

State Legislative Update

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2021-2022 Legislative Session Accomplishments

Act 27 of 2021 - Provides for limited civil liability for agritourism activity providers, for notice of limited civil liability and for acknowledgment of limited civil liability.

Act 52 of 2022 - Updates the Very Small Meat Processing Grant Program to increase meat and poultry processing capabilities in the Commonwealth.

Agriculture Conservation Assistance Program – Created through the 22-23 PA State Budget, ACAP provides financial and technical assistance for the implementation of best management practices (BMPs) on agricultural operations within the Commonwealth.





Majority Chairman
Elder Vogel
(R-Beaver, Butler, Lawrence)



Minority Chairwoman
Judy Schwank (D-Berks)

PA Senate Ag Leadership



Minority Chairman
Dan Moul (R-Adams)

PA House Ag Leadership



2023 State Priorities

Broadband

Dairy

MS4/
Stormwater

Solar

Transportation

Wildlife/
Crop Damage

Dairy

- Dairy is a priority for PFB at the state and federal level. During the 2023-2024 legislative session, PFB has three main dairy policy objectives:
 1. All milk in Pennsylvania schools and prisons be 2% or whole milk, including flavored milk.
 2. Incentives, both tax and others, be made available for milk and milk-product plant construction and expansion or other capital improvements in Pennsylvania.
 3. An over-order premium that: (1) distributes premium dollars uniformly among all Pennsylvania dairy producers, (2) the amount charged to Pennsylvania consumers not be

substantially more than is distributed back to Pennsylvania dairy farmers, and (3) the distributing system must not provide incentives to move raw milk across state lines to avoid the over order premium from reaching Pennsylvania dairy producers; and the OOP is not supported indefinitely in the event this cannot be achieved.

State Representatives John Lawrence & Clint Owlett have proposed a package of 3 bills that will help revive PA dairies.



Keystone Opportunity Dairy Zones

- Like the Keystone Opportunity Zone program, this bill would provide tax incentives to locate new dairy processing plants in Pennsylvania, encouraging markets for Pennsylvania milk
- Qualifying processing facilities would be required to create new jobs and utilize primarily Pennsylvania milk in exchange for tax incentives
- New processing facilities would create significant increased demand and provide new markets for dairy farmers in the Commonwealth
- Smaller, on-farm operations such as on-farm ice cream stands, glass-bottle home delivery operations, and small cheesemakers would also have the opportunity to apply for tax credits

Whole Milk in Pennsylvania Schools Act

- This bill would ensure Pennsylvania school children have access to Pennsylvania-produced whole milk
- Pennsylvania schools would have the flexibility to purchase whole milk, provided the product is comprised exclusively from Pennsylvania milk
- Bottlers often mix Pennsylvania milk with product produced from farms in neighboring states
- To qualify for the ability to serve whole milk, schools would have to purchase a product that is 100 percent Pennsylvania milk
- This bill would give schools the option, not the requirement, to serve whole milk

Transparency and Accountability on Milk Marketing Board Over- Order Milk Premiums

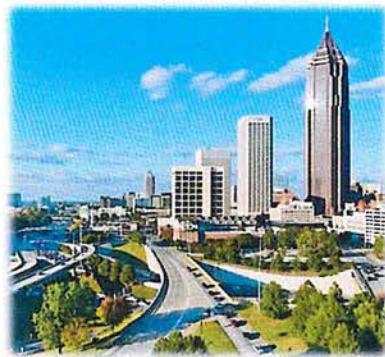
- This bill would clarify the PMMB's roles and responsibilities as it relates to PMMB milk premiums
- It would also give the PMMB the ability, but not the requirement, to coordinate the collection and distribution of milk premiums
- This proposal would significantly **increase accountability and transparency** on how this state-mandated money is collected and paid, and more importantly, would **ensure that the funds actually get to dairy farmers**

MS4/Stormwater

- Stormwater is defined as rain, snow or ice that becomes surface water instead of soaking into the ground
- Stormwater management has become a growing financial burden for many communities
- As of March 2021, at least 27 municipalities have implemented user fees for stormwater management services
- Fees are modeled after the way municipalities have historically billed residents for other utility services
- Stormwater fees provide local governments with a stable source of revenue to pay for their growing stormwater management costs



MS4/Stormwater



Developed areas generate more stormwater runoff than “rural” areas because they contain more hard structures like rooftops, driveways, parking lots, sidewalks, and roads.



Municipalities build and maintain stormwater management systems to move stormwater out of inhabited areas. These are separate from sewer systems.

MS4/Stormwater

- Stormwater systems have become more expensive to design, construct and maintain.
- An increasing number of urban municipalities are now required to obtain stormwater discharge permits to comply with state and federal laws and regulations.
- Stormwater fees in Pennsylvania are based on the amount of impervious cover a property contains.
- Properties with more impervious cover generate more stormwater runoff, require more stormwater service and therefore pay larger stormwater fees.

PFB Stormwater Policy

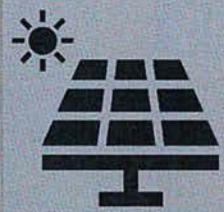
We oppose:

- ✓ Legislation that would authorize counties to jointly develop watershed-based stormwater management plans and require counties and municipalities to develop land use regulations that are consistent with these plans.
- ✓ Any fee, tax, or ordinance based on stormwater runoff.

