

NASDA 2008
Committee and Task Force Reports

- Animal and Plant Industries Committee
- Biotechnology Task Force
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- Marketing and International Trade Committee
- Specialty Crop Task Force
- Natural Resources and Pesticide Management Committee
- Rural Development and Financial Security Committee

Animal & Plant Industries Committee
Chairman Greg Ibach, Nebraska
Vice Chairman Lester Spell, Mississippi
2008 Annual Conference
Bismarck, N.D.

Committee Report

Summary of Committee Action:

Greg Ibach, Director, Nebraska Department of Agriculture, and Chair, Animal & Plant Industries Committee, called the meeting to order. NASDA Members from 31 States were present.

APHIS Issues. *Undersecretary Bruce Knight spoke of the value and need for continued close cooperation between APHIS and NASDA. Cindy Smith, APHIS Administrator, John Clifford, Deputy Administrator, Veterinary Services (VS) and Paul Eggert, Associate Deputy Administrator, Plant Protection & Quarantine (PPQ), and Hallie Zimmers, National State Liaison for APHIS, talked about advances being made on issue important to the states and answered questions. Hallie Zimmers became National State Liaison just this past week. She also briefed members on the progress made on the 6 major issues identified during the Collaborative project. NASDA surveyed members for additional concerns, hot topics, and general APHIS issues that members; Cindy and her staff met one on one with a number of NASDA members. Also, NASDA assisted APHIS in setting up opportunities to produce PSA announcements on animal id programs in the states.*

Animal Welfare. *Krissa Thom, Animal Agricultural Alliance, spoke about the Alliances role as a national umbrella organization that connects stakeholders, educates the public to the value of animal agriculture's importance to their quality of life and our nations' security and protects consumers' rights. She also provided information on many of the species groups' animal care websites.*

Jamie Jonker, National Milk Producers Federation (NMPF), discussed the joint Dairy Quality Assurance Center and NMPF Guidelines for Caring for Dairy Animals; these guidelines have reciprocal recognition with the American Humane Certified program (there are ten tenets). In addition, NMPF, Dairy Management, Inc., and the American Association of Bovine Practitioners have developed a top 10 culling and transportation decision list.

The Beef Quality Assurance has also produced a video entitled "Focal Point: An Auction Market Beef Quality Assurance Guide" to assist beef producers regarding animal care guidelines for that segment of the industry.

Blogging & More: *Randy Krotz, v-Fluence, described how the internet is being used to influence public opinion with blogs, links to sites and various other techniques. In today's marketplace of ideas, we must adopt these techniques or risk not being "heard." Randy described several ways in which NASDA could further advance its ideals through the internet.*

Consequences to producers of FDA's recent Salmonella outbreak. *Shaun Kennedy, University of Minnesota, presented a case study of the Salmonella saintpaul outbreak, pointing out several areas where problems occurred. Some of the lessons learned are the need for health data to be promptly submitted to CDC, the value of a solid relationship between health and agricultural departments at the state level and the need for timely exchange of information between health and food safety authorities, the value of including harvesting and marketing distribution data as quickly as possible. Several entities had useful, available information, but that information wasn't used in formulating FDA's actions. In light of the*

previous discussion about how information is available on the internet, it was also noted that the information on FDA's website has "tomato" as a key searchable word, even though the investigation has never found a source of contaminated tomatoes. The FDA's actions appear to adhere to the precautionary principle; however, even in the origins of the principle, cost and benefits are considered and were not in the FDA's handling of the *Salmonella* outbreak.

Upcoming Animal Health Conference. Heather Shewchuk, Alberta Agriculture and Food, provided information on a "Cross Border Livestock Health Conference" to be held in Banff, Alberta, April 28-30, 2009. She invited states to participate and to encourage interested State Veterinarians to participate as a part of the planning committee. More information is available at www.cblhconference.com.

Consideration of Policy Amendments and Action Items:

Policy Amendment 1 – The committee amended Policy Amendment 1 (Animal Identification) and recommended approval.

Action Item A – Livestock Export Protocol – send a letter regarding modifications needed to improve the protocols – was recommended for approval (jointly considered by the Marketing and International Trade Committee).

Action Item C – NASDA / COSDA / APHIS Emergency Communications Plan – recommended for approval.

