

**LEAD WHERE YOU
STAND**

**2018 Outstanding Farm Bureau
Youth Handbook**





Kentucky Farm Bureau

Title Page



Effective Presentations



Acing the Interview



Farm Bureau 101



Farm Bureau Priority Issues



Contest Application and Score Sheets

Effective Presentations



Kentucky Farm Bureau Outstanding Youth Contest

Public Speaking

The fear of speaking in public is the #1 fear of all fears. The fear of dying is #7! Over 41% of people have some fear or anxiety dealing with speaking in front of groups. People who have this fear can experience all kinds of symptoms: Sweaty palms, accelerated heart rate, memory loss and even difficulty in breathing. Some of the world's most famous presenters have freely admitted to nervousness and stage fright. Mark Twain said it best, "There are two types of speakers: those that are nervous and those that are liars".

Everyone, even experienced speakers, has some anxiety when speaking in front of a group of people. The best way to deal with this anxiety is to first acknowledge that this fear is perfectly normal and you are not alone. To reduce your fear, you need to make sure you properly and thoroughly prepare yourself before you speak. Proper preparation and rehearsal can help to reduce this fear by about 75%. Proper breathing techniques can further reduce this fear by another 15%. Your mental state accounts for the remaining 10%.

Below are just a few suggestions you should use to overcome your speaking anxiety. The first and most important of all is preparation. Think of it as the 9 P's:

Prior Proper Preparation Prevents Poor Performance of the Person Putting on the Presentation.

Nothing will relax you more than to know you are properly prepared. Below are 10 steps you can take to reduce your speech anxiety.

1. **Know the room** - Become familiar with the place in which you will speak. Arrive early and walk around the room including the speaking area. Stand at the lectern and speak into the microphone. Walk around where the audience will be seated. Walk from where you will be seated to the place where you will be speaking.
 2. **Know the Audience** - If possible, greet some of the audience as they arrive and chat with them. It is easier to speak to a group of friends than to a group of strangers.
 3. **Know Your Material** - If you are not familiar with your material or are uncomfortable with it, your nervousness will increase. Practice your speech or presentation and revise it until you can present it with ease.
 4. **Learn How to Relax** - You can ease tension by doing exercises. Sit comfortable with your back straight. Breathe in slowly, hold your breath for 4 to 5 seconds, and then slowly exhale. To relax your facial muscles, open your mouth and eyes wide, then close them tightly.
-



Kentucky Farm Bureau Outstanding Youth Contest

Public Speaking Continued

5. **Visualize Yourself Speaking** - Imagine yourself walking confidently to the lectern as the audience applauds. Imagine yourself speaking, your voice loud, clear and assured. When you visualize yourself as successful, you will be successful.
6. **Realize People Want You To Succeed** - All audiences want speakers to be interesting, stimulating, informative and entertaining. They want you to succeed - not fail.
7. **Don't apologize For Being Nervous** - Most of the time your nervousness does not show at all. If you don't say anything about it, nobody will notice. If you mention your nervousness or apologize for any problems you think you have with your speech, you'll only be calling attention to it.
8. **Concentrate on Your Message - not the medium** - Your nervous feelings will dissipate if you focus your attention away from your anxieties and concentrate on your message and your audience, not yourself.
9. **Turn Nervousness into Positive Energy** - The same nervous energy that causes stage fright can be an asset to you. Harness it, and transform it into vitality and enthusiasm.
10. **Gain Experience** - Experience builds confidence, which is the key to effective speaking. Most beginning speakers find their anxieties decrease after each speech they give.

Remember, "He who fails to prepare is preparing for failure - so Prepare, Prepare, Prepare"

The more you know about your speaking environment and your audience, the more relaxed you will be when delivering your speech. Many speakers; however, often overlook the need to include any kind of audience analysis as part of their speech preparation. Proper audience analysis will assure that you give the right speech to the right audience. Using the word "A-U-D-I-E-N-C-E" as an acronym, I have defined some general audience analysis categories that these surveys should include.

- A**nalysis - Who are they? How many will be there?
- U**nderstanding - What is their knowledge of the subject?
- D**emographics - What is their age, sex, educational background?
- I**nterest - Why are they there? Who asked them to be there?
- E**nvironment - Where will I stand? Can they all see & hear me?
- N**eeds - What are their needs? What are your needs as the speaker?
- C**ustomized - What specific needs do you need to address?
- E**xpectations - What do they expect to learn or hear from you?

Develop specific questions, which fit into each of these eight categories and ask the client or audience to tell you what they want. Essentially, ask them what they need and give it to them.



