

**Testimony offered on behalf of PennAg Industries  
Association**

**to the Joint Hearing of the**

**Senate Agriculture and Rural Affairs Committee**

**and the**

**Senate Environmental Resources and Energy Committee**

**October 18, 2016**

**Testimony offered by Christian Herr, Executive Vice  
President of PennAg Industries Association**



Chairman Yaw, Chairman Vogel and members of the Senate Environmental Resources & Energy Committee as well as members of the Senate Agriculture & Rural Affairs Committee, I commend you on organizing a hearing to learn of the efforts of Pennsylvania to meet the EPA Chesapeake Bay mandates. As outlined in many reports on the Chesapeake Bay – there are 3 areas of concentration to evaluate and consider: 1) Agriculture; 2) Urban and 3) Storm water. I am not able to offer insight into all three areas however; I am fluent on the topic of agriculture’s role in the bay restoration. Therefore the testimony offered below is strictly focused on the role of Pennsylvania Agriculture and specifically addressing issues of Nitrogen, Phosphorus, and Sediment. As well as posing the question “what is the definition of compliance”.

As you know, this has been a long and tedious process which at times has performed in a silo onto itself without full engagement of the agriculture community. This statement is not meant to cast blame but rather to bring attention to an issue we continue to battle today and there is still time to resolve. There are agribusinesses as well as farmers in this State who are doing amazing things in terms of environmental stewardship, local watershed improvements and operating successful farms and agribusinesses. There are on the ground practices, management strategies and elaborate technologies being used to produce safe, nutritious food at the local level for a regional and global food shed needing PA Agriculture products.

So, what can be done now or even in 2017 to ensure that Pennsylvania Agriculture remains a thriving sector of the Commonwealth’s economy while also protecting our natural resources and providing clean air, water and a landscape for future generations? What is your role as an elected official in crafting this legacy?

I would suggest you consider being the champion of four key areas in terms of agriculture and the bay restoration and the goal of reducing Nitrogen, Phosphorus and Sediment. Those four areas would be: **1) Test Results are better than model projections; 2) Everyone – Everywhere; 3) Innovative Financing – New way of thinking – ROI is the key and 4) What is the level of compliance we are seeking?**

I will elaborate on each of these key areas.

**#1 – Test results are better than model projections.** It has long been understood that a model is a mechanism used to “predict” and “speculate” what may and could occur based on input of various scenarios. At no time, would the word “model” be synonymous with the “gospel truth”. Yet, this is what has evolved over the past 20 years in regards to the bay model. The model was a tool to run a series of “what if scenarios” and predict potential outcomes. Instead today, agriculture is being asked to “meet” a scenario outcome as developed by the bay model. Where does the actual, real time field data being collected factor into the model scenario. With that, we would urge you and the leadership of your committees to call for real data, such as the in stream water testing data collected by various groups including watershed groups and the

Susquehanna River Basin Commission to be given a higher regard in terms of reports stating whether or not PA Agriculture is meeting its bay obligations.

**#2 – Everyone – Everywhere** – clean water and ensuring we do our part for future generations to enjoy the environment is everyone’s responsibility. In terms of agriculture. The same concept applies. All farms, regardless of size and commodity, need to implement core conservation practices. All farms, regardless of English ownership or Amish ownership, need to implement conservation practices. We continually argue that having plans for earthmoving and nutrient application does not make a farm compliant. Implementing plans tailored to your farming operation is the first step in environmental stewardship - which is the also the first step in local water quality improvement which will then lead to bay water quality improvements.

**#3 Innovative Financing – New way of thinking – ROI is the key.** Neither federal nor state dollars will continue to flow at the rate needed by the Commonwealth to accomplish items referenced in #2 above. With that said and under your leadership and guidance, perhaps we could gain a better ROI (return on investment) of the dollars if all those involved starting thinking and operating in a manner consistent with successful businesses. If there is not a gain (i.e. water quality improvement) then don’t fund it. However, even with the adoption of this thought process, the question still remains – where will the money come from? How much is needed? And what projects deserve the funds? All of these questions need answered but our insights would guide the conversation to topics of 1) Racehorse development funds; 2) Public Private Partnerships to leverage dollars; 3) Technologies and Best Management Practices to help address problems and improve water quality that are cost effective to implement, ease of management and are not reliant government funds or government programs to make them cash flow. When evaluating the landscape of Pennsylvania Agriculture – the farms needing much of the assistance are the smaller scale farms. These farms cannot afford nor need massive technologies such as manure separators; digesters, manure to energy systems – these farms need simple and basic technologies such as roof cutters; fencing, curbing on barnyards, and so forth. 4) Fund projects with a direct benefit to local water quality and fund projects that are creditable to the Bay Model; 5) Any state programs – such as EQIP, Clean and Green should require that anyone enrolled in that program must prove their farm/property has all necessary plans in place 6) Could insurance laws be added to provide farms a discount if the farm is viewed as 100% compliant with today’s laws; and 7) What role could Agricultural Lenders play in educating loan applicants of the state requirements.

**#4 – Define Compliance for the Commonwealth.** What is the definition of compliance in regards to Pennsylvania Agriculture. Farmers are asking “what do I need to do to be in compliance” – right now, that answer would be “that depends”. The reason for that answer is because it depends what the farmer is getting the plan for – an example would be, if the farmers is seeking cost share funds from PA NRCS – that a CNMP would be needed; in other cases the farmer may be in compliance if he/she has an agriculture erosion and sedimentation plan and a manure management plan; yet

another example would be that perhaps a forest stewardship plan would deem the farm in compliance. Therefore an opportunity would be for the legislators to define compliance because today, everyone has a different definition of compliance (from state agencies to NGO's to farmers and to the public).

As you know, the issue of remediation of the Chesapeake Bay is a vast and complex issue and it will take innovative ideas and perhaps some very hard decisions and actions. At the end of the day, this responsibility has been assigned to Pennsylvania and if Pennsylvania wants to succeed, then someone needs to take ownership of this responsibility and provide the leadership so desperately lacking today to ensure a brighter future for Pennsylvania.

On behalf of the 600+ agribusiness members of PennAg Industries Association, we invite you to come to the table and play an active role in this discussion. We appeal to you to provide the leadership and oversight to the various state departments to ensure they are doing their part on behalf of all sectors of the Pennsylvania landscape and that they, the various state departments, are engaging and seeking input and guidance from the stakeholders who will bear the responsibility for implementing and adhering to programs and rules designed to help Pennsylvania meet its bay obligation. Because all too often, this has not occurred and that does not create an environment of consensus building and uniting for a common goal.

Thank you for hosting this joint hearing and I would welcome your questions on this matter.

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