Action Item E – DHS Agricultural Advisor on the DHS Secretary's staff – recommended for approval.

Action Item H – Abandoned Horses – seeks opportunities to assure understanding of the consequences of banning slaughter and transport – recommended for approval.

Action Item Q – support emergency funding for fever tick eradication – recommended for approval.

Six Month Workplan:

Policy Review: Continue review the Animal and Plant Health policies with the goal of presenting revised policy for membership review at the midyear meeting in February.

Emergency Contact project: Continue to expand the Emergency Contact project.

Biotechnology Task Force
Chairman Adrian Polansky, Kansas
2008 Annual Conference
Bismarck, N. D.

Task Force Report

Adrian Polansky, Secretary, Kansas Department of Agriculture, and Chair, Biotechnology Task Force, called the meeting to order. NASDA Members from 11 States were present.

BRS Report. *Michael Gregoire, BRS, updated Task Force members on a number of items:*

- 2008 Farm Bill provisions that affect BRS
- Proposed Rule and EIS (340 Revisions)
- the Biotechnology Quality Management System (BQMS) & Lesson Learned (MOU with APHIS & GIPSA, and ePermit enhancements),
- GE Animal "Request for Information" and FDA's concurrent cloning guidance document
- State Inspection Pilot Project (AR & KS) and
- the Federal-State Partnership (State Inspection project & review of state GE statutes & regulations).

Policy Amendments & Action Items: one amendment to the food regulation policy amendments was considered by the Task Force and recommended that the amendment to the amendment be included in to the Food Regulation and Nutrition Committee deliberations.

Workplan: The Task Force had planed to delve more deeply into cloning and transgenic animal issues during this Meeting; however, for a variety of reason, we have postponed that discussion until the midyear meeting in February, 2009. Due to both the animal biotechnology policy issues and the 340 revisions, several conference call meetings of the Task Force are planned in the coming months.

Food Regulation & Nutrition Committee
Chairman Ron Sparks, Alabama
Vice Chairman Steve Troxler, North Carolina
2008 Annual Meeting
Bismarck, North Dakota

Committee Report

Summary of Committee Action:

Dialogue with Food & Drug Administration (FDA)

Dr. David Acheson, Food and Drug Administration (FDA) Associate Commissioner for Food Protection, outlined the agency's strategies to improve our food safety system. There will be a more "proactive" focus on: 1) risk-based approaches for prevention; 2) recall and outbreak management; and 3) improving communication/coordination of roles and responsibilities between local, state and federal partners. FDA held a 50-state meeting in early August to get input from state agriculture and health departments. A report and action plan will be released early next month with follow-up regional meetings scheduled for next year. FDA is focusing more attention on food imports and is establishing a larger presence in foreign countries, including China, India, Europe, Middle East and South America. The agency is holding public meetings in November to get input on proposed traceback approaches and plans to issue voluntary guidance. FDA is also reviewing 3rd party verification programs for food safety.

Chairman Ron Sparks and committee members emphasized the critical need for improved communication and working relationship between FDA and state agriculture departments and local partners. They noted that states have detailed knowledge, information and tools that could help FDA, especially in their decision-making process for recalls and outbreak response. Chairman Sparks announced that NASDA is establishing a new "executive level" panel to address food safety issues. The general goal of this new panel is to improve the state-federal working relationship, provide advice, recommendations, and hold periodic meetings with Dr. Acheson and senior FDA officials.

Discussion on USDA's Food Safety Inspection Service (FSIS) Activities on Meat Inspection.

NASDA staff and Dr. Andrea Grondahl, North Dakota Agriculture Department, discussed plans to provide comments to USDA-FSIS on implementation of the new Title V interstate meat shipment program contained in the 2008 Farm Bill. NASDA and its affiliate organization, the National Association of State Meat and Food Inspection Directors (NASMFID), have identified key state issues and will submit detailed comments by end of the month.

Dr. Grondahl also discussed state concerns about FSIS reviews of state meat inspection programs. The states believe FSIS is: 1) exceeding its authority related to the review process; 2) has no measurement standards; and 3) unfairly and constantly changing program requirements. NASDA and NASMFID recently send a letter to USDA-FSIS officials outlining concerns and recommendations for state reviews. Several follow-up actions will be taken promptly.

