neil Houff  
Kevin J. Kordek  
Mr. Lonnie Johnson

**CONGRESSIONAL DISTRICT**

1<sup>st</sup>  
3<sup>rd</sup>  
4<sup>th</sup>  
5<sup>th</sup>  
6<sup>th</sup>  
7<sup>th</sup>  
8<sup>th</sup>  
9<sup>th</sup>  
10<sup>th</sup>  
11<sup>th</sup>  
Pesticides – Commercial Agricultural  
Pesticides – Commercial Structural  
Representing Dr. Timothy D. Sands, President,  
Virginia Tech

**ABSENT**

Dr. Milton O. Faison  
Donald Horsley

Representing Dr. Makola Abdullah, President,  
Virginia State University  
2<sup>nd</sup>

**STAFF PRESENT**

Dr. Jewel Bronaugh, Commissioner, Virginia Department of Agriculture and Consumer Services  
Kevin Schmidt, Secretary, Board of Agriculture and Consumer Services  
Katherine Coates, Virginia Department of Agriculture and Consumer Services

**APPROVAL OF MINUTES**

Mr. Sellers moved that the draft minutes of the meeting on December 6, 2018, be approved as distributed. Ms. Potter seconded the motion, and it was passed by a unanimous vote.

## **REPORT FROM BOARD MEMBERS**

### **Lonnie Johnson**

Mr. Johnson reported that March 20 marked the close of the Virginia Tech (VT) Annual Giving Day, a 24-hour fundraising drive to collect small donations. The university exceeded its goal this year and received 6,600 individual donations for a total of approximately \$2.8 million collected. This year, donors had the opportunity to specify what department would benefit from their donation, including local extension offices, Agricultural Research and Extension Centers (AREC), or 4-H centers. There was an internal competition to see which area generated the highest number of donations. Fairfax County residents donated the most, followed by Powhatan and Giles counties. He updated the Board on the AREC's search for a Central District Director position. They have finished the telephone interviews and will be moving to face-to-face interviews in April, with hopes to have someone on board by May.

He concluded his report by noting the Virginia Tech Board of Visitors and other members of Virginia Tech's administration recently went on an educational four-day tour of the ARECs.

### **Richard Sellers**

Mr. Sellers reported that he and fellow Board member Kay Johnson Smith met with the Agriculture Lead in Fairfax County. Last year, the Chairman of the Fairfax County Board of Supervisors set aside \$500,000 of economic development funds for agritourism. They learned some of those funds were used to fund the local match for a Governor's Agriculture and Forestry Industries Development Fund facility grant that was awarded to the Winery at Bull Run. The county is also working with Fairfax Food Council to set up urban agriculture conferences. One such conference was held in December 2018 in Arlington. The Fairfax Food Council works with small gardens and churches. Mr. Sellers, Ms. Johnson Smith, and the Fairfax County Agriculture Lead have agreed to meet annually, and Mr. Sellers will put the Agriculture Lead in contact with the Commissioner to discuss Fairfax's agriculture development funds. Mr. Sellers concluded by mentioning that he is waiting for the U.S. Census of Agriculture results to see how many farms are in Virginia and in Fairfax County.

### **James Huffard**

Mr. Huffard reported that water has been an issue at his farm and across the state and that temperatures have been milder than usual. He was recently in Ohio at a Jersey Board meeting and heard from other participants that water has been an issue everywhere. The dairy business has not improved financially. Two neighboring dairies recently closed. Over half the dairies in his area are now out of business. The community and agricultural business that rely on dairy farmers are hurting as well. He has received calls from processors looking for Jersey milk. It is the first time in his lifetime that he has seen processors calling individual dairy farmers instead of the co-ops.

His bottling operation, Duchess Dairy, is doing well. They have a new Dreamscicle flavor going on shelves this week. They are continuing to add more high school athletic programs to their chocolate milk business. The athletic program in Roanoke that has been buying their chocolate milk for over a year was featured on the local news drinking Duchess chocolate milk. Their high school athletic program clients have reported that their athletes have increased their muscle mass and not lost any weight during the football season since they have begun purchasing Duchess' chocolate milk. Two colleges have also started buying Duchess chocolate milk.

## **Board of Agriculture and Consumer Services**

**March 21, 2019**

**Page 3**

He concluded his report by informing the Board that the Wythe County Ag Expo is now open for business and hosting events. He invited Board members to visit the facility.

### **Kay Johnson Smith**

Ms. Johnson Smith reported that she attended the annual conference of the Arlington Alexandria Extension Service in December. The conference focused on urban agriculture and featured sessions with experts from master gardening programs and food and nutrition exhibits that tied food and agriculture together.

