

THIS WEEK IN FARM BUREAU



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Because Agriculture Matters!

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Ryck Suydam, President Peter Furey, Editor Volume LXV No. 40 September 16, 2022

MORE ON INFLATION: The politically potent and economically significant issue of retail price inflation rattled everyone's nerves this week. Despite the relative flat change from a month earlier, it is the unrelenting surge in "core inflation" reported on Tuesday that worries policy makers at the Federal Reserve. The fear of another robust increase in short-term interest rates and the possible consequence of a recession early next year then caused a nosedive on Wall Street that investors everywhere felt.

Food price inflation is top of mind for the general population, which stresses many household budgets. In particular, lower income families are affected. The Labor Department says food costs (13.5%) were higher over the past year than general inflation (8.3%) and were at the highest increase since 1979. Volatile stuff as the November 8 elections approach.

CLIMATE/AG FUNDING: U.S. Ag Secretary Tom Vilsack announced Wednesday that USDA will utilize \$2.8B in CCC funding to launch 70 selected projects under its Partnerships for Climate-Smart Commodities program. Vilsack said the initial projects in the first round will both foster a "better value proposition for what participating farmers grow" and also "qualify (those farmers) for private market ecosystem benefits opening up new income opportunities." AFBF president Zippy Duvall praised the move saying such conservation goals should be voluntary and market-driven. USDA wants to have markets for climate-smart commodities in every state; some 1,050 applications were received at USDA for this program seeking \$20B in these 5-year grants.

RAILROAD COMMERCE: The nation's largest railroads reached a tentative agreement with their labor unions late Thursday, thus avoiding a crippling nationwide strike at Friday midnight. Implications of a strike were dire, especially as the U.S. farm industry is approaching the harvest of major grain crops. Damage to a just-recovering supply chain infrastructure on top of 8% inflation in the U.S. economy was another ugly scenario for consumers and elected officials alike. U.S. Labor Secretary Marty Walsh brought the parties together for the negotiations; President Biden weighed in personally and reportedly pointed out the threat of a strike to agriculture in his remarks. AFBF President Zippy Duvall earlier in the day issued a press release to Congress urging the parties to reach an agreement. Shipment of harvested crops and fertilizer were at risk, he said.

LEADERSHIP CLASS VISIT: The NJALDP leadership development program undertook its "Understanding State Government" two-day curriculum this week. Farm Bureau was pleased to share the use of its board room in the Farmhouse office during each day. The aspiring young farm leaders immersed themselves with visits to the Statehouse, explanations of state government processes and understanding the mechanics of the state legislative process. Asm. Roy Freiman visited with the group on Wednesday morning in the Farm Bureau office; off-site meetings took place at the Rutgers EcoComplex in Columbus as well as nearby Trenton area farms. Susan Payne (SADC executive director) and Brian Wilson (Burlco CADB coordinator) gave an overview of the state farmland preservation program. Dr. Karen Plumley of Rutgers Cooperative Extension is the class supervisor of the NJALDP, a joint project of RCE, NJDA, Farm Bureau and the NJ Ag Society.

GOV. MURPHY-BILL SIGNINGS: The post-summer restart of the legislature will force the governor to sign or veto a handful of bills that have been pending with him since June 30. Those bills automatically become law in the next quorum call for each chamber following the normal 45-day review period. That would be Thursday this week for bills originating in the Assembly; Thursday next week (Sept. 22) for such Senate bills.

These bills in several instances carry statewide policy implications. They include topics like temporary employment, teacher certifications and state unemployment insurance payments. Of interest to agriculture is a farmland preservation bill (S-757) on "special occasion events." Farm Bureau supports the NJDA/SADC and State Board of Agriculture position that seeks a conditional veto carrying a few changes and then prompt concurrence votes by the Senate and Assembly.

PLASTIC BAG BAN: The prime sponsor of the already-implemented single use plastic bag ban, Sen. Bob Smith, is now saying some amendments may be needed. One issue being raised is the accumulation of reusable bags used in grocery store home deliveries. Opening up the legislation, however slightly, may give retail farming interests the opportunity to clarify the use of t-shirt plastic bags used in upick farming situations. NJFB already has a letter on record on this issue.

SOYBEAN COMMODITY: State ag statistician Bruce Eklund updated soybean yield projections for New Jersey on Tuesday (Sept. 13). As of conditions on September 1, New Jersey farmers can expect a 30 bushel per acre average across the state, a 35% reduction from the 46 bushel yield in 2021. Expected acreage to be harvested is 108 thousand acres, up from 99 thousand last year. USDANASS now estimates the national soybean harvest to be 1% lower than last year. The next production forecast for soybeans will be issued on October 12.