Report from Association of Food and Drug Officials (AFDO)

Gerry Wojtala, AFDO President, described AFDO grant projects on food safety funding, transportation, and retail food. AFDO is conducting a detailed survey of state food safety and funding activities that will

be used to educate Congress and Administration officials. He also described state activities on Manufactured Foods Standards, On-Farm Produce Safety Programs, and food laboratory needs.

Consideration of Policy Amendments and Action Items.

The committee recommended approval of Policy Amendment #2, offered by Ron Sparks (AL), to provide a comprehensive update and rewrite on Food Regulation and Safety policy.

The committee recommended approved of a Policy Amendment (unnumbered), offered by Adrian Polansky (KS), to provide a technical amendment to policy language on labeling of genetically modified organisms under Section 4.9 New Technologies.

The committee recommended approval of Action Item D, offered by the Dairy Division, encouraging better communication and coordination between FDA and state agencies on dairy product inspections.

The committee recommended approval of Action Item G, offered by SASDA, urging FDA to re-evaluate its traceback protocols and the process used to implement raw commodity safety alerts.

The committee recommended approval of Action Item I, offered SASDA, asking USDA for speedy implementation of the 2008 Farm Bill.

The committee recommended approval of Action Item J, offered by SASDA, urging NASDA to negotiate a protocol with FDA to assure timely and appropriate communications on food safety issues with state agriculture officials.

The committee recommended approval of Action Item N, offered by Roger Johnson (ND), to send a letter to USDA-FSIS regarding the state review process for meat inspection programs and to request a meeting with NASDA and NASMFID to address this issue.

**MARKETING AND INTERNATIONAL TRADE POLICY COMMITTEE
REPORT**

Charles Bronson, Chairman
Commissioner, Florida Department of Agriculture & Consumer Services
2008 Annual Meeting
Sunday, September 21, 2008

NASDA Trade Shows

DeWitt Ashby, NASDA Director of Trade Shows briefly described efforts to promote US food products and open export markets through trade shows, in particular the American Food Fair, NASDA's pavilion at the National Restaurant Association Show (NRA). He highlighted the access the American Food Fair grants to buyers from 102 countries throughout the world and encouraged more states to consider participation.

International Food Aid

Speakers Shannon Berndt, Executive Director of the Northern Pulse Growers Association and Marvin Flaten from JM Grain informed the Committee on changes made to the commodity procurement and payment policies for food aid programs. The USDA is proposing a strict interpretation of the Federal Acquisition Regulations (FAR) regarding payment terms. Current system allows a supplier to invoice the USDA at the time of shipment from the processing plant, provided proper documentation, including an official USDA Commodity Inspection Certificate, official check weights and an on board bill of lading, is provided. Final settlement is based on dock receipts later supplied by the stevedoring company and/or port authorities. USDA now proposes to require suppliers to obtain the unload dock receipts from the destination before invoicing USDA. Consequently the risk and expense to the suppliers will rise and the cost of the food aid commodities will increase.

Mr. Bob Ehart briefed the committee on a new initiative in which NASDA serves as a notification point for state-organized trade missions with the necessary APHIS and FAS offices. States will share information about the trip including the countries to be visited; the commodity/products to be "marketed", any information regarding sanitary or phytosanitary issues that might arise and any other pertinent information deemed useful. NASDA staff will forward the information to contacts within the APHIS Washington, DC area staff and also to staff within the Foreign Agriculture Service. Amy Mann and Bob Ehart are the contact persons at NASDA on this project.

Report on Tri-National Agricultural Accord

Amy Mann reported on the 18th Annual Tri-National Agricultural Accord meeting held in Coeur D'Alene, Idaho. The meeting was successful, with minimal discussion of the tomato/pepper issue or the 2008 farm bill. Several letters were sent from the tri-lateral and bi-lateral working groups of the Accord. The Tri-lateral working group on harmonization sent a letter to the three national governments urging the reinstatement of the NAFTA TWG on Veterinary Drugs and Feed, based on the model provided by the TWG on pesticides. A U.S./Mexico bi-lateral working group letter was sent to Mexico and US agriculture officials regarding problems with the live cattle trade with Mexico.