Last month she attended a sustainable food conference hosted by Politico Magazine at The Eastern Market, which is one of the oldest and largest farmer's markets in the D.C. area. Most of the farm products that are sold in the market are from Northern Virginia or Maryland. McDonalds sponsored the event and announced its new sustainability program for beef during the event. Smithfield was also a featured speaker at the conference

She reported that her organization, The Animal Agriculture Alliance is planning its national conference in May 8-9 in Kansas City, Kansas. The theme this year is "A Seat at the Table", which refers to efforts to include the farmer's voice in policymaking decisions.

She concluded her report by noting that the Director of Industry Relations for her organization, who is a current participant in the VALOR program, was just named one of the "30 under 30" by AgGrad.

### **L. Wayne Kirby**

Mr. Kirby reported that a lot of fieldwork was done last week, from spreading fertilizer to preparing the land for corn planting. He anticipates that the small grain numbers could be down in his area because it was so wet last fall that many people did not get as much planted as they wanted. Small grain growers are determining whether to continue what was planted as a crop or to treat it as a cover crop. He reported that one of the two dairies in Hanover County just closed. He mentioned that like in the mid-west where farmers are experiencing major flooding, some of these farmers will never recover from these losses. He stated that commodity prices and tariffs are on the front burner, but weather permitting, they will still be planting next week

### **Kevin Kordek**

Mr. Kordek began his report by introducing the inaugural class of Virginia Pest Management Association's (VPMA) Leadership Enrichment Action Program (LEAP). The participants are from family businesses in the pest control industry. Like in farming, many pest control businesses are legacy businesses. The LEAP class has attended sessions on strategic planning for their business, interpersonal relationships, legislative issues, and building a brand.

He reported that VPMA will have another session for their VPMA Certified Wood Destroying Insect (WDI) Inspector certification course and two VPMA Master Technician sessions in April. Termite season is here, and he anticipates that it will be a robust termite season because of mild weather and rain. Stinkbugs, a variety of spiders, and stinging insects are also out early this year because of the mild winter. He reminded the Board to get their crawl spaces inspected annually. He stated that he recently inspected his neighbor's crawl space and found \$360,000 of damage from a leaky icemaker.

## **Board of Agriculture and Consumer Services**

**March 21, 2019**

**Page 4**

He reported that the Virginia legislative session was not particularly exciting this year. VPMA had four bills it was monitoring. He said that he recently returned from the National Pest Management Association's legislative conference in Washington. He reported that the organization is starting the conversation about bed bugs on a national level because they are everywhere and are not getting any better.

### **Neil Houff**

Mr. Houff stated that moisture is the topic for his area. He is very excited to have applicators in the field for the last four to five days. He reminded the Board that there is fragile infrastructure as far as fertilizer supply, which may be impacted by all the wet weather here and out West. While retail bins of fertilizer are currently full, very few retailers have enough to have more than a fraction of what they need for the season. He stated that if everything cuts loose at the same time, there will be some outages in the supply chain. He suggested that farmers should keep good close communication with retailers to make sure they have enough fertilizer for their needs.

He shared that the Virginia Crop Production Association had its annual meeting in January. The meeting was well attended and featured good programs. They opened the meeting up to include attendees that were not agriculture retailers this year, and numerous farmers attended. He invited the Board to attend future meetings.

### **O. Bryan Taliaferro**

Mr. Taliaferro echoed Mr. Kirby's report regarding crops and growing conditions. He is beginning field operations with fertilizing his small grains, which are not in good condition because of drowned out spots in the field. He stated that some decisions will need to be made about whether to see the crop through to harvest. They are starting to get fertilizer out. He reported they are glad to get back into field even amidst depressed prices. They need to have a good crop this year.

### **Clifton Slade**

Mr. Slade reported that solar farms and industrial hemp are two promising new crops in Southside Virginia. Solar farms will be installed soon on over 9,000 acres between Spring Grove and Surry Courthouse. There are so many solar farms, the Surry County Board of Supervisors is seriously looking at stopping any farmers who want to apply for them if it takes up a high percentage of their open farmland. He reported that, based on what he has heard, landowners are being paid \$600 per acre each year for 20 years to install solar farms, which makes it a profitable cash crop.

He stated that he has received many phone calls inquiring about industrial hemp. He commended Erin Williams for her work with the industrial hemp program. He also commended Gina Goodwyn, who assisted him when an issue surfaced with a shipment of 3,000 sweet potato transplants that he sent to a customer. He shared with the Board a recent farming accident he had and asked that the Board work to bring attention to the importance of farm safety awareness.

