

Office of the Secretary

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Maryland Agricultural Commission Minutes March 9, 2022

Present: Frank Gallnut Michelle Protani-Chesnik

Matthew Levi Sellers Clifford Newsome Jr.

Shelby Green Gordon Kretser
Amy Crone Dr. Marianne Bailey
Michael Pons

Michael Pons Paula Linthicum John Murphy

Absent: Joseph Dymek Sean Hough

Thomas Mullineaux Matthew Nielsen
Kelly Dudeck Michael Levengood
Richard Pelz Dr. Craig Beyrouty
Benjamin Sowers Matthew Corey Spies

Cheryl DeBerry Elizabeth Hill

MDA Staff: Joe Bartenfelder

Steve Connelly Rich Colburn Hans Schmidt

Guest: Jill Kubatko

Sean Clougherty Steve McHenry Stacy Kubofcik Kurt Fuchs

Approval of Minutes:

February minutes were approved 1st by Clifford Newsome and 2nd by Paula Linthicum.

Commodity Reports:

Ag Services- Levi Sellers:

- Industrial Hemp Opportunities: On February 10th 4 Reasons Hemp of Cecil County and South Bend Industrial Hemp of Great Bend, Kansas hosted an informational meeting on growing and processing industrial hemp. Several farmers, members of MDA, MARBIDCO, and Cecil County EDC along with myself attended the event. Announced at the meeting was a new facility in Cecil County for processing of the hemp into fiber and hurd. Ernie Beck is leading this project in collaboration with Cecil County EDC and they hope to contract 1,500 acres of industrial hemp to be grown in MD this season to get the project moving forward.
- Steep drop in hemp production.
- A USDA survey showed a 50-75% decline of national hemp planted areas when compared to a study completed just the year before. Many believe the decline is coming from uncertainty caused by the lack of FDA regulation on hemp cannabinoid products.
- MD Hemp Program Licensing is showing a similar result.
- Only 15 hemp applications are approved so far. This is a drastic decline from the 2020 season. In March of 2020 there were already 48 approved applications.
- The industry is requesting needed regulation (both in MD and nationally) to build consumer confidence in products which could increase demand and would create more opportunities for producers
- https://thecbdinsider.com/news/2021-usda-survey-decline-us-hemp-production/
- **HB075 Vote**: In February the MD House voted to approve bill HB075 (121-10) that would allow for an official Hemp Industry seat to be established on the MD Ag. Commission. The bill now waits for crossover day to head to the Senate. A permanent seat on the Agriculture Commission would raise the industry's profile and provide support for the industry through the broader agricultural community.
- SB0788/HB1078 Amended to Study.
- Both bills have now been amended to a study set to conclude by Dec. 31, 2022.
- These bills were proposed to give regulatory control over hemp-derived cannabinoids to the MMCC prior to ever consulting the MD hemp industry
- Efforts by both the MD Healthy Alternatives Association and the MD Hemp Coalition have led to discussions for more reasonable regulation.
- Both testified in front of the Senate on March 3rd and requested representation in the study that the bill sponsors have requested collaboration with Maryland Dept. of Ag. (MDA) and Maryland Medical Cannabis Commission (MMCC).
- The House will hold a hearing later today for HB1078
- The Maryland hemp industry is prepared to work with state agencies towards fair and
 equitable regulation of the production and sale of specific hemp and hemp derived
 products with respect to consumer safety and education, including Good Manufacturing
 Processes, compliant labelling, and age restricted sale and quality assurance testing
 requirements.

- The MD hemp industry strongly urges the MDA to include representation by the MD hemp industry in the study.
- As a representative for the hemp industry for the past two years I offer my assistance with the study as well.
- I have drafted a proposal for an optional regulatory structure that would allow for the MDA to remain in control of hemp, hemp extracts, and hemp-derived cannabinoids. I am eager for the opportunity to share this with the MDA.

Dairy I- Shelby Green:

- The industry has been struggling with the average CME for milk dropping from 2010-2014 av 18.26/cmt to 2015-2021 down to 15.51. That's around \$500 per animal per year over the previous 6 year period. Looks like this year we are over \$22 but with feed and fertilizer prices looking to cost about \$2-3/cmt extra, and that is before the market kind of hit the fan on nitrogen and many other fertilizer inputs. It has created the illusion of a welcoming year, but leaves us with many questions and lots of uncertainty as input costs continue to unfold in an upward direction.
- Herd expansion will be hampered by very high building expenses and lack of materials all together. In addition, many farmers have decreased the number of replacement calves they raise as it was cheaper to buy replacements than to raise them on the farm. Also we look at how many farms have switched to dairyX beef breedings because those calves fetch higher sale barn prices than straight dairy bred animals. It is a national movement that we see the decrease in dairy farms. USDA reports that US dairy farms are down 6% last year bringing the total down to less than 30,000. In 2000 there were 105,000 and in 2006 there were 75,140. It seems concerning to consider consolidation, when there have been so many holes in the food supply chain.