Solar

- The Pennsylvania Department of Agriculture (PDA) released a resource guide titled “Farmland Considerations for Siting Grid-Scale Solar Panels” in December 2022
- PDA’s resource guide aligned with PFB solar policy
- PFB will support legislation that **promotes solar installations on marginal or non-prime farmland, prohibits utility scale solar projects on productive Class 1 and Class 2 farmland and encourages installations on existing or new structures**

Farm Bureau energy policy remains committed to keeping farm production costs down and strengthening energy security while enhancing sustainability.



SB 211 Bonding of Solar Installations

- **SB 211**, introduced by Senator Gene Yaw, establishes decommissioning and bonding requirements for project developers who seek to install or operate commercial solar electric generation facilities in Pennsylvania
- This is not a new concept as coal, natural gas, solid waste and a host of other industries are required to post financial guarantees for their activities
- Solar sites normally include rare earth metals and other hazardous materials which pose environmental or public health hazard if not handled appropriately
- This requirement would not apply to homes and businesses which host solar facilities that generate electricity for their own use

Protecting Prime Agricultural Land from Solar Panel Development

- Proposed by Senator Doug Mastriano this bill would prohibit large scale solar developments on prime Pennsylvania farmland
- The definition of Prime Agricultural land will include:
 1. preserved farmland
 2. farmland in "Agricultural Security Areas"
 3. farmland enrolled in the "Clean and Green" program
 4. land in soil capability classes of I, II, III, and IV

Protecting Prime Agricultural Land from Solar Panel Development cont.

- A strict waiver process will be established for exceptions to the prohibition for certain solar development on prime farmland pending public community hearings and approval from local government officials.
- This will not preclude a farmer from installing solar panels for farm operations and personal use
- It will also create state tax incentives for solar companies who choose to develop on several alternative sites to include: "brownfields", abandoned strip mine land, industrial sites, capped landfills and warehouse rooftops

Transportation

PFB is advocating for commonsense transportation reforms that increase efficiency and allow farmers to do their job without the burden of overregulation.

We will support transportation policy that:

- ✓ makes it easier for farmers to move their equipment and products in an expedient manner
- ✓ will advocate for efforts to clarify reciprocity agreements with surrounding states.

April 16-22 is Rural Roads Safety Week



SB 35 Stopping the Automatic Gas Tax Increase

- **SB 35**, introduced by Senator Wayne Langerholc, stops the automatic gas tax increase
- Biden Administration policy has triggered an automatic increase in Pennsylvania's gas tax, which will take effect from January 1, 2023, through December 31, 2023
- Act 89 of 2013 eliminated the flat gas tax (\$0.12 per gallon) and removed the artificial cap on the Oil Company Franchise Tax
- The Pennsylvania Department of Revenue must annually assess the gas tax (\$0.58 per gallon for gas and \$0.74 per gallon for diesel) according to the average wholesale price of gas, which is statutorily set at the floor of \$2.99 per gallon
- The annual tax assessment for motor fuels in 2022 was \$1.92 per gallon, the annual tax assessment for 2023 will exceed \$2.99 per gallon
- As a result, we will see an automatic increase of up to \$0.05 per gallon throughout 2023
- SB 35 passed in the Senate with a 29-19 vote on January 11. Two Democrats voted yes along with all Republicans.

SB 95 Streamlining the Home Delivery of Agricultural Products

- **SB 95**, introduced by Senator Wayne Langerholc, streamlines the home delivery of milk and other agricultural products with a farm vehicle registration plate
- Current law (75 Pa.C.S. § 1344, relating to use of farm vehicle plates) limits our farmers from transporting milk and other agricultural products from their farm to a home residence
- Vehicle Code allows for home deliveries via a commercial vehicle registration, the Vehicle Code prevents the commercial vehicle from being registered as a farm vehicle
- Meaning a farmer needs to purchase, register and maintain a separate commercial vehicle for at-home delivery while also maintaining a farm vehicle to deliver agricultural commodities to places of business.
- SB 95 passed unanimously out of the Senate on January 18.

SB 153 Milk Hauling During Travel Restrictions

- **SB 153**, introduced by Senator Judy Ward, amends the Vehicle Code to ensure that milk haulers can travel on highways during a declaration of disaster emergency
- This bill was introduced due to the travel restrictions implemented during the winter of 2019 for commercial vehicles
- The dairy industry is unique in nature, and this must be recognized in hauling restrictions

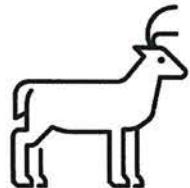
Additional Legislation

We support proposed legislation from Rep. Donna Oberlander that will allow the owners of specialized farm equipment to obtain a yearly permit for the movement of equipment and eliminate the need of a State Police escort for the movement.

Wildlife/Crop Damage

- Crop damage caused by wildlife is a growing concern for Pennsylvania farmers
- Currently, it's difficult to obtain data regarding costs of the crop loss
- PFB supports wildlife management and hunting laws that are adopted through input from farmers and other rural landowners having their concerns addressed through their elected legislators.
- We oppose legislation granting the Pennsylvania Game Commission full authority to set Sunday hunting rules, taking those decisions away from the General Assembly.

Senator Laughlin reintroduced SB 67 which completely removes the prohibition on Sunday hunting and allows the Game Commission to set hunting and trapping rules in Pennsylvania. We oppose this legislation.



Looking forward to
working with you.



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