He concluded with an observation that many of the no-till fields in Surry County would not be no-till this year because it was so wet getting the soybeans out of the field last year. The fields in Southeast Virginia are rutted more than he has seen, and they are still not dry enough to get

a disc harrow in the fields. He stated that many of the farmers previously sold their disc harrows, so now they have to rent them.

**Shelley Butler Barlow**

Ms. Barlow reported that crop reports in her area mirror what other Board members reported. They have had too much rain, bad prices, and are behind on work. She wished everyone a happy Spring Equinox, Agriculture Month, and Agriculture Literacy Week. She stated that all around the state, agriculture professionals were visiting elementary school classrooms and reading Right This Very Minute by Lisl H Detlefsen. She also mentioned that the fourth VALOR class is in Washington, D.C., for its national policy session.

She stated that her local farm bureau is actively trying to reinstate an agriculture advisory committee in the City of Suffolk, which has a long history of agriculture. They are seeing a bigger and bigger disconnect between the urban and suburban areas and the agricultural areas in her district. She stated that they could not let go of the importance of agriculture and the fact that we all need food and fiber. Farmers need to make the effort to communicate the importance of agriculture to their communities. She encouraged Board members to be in communication with their localities, make sure agriculture has a seat at the table, and talk to people as often as they can about the importance of the agricultural industry.

She referenced the Weldon-Cooper Center Report on The Importance of Agriculture, which found that Virginia agriculture and forestry has an economic impact of over \$91 billion dollars. She concluded her report by saying she was excited to host the fourth annual Urban Ag Summit in the Tidewater area at the end of April.

**Rosalea Potter**

Ms. Potter reported that she read to her daughter's pre-school class as part of Virginia Ag Literacy week. Pictures of readers are on the VDACS Facebook and Flickr page. She stated that the only thing worse than milk prices are wool prices. According to NASS, there are 79,000 sheep and lambs in Virginia, which is more than she thought there would be. Her local wool pool got \$0.40 per pound for wool last year, and this year they only received \$0.20 per pound. At that price, wool is no longer a value-added marketing tool for sheep producers and instead has become a maintenance cost. Many farmers who do not have too many sheep are throwing their wool in the trash.

Meat processing is still going well for her and for other businesses in her region. They are all staying busy. She shared that many of the economic development offices in the Shenandoah Valley recently came together to create the Farm to Fork event in Harrisonburg. She attended as a vendor. The event was open to buyers looking for Virginia products from throughout Virginia and Maryland.

She reported that the influx of new poultry houses has sparked the interest of the public in her region because of related zoning issues. In Rockbridge County, there have been public hearings on the issues because many people do not want to live next to a poultry house. The zoning issues have made it more difficult for producers who want to get into the poultry industry.

**Robert J. Mills, Jr.**

Mr. Mills reported that he attended the Virginia Tech Board of Visitors tour mentioned by Mr. Johnson in his report. The four-day tour started in Southwest Virginia and went through the Eastern

## **Board of Agriculture and Consumer Services**

**March 21, 2019**

**Page 6**

Shore, Virginia Beach, Hampton, Middleburg, Manassas, Winchester, through the Shenandoah Valley, and back to Southwest. It gave him an opportunity to see the entire state and observe the good things happening at the ARECS as well as to note that some of AREC facilities (some of which were built in 1952) were in disrepair. He stated it was an eye opening experience for VT leadership and facilities staff. He stated his appreciation to VT for coordinating the tour and getting the Board out of Blacksburg and into field to see what was happening across the state.

On the commodity side, he reported that tariffs have been devastating to the tobacco industry, which is big industry in Southside. They will likely see their acreage go down 10,000 to 12,000 acres because of the current tariff situation. The Chinese have not purchased any tobacco in the last two years, and prior to the tariffs, they typically purchased 65 million pounds each year. In Southside Virginia, 15 tobacco farmers quit in one day after they received notification that they were not going to be offered any tobacco contracts. These were tobacco farms that had been growing tobacco for several generations. He reported that he took cuts as well, and they are just trying to survive and come out of the tariff situation in better shape than they went in.

He reported that the region does have hemp, and it could not have come to the area at a better time. It fits well with tobacco grower's cropping system. Equipment and facilities that can be used for tobacco can also be used for hemp. Mr. Mills recognized Erin Williams for the work she and her team have done with the Virginia Industrial Hemp Program to get the registrations into farmer's hands. They had no idea the crop would commoditize in just three months. Processors from Georgia, South Carolina, and Canada are coming to Southside because they know those growers have the expertise to grow the product and the soil is right to produce cannabidiol (CBD) oil. It has given Southside growers a lot of hope. He noted that there are many industrial hemp contracts out there, and when Board members go back to their localities, they should do their due diligence because it may be too good to be true. Hemp is an expensive crop to grow, and there's no crop or hail insurance. You could bankrupt your entire operation with just one crop. His operation is growing CBD hemp for two companies.

