**Critical State Resources for**

**Core Services to Agribusinesses**

The Virginia Agribusiness Council encourages critical assessment of budget decisions to ensure that core services to the agribusiness industry are preserved, including water quality investments for agribusinesses, and that additional costs are not imposed on the agribusiness industry. We support adequate funding and staffing, and appropriate organization of State Agencies in order to effectively and efficiently promote and support the economic growth and development of Virginia agriculture and forestry. Specifically, the Council requests consideration of the following resource needs:

***Agricultural Water Quality Programs at DCR***

* The Council supports achieving state-wide water quality goals through a public-private partnership between farmers and the Commonwealth for implementation of voluntary agricultural best management practices. In order to achieve these goals, adequate, consistent and dedicated State funding is needed for implementation of agricultural best management practices, technical assistance, and essential operations provided by the Soil and Water Conservation Districts.
* The Council supports meeting agriculture nutrient reductions within the Chesapeake Bay TMDL through utilization of voluntary Resource Management Plans (RMPs). RMPs must be supported by adequate, consistent, and dedicated funding for cost-share programs and technical assistance for implementation.

*Funding for Ag BMPs to meet water quality goals are top priority for our industry members. In FY2017 through support of the Governor and the General Assembly, a record $62 million was invested in agricultural best management practices and technical assistance. However, in FY 2018,* ***only $7.6 million*** *was included for agricultural best management practices. This is dramatically short of the $100 million needed according to recent DCR reports, and much less than the $52 million cost-share program that is currently being implemented in FY 2017. There also remains a $30 million backlog in requests for stream exclusion practices.*

***Virginia Department of Forestry***

Water Quality Inspection Fee for Logging Jobs

* The Council supports an effective level of funding to provide technical assistance to landowners, enhance the water quality program, and protect our natural resources and private property from forest fires.
* The Council supports optimization of state nursery production and planting levels that supports state wood market demands now and in the future.

*To respond to the required 7.5% budget reduction in FY 2018, the Department of Forestry has proposed in the introduced budget a* ***$100 water quality inspection notification fee*** *for enforcement of the silvicultural water quality law. Loggers would be required to pay a $100 per “job” fee for notification, in addition to the costs already born by the industry for complying with best management practices on the land to ensure that sediment does not move from the harvesting activities into Virginia waters.*

*Reforestation of Timberlands Program*

* The Council supports consistent application, collection, and enforcement of the Forest Products Tax to reflect changing markets, in support of Virginia's Reforestation of Timberlands (RT) program.
* The Council supports the required full state funding match for the Reforestation of Timberland Program which provides cost-share assistance to landowners for replanting and related management practices.

*The Reforestation of Timberlands program began in Virginia more than 40 years ago to ensure the viability of the Commonwealth’s wood resources. Cost share incentives are made available through the program to private landowners to plant open or harvested lands and funding is provided through a tax on forest industry companies that is matched by the state. The introduced budget* ***reduces the state funding match*** *in FY2018 by $300,000. In FY2017, the program was fully funded for the first time in over a decade.*

***Virginia Department of Agriculture & Consumer Services***

*Animal Damage Control (Coyote & Black Vulture Control efforts)*

* The Council recognizes the importance of biologically sound wildlife management, and supports improved wildlife population control measures in order to reduce nursery stock, crop and livestock depredation. Private sector solutions and improved coordination between federal, state, and local governments should be included in plans to reduce nuisance wildlife populations which negatively impact the agribusiness industry.

*Currently, state funding for a state/federal cooperative program provides services to agricultural producers in counties who are directly impacted by damage associated with coyotes and black vultures. Due to proposed budget cuts, the Governor’s proposed budget* ***removes all state funding*** *for this state-federal match program.*

*Economic and Farm Business Development & Agriculture & Forestry Development Fund (AFID)*

* The Council supports State and local economic development programs specifically focused on agribusiness development, such as the Virginia Farm Business Development Program and the Agriculture & Forestry Industries Development Fund (AFID), as tools to increase awareness of the economic benefits of agribusiness and encourage growth in the industry
* The Council supports adequate funding for the Virginia Agriculture and Forestry Industries Development Fund (AFID) to incentivize job creation and economic development through the expansion and establishment of new agribusinesses.

*The Virginia Agriculture & Forestry Industries Development Fund (AFID) was created in 2012 to establish an economic development tool specifically for agriculture and forestry value-added or processing projects. In 2016, the General Assembly created the Virginia Farm Business Development Program to assist small producers and processors with business expansion and planning. The proposed budget makes* ***minor reductions*** *in funding for AFID, but leaves the new Farm Business Development Program untouched.*

***Agribusiness Education and Workforce at VCE***

* The Council supports Virginia Cooperative Extension (VCE), the Virginia Agricultural Experiment Station (VAES), and other land-grant agricultural research station programs which are essential in providing the latest information, research findings, and technologies to the agribusiness industry.
* The Council supports keeping VCE and Virginia’s land-grant agricultural research stations within Virginia Tech’s College of Agriculture and Life Sciences, in coordination with Virginia State University, the Virginia Tech College of Natural Resources and Environment and the Virginia-Maryland Regional College of Veterinary Medicine.
* The Council believes State funding decisions for VCE and land-grant agricultural research stations and facilities must recognize that funding needs cannot be offset by tuition and fees.

*Virginia Tech and Virginia State University are the Commonwealth’s two land-grant institutions, and are critical partners in providing job creation, education, and research to expand Virginia’s agribusiness profitability. Investments in infrastructure and full funding for Virginia Cooperative Extension personnel at our land-grant universities are necessary to continue to provide cutting-edge research, outreach efforts, and educational facilities.*

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*“We Represent Virginia Agribusiness with a Unified Voice”*

*For more information, please contact us at vac@va-agribusiness.org*