Kentucky Farm Bureau Outstanding Youth Contest

20 Mistakes Speakers Make and How to Avoid Them

- 1) **Trying to convince an audience you have a sense of humor when all the evidence says otherwise.** If you're not funny, don't try to tell a joke. Some speakers can't even read a story so that other people will laugh. Some speakers think telling a joke is a prerequisite for getting the audience to relax and listen to their message. But if the speaker is relaxed and confident, the audience will be relaxed and attentive.
 - 2) **Thinking spontaneous remarks are better than any prepared speech.** "Spontaneity" is one of the rarest things on earth. Mark Twain once said it takes three weeks to prepare a good ad-lib speech. A speech needs to be outlined, then written, then re-written and then practiced many times before it will be a good one.
 - 3) **Exceeding the time allotted for your speech.** The audience knows how much time your speech is supposed to take and will lose interest quickly in a speaker that exceeds that limit. Make it a point of pride to finish a minute or two under your allotted time.
 - 4) **Failing to research the audience before a speech.** A speech must be geared toward the audience, or the message will never be received. Ask lots of questions about the audience, what kind of speech they will be expecting, what kind of group this is, how many people will be attending, and will they want a question-and-answer period. Conducting a thorough audience analysis is vital before you begin to prepare any speech.
 - 5) **Failing to research the physical location in advance of a speech.** If you don't check every detail of the place you're speaking in, disaster can be the result. Find out the size and shape of the lectern or podium. Will there be a microphone available and how does it operate? Have arrangements been made for any audiovisuals you want to use? How big is the room? Is there a glass of water at hand for each speaker? Conducting a thorough study of the room where you will speak will make you much more comfortable, while avoiding any distracting annoyances once you get started.
 - 6) **Not rehearsing the speech many times in advance.** Rehearse in front of a video camera or into a tape recorder. Or ask a family member or business associate to listen to your speech and provide helpful suggestions on speech content and delivery.
 - 7) **Fidgeting, slouching and leaning on the podium.** Body language tells the audience more about you than your words. Establish and maintain good eye contact. Plant your feet shoulder width apart and stand tall. Use gestures when appropriate and rest your hands on the podium at other times.
 - 8) **Writing an essay to be read instead of a speech.** This is a speech, not an English composition. Many good sentences will make sense when a person reads it, but not when that sentence is spoken. Read through your speech out loud several times, to make sure you've used simple words and short sentences.
-



Kentucky Farm Bureau Outstanding Youth Contest

20 Mistakes Speakers Make and How to Avoid Them Continued

- 9) **Failing to find an effective opening for your speech.** A speaker must establish some common ground with the audience very quickly. Talk about a common tie with the audience. Tell a heartwarming or funny story that gets their attention. Give a sincere compliment to the group. Boldly state your theme in a simple and memorable way.
 - 10) **Flooding the audience with statistics, especially early in the speech.** Limit yourself to the most compelling statistics and then illustrate the statistic with a forceful analogy. Statistics are difficult to visualize and can numb your audience if overused.
 - 11) **Failure to make the main points of your speech stand out.** If the audience doesn't go home with the two or three main ideas you worked so hard to deliver to them, then you've failed. There is one surefire method for making your main points clear. Label them with numbers or tag them with strong words. Then repeat the points several times, in several ways, throughout the speech.
 - 12) **Going on too long after you say, "In conclusion..."** If you talk much more than 30 seconds to a minute after you use that phrase, you will seriously compromise all the good you've accomplished up to that point, no matter how good your speech has been.
 - 13) **Using dull and sloppy visual aids.** If you add visual aids to your speech, they should be bright, colorful and easy to see and understand from the back row of the audience. Before you speak, have a friend or colleague stand in the back of the room and watch while you deliver that part of your speech. If the object cannot be seen clearly, trash it.
 - 14) **Failing to test all electrical equipment before the crowd arrives.** Light bulbs burn out on projectors, overheads do not focus properly and screens are not positioned correctly, unless you take the time to check all these in advance.
 - 15) **Dimming the lights more than necessary when showing slides.** Do not darken the room unless absolutely necessary. If you do, people will not be able to take notes and they may begin to get drowsy, especially if you are speaking after a meal.
 - 16) **Beginning the speech too quickly - or beginning it too late.** If you launch into the important part of your speech from the very first sentence, the audience may not have settled down. You must give them time to relax, to sit back and decide what kind of person you are. On the other hand, do not use too many jokes, stories, or personal references and lose their interest before you get into the reason for your speech.
 - 17) **Changing the topic of your speech at the podium.** You have seen it before. The speaker holds up the program flyer and pokes fun at the topic as listed. Then the speaker announces he or she has decided to talk about a slightly different subject. Do not do it. If you must change your speech's emphasis, do so without tipping your hand.
-



Kentucky Farm Bureau Outstanding Youth Contest

20 Mistakes Speakers Make and How to Avoid Them Continued

- 18) **Failing to repeat the question during Q&A period.** Not everyone in the audience will be able to hear the question. Always repeat the questions so everyone in the room will know what is being discussed. And then address the answer to the entire room, not just to the person asking the questions.