The U.S./Canada working group added new issues to its workplan, including potato cyst nematode and climate change. In regards to potato cyst nematode, the delegates urged federal officials to assemble the International Science Panel as agreed in the May 2008 phyto-sanitary agreement. In addition, a letter to federal officials regarding the 5-year strategic plan on pesticide harmonization was agreed to as well as comments on the plan.

Unbeknownst to the American Delegation, the Canada/Mexico bi-lateral working group discussed the implementation of the COOL regulations and the U.S. farm bill. The U.S. delegation was informed when the subsequent report of the working group revealed plans to prepare a letter to the USDA requesting a simple and flexible COOL rule that does not disrupt trade and another letter to respective federal agriculture ministers requesting that Canada reinstate the WTO challenge of U.S. agriculture subsidies.

Secretary Peach mentioned that an effort between the three nations to address the issue of labor shortages in agriculture appears to be progressing.

COOL – General Implementation & Effect on Producers

The Undersecretary for Marketing and Regulatory Programs, USDA, Bruce Knight spoke to the committee on the current status of the Country of Origin Labeling regulations that were published about six weeks ago with an October 1 implementation date.

Undersecretary Knight outlined the general requirements of the rule and discussed some of the areas under contention. He mentioned that the Department had received only 80 comments so far and was hoping that the committee members would also submit their comments. There are 3 official listening sessions scheduled for the next two weeks: the Fri., Sept. 26 in College Station, TX; Tuesday, October 7 in Minneapolis-Lakeville, MN and Thursday, October 9 in Los Angeles, California. Considerable discussion followed Mr. Knight's comments with ultimate approval of a policy amendment to request that NASDA submit comments on the interim final rule. Mr. Knight indicated they are working to implement the law as Congress intended and are working with meat packers that are proposing creative ways to skirt the law's intent.

Consideration of Policy Amendments and Action Items

The committee recommended that the following Policy Amendments and Action Items be considered by the NASDA membership:

Policy Amendment No. 6, Food Aid Procurement;

Policy Amendment No. 7, regarding Container Shortages;

Action Item A, Livestock Export Protocols;

Action Item F, regarding a survey of container availability with amendments

Action Item I, Farm Bill Implementation;

Action M, urging NASDA to submit comments on COOL interim rule.

New Items

Secretary Kawamura informed the committee that the Child Nutrition Act is up for re-election and that some important provisions within the legislation have been under-

utilized by most states. He asked that NASDA staff begin to monitor the reauthorization process and include the topic on the February meeting agenda.

Committee Plans

The committee will continue to follow the farm bill implementation and will follow progress on the Specialty Crops Block Grant program. The committee will also begin to monitor the Reauthorization of the Child Nutrition Act and work will continue on updating and streamlining the policy statements under the jurisdiction of the committee.

SPECIALTY CROPS TASK FORCE REPORT

**Chairman A. G. Kawamura,
Secretary, California Department of Food and Agriculture
2008 NASDA Annual Meeting
Bismarck, North Dakota
Friday, September 19, 2008**

Native Pollinator Steering Committee Report

Chairman Kawamura reported on the activities of the Native Pollinator Steering Committee and recommended that NASDA express support for the Pollinator Initiative and the activities of the coalition. It was suggested that a list of research efforts be obtained and that a clearinghouse of information on the activities of the coalition be made available at the NASDA mid-year meeting.

OMB Effort to De-fund SCBG Program

The committee discussed the recent communication by OMB to de-fund a number of farm bill programs including the Specialty Crops Block Grant Farm Bill program. The committee agreed that a letter from NASDA be sent reiterating support for the provisions of the farm bill as passed in June.

Update on Specialty Crops Block Grant Program

Trista Etzig, project manager at Agriculture Marketing Service USDA, briefed the committee on the new Specialty Crops Block Grant (SCBG) provisions of the 2008 Farm Bill. Her presentation highlighted the changes to the program. It is important to note that there are two concurrent programs. The new program, SCBG – Farm Bill, required a rushed application process in order to approve projects and obligate funds prior to the end of the fiscal year. Ms. Etzig reported that all applicants submitted their projects on time.

Ms. Etzig also discussed key points in the recently published interim final rule on the specialty crops block grant farm bill program. She reported that the rule supports the farm bill language and highlights the emphasis for states to reach out to disadvantaged farmers and ranchers. The final rule is expected by the end of the calendar year and the announcement of the FY2009 application process will probably be published in late January 2009.