Direct Farm Market- Amy Crone:

- The farm-direct sector is getting ready for the upcoming seasons; many on-farm stands open in March and many farmers markets open in April/May.
- USDA funding that might be applicable to this sector opened last week through the LAMP program (more information here).
- Maryland Market Money application is open for farmers markets and farm stands to participate; that can be found here.
- There is a job opening for a Coordinator position for the Montgomery County eIncentives pilot project here.
- Time sensitive legislative support request: a bill to fund SMADC is up for testimony today; SB/HB0646 would provide long-term sustained and consistent funding for SMADC, which houses the Maryland Market Money program (in conjunction with MARBIDCO). Amy will send around instructions to support testimony only open today from 10am 3pm

Equine-Michael Pons:

- For the past six weeks, beginning January 16, 2022, horse racing has safely resumed at Laurel Racetrack. In 2021, Laurel's racetrack underwent a \$20+ million reconstruction. However, there were some freezing/thawing issues in December and January, which caused the suspension of racing for several days. Now, the track is much improved, despite the challenges of wintertime racing. Over the past year, twenty-one racing days were cancelled, while the Laurel Racetrack was being rebuilt. Already, six additional racing days have been run. Other measures, like increasing purses, and adding an additional race to the everyday cards, have helped horsemen recoup some of the lost income. Plans are being made to sprinkle some extra racing days throughout the 2022 calendar.
- Sports Betting has debuted at all five of Maryland's Casinos, and should open at several
 other locations, including the state's racetracks and OTBs. The primary beneficiary of the
 profits from sports betting is Maryland's schools.
- Foaling season is underway in Maryland. The state's horse population, which numbers more than 100,000, should see another 750-775 Thoroughbred foals this year. This number is about the same as in 2021. However, it is nearly had of the 1,500 foals that we born her a decade ago. MD's foal crop has followed the national trend.
- Knicks Go was named America's Horse of the Year at the annual Eclipse Awards, held in late-January at Santa Anita Racetrack. The handsome gray won the 2021 Breeders' Cup Classic in his trademark style in front running fashion. He ran second in the GI Pegasus Stakes, and then was retired to stud in Kentucky for a \$30,000 stud fee.
- The 147th Preakness Stakes will be held on Saturday, May 21, 2022. Annually, the Preakness attracts many of the top racehorses, owners and jockeys, as well as 100,000+ crowds to our state. It is Maryland's largest sporting event.
- Construction is progressing on the new Maryland Horse Museum/Library, which is scheduled to open this summer. This attractive new facility should be extremely popular among horse enthusiasts. It is located at the Maryland Horse Breeders Association headquarters in downtown Reisterstown, MD. If anyone would like to donate, then please contact Cricket Goodall at (410) 252-2100.

Nursery II- John Murphy:

- March brings on the busy season for Nurseries in Maryland.
- <u>Supply Chain:</u> Obtaining supplies continues to be a struggle due to manufactures having trouble receiving raw materials.
- Chesapeake Green Symposium: In person venue, all attendees wore masks.
- Roughly 60% attendance from pre-COVID venue.
- <u>MNLGA Greenhouse Conference:</u> Reported July 7th at Tidal Creek Growers in Earlville/Eastern Shore (this date has changed to July 14th)
- Will have small groups visit local greenhouses then meet at Tidal Creek for lunch and training.

- MNLGA: Working on a field trip to Longwood Gardens in Kennett Square PA in September.
- <u>University of Maryland Bio-Conference:</u> Scheduled for July 30-31.
- Location to be determined.
- MNLGA New Business
- <u>Recertification:</u> Members have requested that the MNLGA board work with legislators to streamline the mandated pesticide recertification process.
- The # of credits required and the recertification timeline is cumbersome and confusing to many of the members.
- Maryland State Fairgrounds: The MNLGA board is working on providing a public landscape improvement. The board has reached out to Gary Brewster (sp) the chair of the Agricultural Fair Board to provide this service. Gary is interested in our offer. The board will work on providing labor and materials donated from the trade.
 - 1 Provide native plants with low maintenance
 - 2 Publicize the Nurserymen's knowledge and abilities to provide a safe and reliable landscape with a low impact on the environment.
 - 3 Include information stations staffed by members of the green industry and the UofM extension team.
- **Legislation:** HB 991 (5 Million Tree Bill)
- MNLGA held a 2nd Zoom call with members from the CBT, DNR, and the University of Maryland. The MNLGA provided a 2-tier list of natives for the rural part of the plantings. This tier list will help to have plant material ready for the early implementation of the program. Type 1 is a 1–3-year production cycle and Type 2 is a 2–5 year production cycle. The goal is to have a complete list by the summer of 2022. The committee is also kicking around ideas how to reduce the financial risk to the nurserymen.
- HB 831 (Environmental Bill)
- The MNLGA and its members succeeded in having Senator Pinsky place an exemption for the greenhouse businesses.

