

Testimony  
Of  
Walt Peechatka, Executive Vice President  
PennAg Industries Association  
Before  
Senate Environmental Resources and Energy Committee  
And  
Senate Agriculture and Rural Affairs Committee  
September 20, 2005

PennAg appreciates the opportunity to offer comments to these two committees on the Chesapeake Bay Tributary Strategy and the Nutrient Trading Policy being advanced by the Department of Environmental Protection.

PennAg has followed the development of the Chesapeake Bay Program for the last several decades. We have gradually seen the “screws tighten” on agriculture over that time frame as the monitoring data revealed that, while progress was being made on cleaning up the bay, at the current rate the program would fall short of its intended goals. We have also seen the goals change over the years to reflect the higher priority being given to the clean up effort.

Before I address the primary subject of this meeting, the Chesapeake Bay Tributary Strategy, I want to first acknowledge the support of the members of these committees, the other members of the State Senate, and those members of the Pennsylvania House of Representatives who supported HB1646, Act 38 of 2005, otherwise known as ACRE.

Before the agricultural community can devote its energies and resources to environmental protection, its agricultural businesses must be able to survive and thrive. For far too long the agricultural community has been at the mercy of local governments which adopted illegal ordinances intended to restrict agricultural growth and development. Farmers had to give priority attention to battling local governments for their mere survival and the ability to expand their operations.

Your action prior to summer recess has addressed this issue and provided agriculture a solution to this problem. Now agricultural producers can get on with the tasks of running their businesses, and investing in conservation and environmental best management practices.

On behalf of PennAg’s 650 member businesses I want to thank you for your support.

Regarding the bay clean up efforts, and specifically the Tributary Strategy, I want to first acknowledge the efforts of our Department of Environmental Protection in attempting to fulfill the Commonwealth’s obligation under the Chesapeake Bay Agreement.

DEP has been in the forefront on this issue for many years and their task is not an easy one. In recent years we have found the agency, and Secretary McGinty, to be very forthright in its efforts to implement the many programs for which they are responsible.

They have reached out to the agricultural community without fail. They have formed stakeholder groups to help the agency formulate a plan of action. They have sought input on proposed rule-making and other policies which were under development.

As a matter of fact they have been so proactive in their efforts to seek input and guidance there are times when we are overwhelmed with requests for meetings with agency officials. This is a positive as far as PennAg is concerned. It is far better to have to choose between which meetings to attend rather than not have an opportunity to provide input.

On the Tributary Strategy itself, the agriculture community again finds itself in the cross hairs of a clean up effort. The strategy indicates that agriculture is the source of 49% of the nitrogen that ultimately ends up in the bay. While that may seem to be an indication that agriculture is ignoring its environmental responsibility I submit that is not the case.

When one considers the fact that the nitrogen source from agriculture is coming from millions of acres of crop and pastureland the amount from any one acre of land is very small. It is also extremely difficult for farmers to deal with the vagaries of the weather when deciding when to fertilize their crops, whether it be with commercial fertilizer or animal manures.

We recognize, however, that when the amounts coming from one acre of land are multiplied a few million times, agriculture, as a whole, may be a significant source.

We believe that the point sources of nutrients, while collectively not as significant as agriculture sources, are far easier to address. These “end of pipe” sources are easily identifiable and while clean up may be costly, these sources have a way to pay for clean up by increasing fees for sewer service, levying taxes at the municipal level, etc. While these are painful to those that must pay them, the cost can at least be covered by those responsible for the clean up.

The same thing is true for urban sources of sediment and nutrients. They are more readily identifiable and can be cleaned up with the costs being borne by the local entities.

In the case of agriculture, costs borne by the farmer, that are not covered by cost share programs and the like, can not be passed on to the consumer. All one has to do is look at the price of agricultural commodities to know that milk prices have not changed much in decades, egg prices are the same as they were 50 years ago. Agriculture is operating in a global economy and the farmers in Pennsylvania can not increase prices for their commodities or they will have no market for them.

Lest we be accused of not accepting our full responsibility let me assure you that the companies that PennAg represents are attempting to meet all environmental requirements. They are installing state of the art conservation and environmental programs. They are on the cutting edge and will continue to push the environmental bar higher and higher.

But the agricultural community is composed not just of big companies with the resources to meet the environmental requirements, it also consists of 50,000 smaller farms that have to meet the same requirements. Fifty years ago Pennsylvania had more than 100,000 farms. Therein lies the challenge.

If agriculture continues to be the focus of environmental clean up in the year's ahead Pennsylvania must be prepared to accept the loss of additional farms and the open space that goes with them. The costs of the clean up efforts can not be met by the farmers alone. Farmer's must receive financial help to meet these additional environmental requirements. To not provide this financial help to agriculture is to say that Pennsylvania will accept a further decline in the number of farms that we have in the state.

PennAg appreciates the opportunity to share these comments with you.