Natural Resources & Pesticide Management Committee
Chairman Leonard Blackham, Utah
Vice Chairman Bill Northey, Iowa
2008 Annual Meeting
Bismarck, North Dakota

Committee Report

Summary of Committee Action:

Dialogue with Environmental Protection Agency (EPA) on Environmental Issues Affecting Agriculture. *Sally Shaver, Acting Agricultural Counselor, Office of the the EPA Administrator*, provided an update on several important activities related to agriculture.

- EPA continues to address issues regarding Concentrated Animal Feeding Operations (CAFOs) such as nutrient management. Odor is an ongoing issue, although the agency has no regulatory authority in this area. EPA is still reviewing comments and plans to issue a final rule soon on the revised CAFO program.
- EPA is continuing activities related to climate change, renewable fuels, land management and agriculture's role in reducing greenhouse gases. The agency is conducting an analysis of the Renewable Fuels Standard (RFS) life-cycle which will be released this fall.
- EPA continues to monitor various activities related to nutrient management, nitrogen reduction efforts, water and air quality issues.
- EPA is revising its 1998 policy on Air Quality for Wildland and Prescribed Fires to address agricultural burning. The agency is developing guidance but does not plan to issue regulations. NASDA provided comments to the agency earlier this year,
- EPA is developing rules on Spill Prevention (Oil) and Greenhouse Gas Reporting which may have some impact on agriculture, but not expected to impact individual farms.

Report on EPA's Farm, Ranch & Rural Communities Advisory Committee.

Commissioner Blackham (UT) was appointed earlier this year to represent NASDA and state agriculture departments on this new committee. One major issue being addressed is development of environmental strategies for livestock operations and CAFOs. NASDA is conducting a survey to assess state activities, including compliance issues.

Report from Association of American Pesticide Control Officials (AAPCO)

Maureen Serafini, AAPCO President, reported that EPA grants and funding for state pesticide programs have been steadily declining over the past years, while federal regulatory mandates and state workloads are increasing. For example, states must implement and conduct additional activities related to pesticide container rules, groundwater monitoring, implement endangered species rules, pesticide applicator certification, and worker protection standards. AAPCO is urging coordination and assistance with NASDA to educate Congress about state funding and resource needs, and to seek increased federal funding for state programs.

Report from Association of Association of American Plant Food Control Officials (AAPFCO)

Joe Slater, AAPFCO President, reported on the association's new policies developed to address activities related to local fertilizer regulation, nutrient management planning and Best Management Practices, and labeling. The Department of Homeland Security (DHS) plans to issue new regulations in late December 2008 on ammonia nitrate. DHS will regulate sale/use of ammonia nitrate unless states request jurisdiction. A sample letter and additional information will be sent to NASDA members.

Update on 2007 Farm Bill Conservation Programs.

Arlen Lancaster, Chief, USDA-NRCS, provided an update on implementation of the 2008 Farm Bill conservation programs. He outlined program changes and funding for various programs, including the Environmental Quality Incentive Program (EQIP), Wildlife Habitat Incentive Program (WHIP), Conservation Reserve Program (CRP), Conservation Stewardship Program (CSP), and conservation innovative grants. He also noted changes in the State Technical Committees and emphasized the importance for state agriculture departments participation because these committees determine conservation priorities and funding allocations.

Consideration of Policy Amendments and Action Items.

The committee recommended approval of Policy Amendment #3, offered by Leonard Blackham (UT) with technical amendments offered by Patrick Hooker (NY) and modifications from other committee members, to provide a comprehensive rewrite and update of natural resource and environmental resource management policy.

The committee recommended approval of Policy Amendment #4, offered by Leonard Blackham (UT), to provide a comprehensive rewrite and update of pesticide regulation policy.

The committee recommended approval of Action Item I, offered by SASDA, asking USDA for speedy implementation of the 2008 Farm Bill.

RURAL DEVELOPMENT & FINANCIAL SECURITY COMMITTEE REPORT

Terry Peach, Chairman

Commissioner, Oklahoma Department of Agriculture, Food & Forestry

2008 NASDA Annual Meeting

Monday, September 22, 2008

Impact of High Feed Costs on Livestock Sector Profitability

Tim Petry, a livestock economist from North Dakota State University Extension Service spoke to the committee on the implications of feed costs on livestock production. Feed costs are historically high, which is presenting the greatest pressure on feeder animal prices. Consequently the livestock industry will move to downsize and consolidate and meat and dairy consumers will consume less at higher prices.