Poultry II- Michelle Protani-Chesnik:

- The propane bill will have a huge impact on the Ag community.
- The biggest problem right now is the high path avian influenza.
- Practice smart bio security.
- Fuel prices is continuing to rise and will impact everyone.
- The supply and demand is still a problem with everything being unavailable.
- Grain prices are also changing rapidly.

• Issues in Ukraine are affecting prices.

State Grange- Clifford Newsome:

- March is National Women's Month. Our state and national Granges have been posting their contribution to our history and agriculture. It was established from the first meeting in 1867 that women were equal partners and not as an auxiliary group. Women can hold every office in the Grange. Men are excluded from four offices.
- This Saturday is the Bural Brothers Breakfast at the New Market Grange Hall 7 to 11 a.m. Proceeds go to scholarships.
- April is National Grange Month. Medford Grange in Westminster is celebrating their 120th Anniversary on April 10nd. The Maryland State Grange will assist at the Maryland FFA Judging Contests to be held at Westminster High School on April 2nd. This will be the first in person contest in 2 years. We are looking forward to helping the FFA as well helping many county fairs in our state.

Turf- Gordon Kretser:

- Met with Jim Drews & Rick Boldissar with the MD Depart of Ag Seed Lab to discuss the issues in long lead times to get back seed tests. We discussed potentially allowing other state seed tests to replace MDA's while they are short on staff. It was decided we were not going to allow this to take place with the worry of degrading the Maryland turfgrass industry high quality standards both in lawncare, government grassing projects, and sod production.
- Currently the MDA's seed lab is looking to hire another 6 analysts. Two are on staff now while only one is a certified analyst. We expect lead times to continue to be very long until several analysts can become certified.
- Maryland's seed lab is one of the most respected lab in the country and I believe it is very
 important that we continue to fund and support them with proper staff and equipment.
 The two turfgrass seed companies attending the meeting, Chesapeake Valley Seed and
 Newsom Seed, agreed that paying a higher price for seed tests to help would be
 acceptable.

Veterinary- Dr. Marianne Bailey:

- High Path Avian Influenza reported in Cecil County and now Queen Anne's County.
 USDA is asking companion animal veterinarians for help in advising bird owners in the
 area about HPAI. Vets can help your clients protect their backyard flocks and pet birds by
 showing them how to recognize the signs of HPAI and urging them to report sick birds.
 Rapid and thorough reporting is critical to stop the spread of this disease.
- There were 3 bills affecting veterinary medicine in the state legislature. 1 regarding declawing in cats and two bills have been introduced that provide for non-economic damages in litigation involving injuries to pets. If it passes, this will have a profound impact on veterinarians. The AVMA is supporting us in our efforts to kill **HB**

<u>1375</u> and <u>SB 815</u>. There is a good chance the session will come to an end before declaw and non-economic damages get through.

Staff Updates:

Joe Bartenfelder:

- Biggest news of the day is HPI issue on upper Delmarva Peninsula.
- Started farm in Delaware but overlapped into Maryland.
- Two additional broiler farms.
- Delaware and MDA have been doing incredible job with USDA and working together.
- Steve Connelly has been there daily and nightly on site.
- Working with University of Maryland and University of Delaware.
- No poultry manure from outside zones.
- Keep truck traffic and transport of poultry moving responsibly.

Steve Connelly:

- Confirmation that a broiler farm in Queen Anne's county tested positive for the HPI avian influenza.
- Doing joint press release with Delaware Department of Agriculture.
- Monumental task and have good working relationships with our neighbors in Delaware and USDA.
- The Index Farm outside of Middle Town Delaware 1.2 million layers, complex has been depopulated and about 85% done composting.
- Farm in Cecil County also a layer operation, depopulation is ongoing and hope done by end of week and composting done shortly.
- Takes a lot of carbon material.
- Wood shavings have gone to the facility in Middletown Delaware.
- A lot of wood products being moved in.
- Very hot virus and ask poultry producers to be extremely careful.
- Migration north of wild water fowl keep an eye out.
- Careful going onto any poultry farms taking all the precautions to not carry the virus in.

Meeting Adjourned 11:00am. Respectfully Submitted by Jessica O'Sullivan