BLACK BEAR HUNTING IN NJ: Beginning in 2011, New Jersey has held an annual black bear hunting season, as called for in the State Fish & Game Council-approved Comprehensive Black Bear Management Plan. This plan must be reviewed and adopted every five years in order for a hunt to occur. While running for office in 2017, Governor Phil Murphy campaigned on the promise to end black bear hunting in the state. In 2018, though he didn't have the power to cancel the hunt because a management plan was in place, he dramatically decreased the size and scope of the hunt by issuing an executive order closing state-owned lands to bear hunting.

In 2020, the F&G Council voted to adopt a new management plan. However, final approval requires the sign off by the DEP Commissioner. The Commissioner, a member of the Governor's cabinet, refused to sign off, and no bear hunt was held in 2021. The black bear season will remain closed until such time a plan is formally approved, something the Governor has said he will not support. As an alternative to hunting, Governor Murphy has approved additional funding for non-lethal black bear management and education - \$1.5 million in both FY22 and FY23.

PROPERTY TAXES: State employee health care costs overlapped with local government property taxes this week in a major decision by the State Health Benefits Commission. A proposal to have state and local employees absorb a greater share of the expensive premiums was vigorously opposed by worker unions and local governments. A noisy Statehouse rally took place on Tuesday, followed by a split decision approving a 20% increase. A deal was struck afterward to reduce the Jan. 1 increase to 3% for state workers, leaving local governments/employees with the hefty increases. Reduce benefit levels/plan design, anyone?

Meanwhile, the Murphy administration this week announced the start of the **new property tax rebate for homeowners and renters called ANCHOR**. It is the largest ever rebate program in New Jersey, made possible by large surplus revenues in the FY'23 state operating budget. Homeowners with annual incomes will receive \$1,500; renters in the same income bracket will receive \$450. Look for details from the state by mail. The deadline for filing is December 30, 2022.

LIVESTOCK-SUPREME COURT: It looks like the U.S. Supreme Court will hear arguments on California's controversial Proposition 12 on October 11. The National Pork Producers Council has been joined by AFBF in seeking judicial relief from California's attempt to regulate pork production practices in other states. New restrictions on animal husbandry would be attached to the sale of pork products in the state under the plan, which industry leaders and Farm Bureau say is an unconstitutional overreach causing detrimental impacts on farm sustainability. Having the case heard in the SCOTUS is a victory in itself, since so few cases are selected for review in any given year's court docket.

COUNTY BOARDS OF AG: Each county board that met this week adopted (or had already adopted) a position that opposes the SADC retroactively imposing new soil protection standards on pre-existing preservation easements. Those counties are Atlantic, Mercer, Union Cumberland and Burlington.###At the Cumberland County meeting, board members questioned State Board representative Barney Hollinger on why funds for deer fencing on non-preserved farmland are not yet available, later explained as being under a legal review.###Counties set to meet next week are Salem, Essex, Monmouth, Ocean, Passaic Warren and Camden.

Mercer County held its annual legislative breakfast on Monday morning at Terhune Orchards. About 35 were in attendance including Cong. Andy Kim, Sen. Shirley Turner (LD-15) Asm. Dan Benson (LD-14), Hopewell Twp. Mayor Paul Ritter among others. Invited guests in the audience gave remarks: Rep. Kim – has 1,000 farms in his CD-3 district, hears of worker shortages and high fertilizer prices; Ryck Suydam – drought impacts, wildlife damage, boost from funding of Hunger Initiative; Brian Schilling (RCE) – 2022 is worst year for farming in his 39 years of experience; Susan Payne (SADC) – 2023 is 40th anniversary of NJ farmland preservation; Joe Atchison (NJDA) – key role of supermarkets in selling New Jersey produce.

FARM BUSINESS 101-TRAINING: Geared to beginning farmers but open to all, a free training session will be offered on Thursday, October 6 from 9am to noon at Warren County College. It will be presented by Keith Dickinson, business consultant with Farm Credit East and hosted by the Foodshed Alliance. Session will cover farm financial statements, budgets, breakeven analysis, financial analysis and acquiring capital. Questions? Contact: eric@foodshedalliance.org for details.

BOOSTER PROGRAM: A second booster program solicitation letter from President Ryck Suydam was emailed to members last week. Deadline for voluntary contributions is at the end of the month on September 30. NJFB greatly appreciates the support of all its members.