Clean Energy Issues

Andy Olsen from the Environmental Law & Policy Center in Madison, Wisconsin briefed the committee on clean energy initiatives. He highlighted a number of the energy programs within agriculture, most specifically the Rural Energy for America Program, also known as REAP. Areas he discussed included biomass crops, manure digesters and wind energy. Discussion focused on the need to provide technical assistance to landowners who, in order to participate in new energy initiatives, are entering into unfamiliar business arrangements. The suggestion was made to have NASDA seek a grant for a comparative study on the different ways collaborations and advances in wind energy and other renewable fuels are handled in the states.

Section 1619 of 2008 Farm Bill

The committee was briefed by David Hagert of AgriData, Inc., on a glitch in the farm bill language that has resulted in restrictions on the release of USDA Common Land Unit (CLU) data (field borders) to agriculture professionals, producers, landowners and others. The restrictions were put in the farm bill during the conference committee process without public hearings and are likely a response to court action ordering the release of compliance information. A technical amendment to the farm bill is required to restore public access to the field boundary and acres information.

Renewable Fuel Standards

Chairman Peach updated the committee on a discussion that SASDA had regarding the need to broaden the language in NASDA policy on alternative fuels to incorporate other crops and biomass produced for energy. He recommended the committee approve an action item from SASDA on the issue.

Commercial Carrier Motor Vehicles

Chairman Peach also updated the committee on H.R. 3098, introduced by Representative Boren (OK) and cosponsored by Representatives Aderholt (AL) and Fallin (OK). The legislation would provide certain exemptions to drivers of intrastate commercial motor vehicles engaged in agricultural purposes. Commissioner Sparks reported that Alabama passed a law amending their statute to address the problem. However, the U.S. Department of Transportation threatened to withhold transportation money from the state so additional changes were made to the law to resolve those issues. Members were asked to seek support for passage of the House bill.

Update on Rail Issues and Cap and Trade

A brief report on rail issues was given by Director De Yong who updated the committee on the status of the Rail Competition and Service Improvement Act, the Railroad Antitrust & Enforcement Act and the Rail Infrastructure bill. He mentioned that Roger Johnson testified on behalf of NASDA to the Surface Transportation Board on the Railroad Anti-trust & Enforcement Act. This particular bill has been moved out of committee and is waiting to go to the floor for vote.

Director de Yong also reported on the status of cap and trade with carbon sequestration for agriculture, which is supported by NASDA policy. Commissioner Gene Hugoson and Director de Yong represented NASDA at a Tri-national Agricultural Accord climate change meeting held earlier this year in Vancouver, Canada. Currently agriculture is not represented in the overall negotiations on climate change and it is important to improve our participation in this arena or laws will be written without our input.

Low Carbon Fuel Policy Initiative

Secretary Bill Northey discussed the need to create low carbon fuel policies that deal with greenhouse gas emissions from land use change in a more balanced and scientific way. He reiterated concerns that individual biofuel plants should have the ability to demonstrate and receive credit for their actual greenhouse gas emissions and discussed the need for certified third party auditors to protect the confidentiality of individual plants. There was also discussion on the tracking of life cycle greenhouse gas emissions of individual producers. A policy amendment addressing these concerns was presented.

Other

Director de Yong mentioned that he would be bringing forth a proposal in February for a very small change in policy verbiage to allow greater flexibility to support possible future farm safety net programs slightly different than the current programs.

Policy Amendments and Action Items

The committee recommended that the following Policy Amendments and Action Items be considered by the NASDA membership:

Policy Amendment No. 5, Low Carbon Fuel Policies with amendments;

Action Item B, Public Access to Common Land Unit (CLU) data with amendments;

Action Item I, Farm Bill Implementation;

Action Item K, regarding renewable fuels;

Action Item L, regarding a grant for a comparative study on collaborations and advances in wind energy and other renewable fuels.

Committee Plans

The committee will continue to follow the progress regarding renewable energy and bioenergy issues, immigration reform and transportation issues. Focus will be on ensuring implementation of the 2008 farm bill as intended by Congress with technical changes sought where needed.