He reported that their wheat looks terrible. When crop reports come, he anticipates small grain acres will be way down this year. He top-dressed some that he probably should have sprayed. He concluded his report by introducing his parents, Bob and Brenda Mills, to the Board.

### **COMMISSIONER'S REPORT**

Commissioner Bronaugh delivered her report to the Board. During the presentation of this report, she briefed the Board on personnel changes, recent events, and other matters relating to VDACS. A copy of the written report on which her presentation was based was included in the Board meeting folder.

### **MEETING RECESS**

At approximately 10:10 a.m., President Mills called a recess. The meeting reconvened at 10:28 a.m.

### **UPDATE FROM SECRETARY OF AGRICULTURE AND FORESTRY RING**

Secretary of Agriculture and Forestry Ring welcomed the Board and public and briefly updated the Board on the status of the two industrial hemp bills pending before Governor Northam.

### **2019 SESSION OF THE GENERAL ASSEMBLY – LEGISLATIVE REPORT**

**Board of Agriculture and Consumer Services**

**March 21, 2019**

**Page 7**

President Mills called on Secretary Schmidt. Secretary Schmidt provided a brief overview of legislation tracked by VDACS during the 2019 Session of the General Assembly and answered Board member questions.

**2019 SESSION OF THE GENERAL ASSEMBLY – BUDGET REPORT**

President Mills called on Kendra Shifflett, Director of Administrative and Financial Services. Ms. Shifflett provided a brief overview of agency budget issues related to the 2019 Session of the General Assembly and responded to Board member questions.

**FINAL EXEMPT ACTION TO AMEND 2 VAC 5-490 (REGULATIONS GOVERNING GRADE "A" MILK) IN RESPONSE TO VIRGINIA STATE DAIRYMEN'S ASSOCIATION'S PETITION FOR RULEMAKING**

President Mills called on Ryan Davis, Program Manager of the Office of Dairy and Foods, to deliver a presentation on the final exempt action to amend 2 VAC 5-490. Mr. Davis presented the Board with a brief overview of the final exempt action to amend 2 VAC 5-490 and answered the Board's questions.

Following Mr. Davis's presentation and discussion by the Board, Mr. Sellers moved that the Board of Agriculture and Consumer Services adopt 2 VAC 5-490, Regulations Governing Grade "A" Milk, as presented by staff and that the Board authorize staff to take any and all steps necessary to have this regulation become a final regulation of the Board. Mr. Taliaferro seconded the motion, and it was carried by unanimous vote of the Board.

**FINAL STAGE- 2 VAC 5-115 (REGULATIONS FOR DETERMINING WHETHER A FACILITY MEETS THE PURPOSE OF FINDING PERMANENT ADOPTIVE HOMES FOR ANIMALS)**

President Mills called on Dr. Charles Broaddus, State Veterinarian and Director of the Division of Animal and Food Industry Services. Dr. Broaddus presented the Board with a brief overview of the final action to promulgate 2 VAC 5-115.

Following Dr. Broaddus' presentation, Mr. Sellers moved that the Board of Agriculture and Consumer Services adopt 2 VAC 5-115, Regulations for Determining Whether a Facility Meets the Purpose of Finding Permanent Adoptive Homes for Animals, as presented by staff and that the Board authorize staff to take any and all steps necessary to have this regulation become a final regulation of the Board. Mr. Huffard seconded the vote, and it was carried by unanimous vote of the Board.

**NEW BUSINESS**

No new business was introduced.

**FUTURE BOARD MEETINGS**

President Mills announced that the next meeting of the Board will take place May 23, 2019, in Richmond in the West Reading Room of the Patrick Henry Building.

Mr. Taliaferro, who will host the summer meeting of the Board in Gloucester on July 23-24, provided the Board with an overview of the events and tours scheduled for that meeting.

**PUBLIC COMMENT PERIOD**

There was no public comment.

**Board of Agriculture and Consumer Services**

**March 21, 2019**

**Page 8**

**MEETING RECESS**

At approximately 11:30 a.m., President Mills called a recess. The meeting reconvened at 11:53 a.m.

**ADJOURNMENT**

There being no further business, Mr. Sellers made a motion for the Board to adjourn. Mr. Taliaferro seconded the motion, and it was carried by a unanimous vote of the Board. The Board adjourned at approximately 11:53 a.m.

Respectfully submitted,



Mr. Robert Mills  
Board President



Kevin Schmidt  
Board Secretary