- 19) **Speaking too slowly - or too fast.** Too often the speaker who speaks slowly to give emphasis and clarity to his own ideas succeeds only in boring the audience. Instead, practice pronouncing your words more distinctly while you speak at a normal speed. The reverse is the speaker who gets caught in the trap of speaking too quickly. Vary the speed of your delivery.

- 20) **Passing out material while you are speaking.** It is a sure way to lose the attention of your audience. If you have an outline that you want the audience to follow while you speak, have it handed out in advance of your introduction. A better plan is to have anything you want the audience to have in printed form distributed at the back of the room as they leave.

*The three secrets to success in public speaking -
be sincere, be brief, and be seated!*



Kentucky Farm Bureau Outstanding Youth Contest

Possible Speech Topics & Titles

- Farm Bureau: What is its mission?
 - Why is it important for farmers to take an active role in the political process?
 - What is the greatest issue facing Kentucky agriculture?
 - What role does Kentucky Farm Bureau play in strengthening Kentucky agriculture?
 - How have women made a difference in American agriculture over the past 100 years?
 - How can educational programs improve the public perception of agriculture?
 - Why is agricultural literacy important?
 - How has technology advanced American agriculture?
 - Agriculture: A True Friend to the Environment and Wildlife
 - Is a sound agricultural economy a matter of national security and defense?
 - What are some of the benefits of bio-engineered or genetically-modified crops?
 - Agriculture: Your Life Support System! How does agriculture impact your life?
 - Why are farmers considered the first environmentalist?
 - Agriculture: Food, Fiber and Fuel - Meeting Your Needs!
 - How is the global market affecting Kentucky agriculture?
 - How does Farm Bureau create its policy? Why is this important?
 - The Real Value of American Agriculture! The average family only spends 10% of their income on food.
-

Acing The Interview



Kentucky Farm Bureau Outstanding Youth Contest

Acing an Interview

- 1) Dress appropriately and professionally.
 - a. Much of another person's perception of you is based on how you look.
 - b. Women's Interview Attire
 - Solid color, conservative suit
 - Coordinated blouse
 - Moderate shoes
 - Limited jewelry
 - Neat, professional hairstyle
 - Tan or light hosiery
 - Sparse make-up & perfume
 - Manicured nails
 - c. Men's Interview Attire
 - Solid color, conservative suit
 - White long sleeve shirt
 - Conservative tie
 - Dark socks, professional shoes
 - Very limited jewelry
 - Neat, professional hairstyle
 - Go easy on the aftershave
 - Neatly trimmed nails
 - 2) Plan to arrive at least fifteen minutes before the interview. That will help reduce your stress level, and you will ensure that traffic or other delays don't make you late.
 - 3) Greet your interviewer by name, with a firm handshake and a smile. Until your interviewer tells you otherwise, use the more formal "Mr. (Smith)" or "Ms. (Johnson)."
 - 4) Wait for the interviewer to sit down or invite you to sit down before seating yourself.
 - 5) Be prepared to speak in concise terms about relevant experiences that reflect positively on your skills and your character.
 - 6) Do not smoke or chew gum.
-



Kentucky Farm Bureau Outstanding Youth Contest

Acing an Interview Continued

- 7) Sit comfortably, maintain good body posture.

- 8) Listen carefully to what the interviewer is saying. Take a few seconds to think about a difficult question before responding.
 - a. Responding quickly may convey that you're impulsive and don't take time to think about your decisions.
 - b. Don't be afraid of silence during the interview - it's better to think about a question for a few moments, rather than jumping in with an answer that's off-target or long and rambling.
 - c. If the question seems ambiguous or you need more clarification, ask the interviewer to elaborate or restate the question. (But don't use this as a ruse to gain more time.)
 - d. Don't display defensiveness when a tough question has you stumped.

- 9) Don't make up answers to questions you don't know. Your interviewer will conclude that you will do the same thing in the work place.

- 10) Enthusiasm is vital! Demonstrate your interest in the contest, organization, job or company.

- 11) Keep the interviewer's attention.
 - a. You can apply the same principles that work in public speaking - vary the tone and tempo of your voice; take your nervous energy and translate that into enthusiasm; maintain eye contact with the interviewer.
 - b. Try to match the interviewer's energy level. People like to select or hire others like themselves.

- 12) Conclude your interview with good eye and a firm handshake. Thank the interviewer for their time.

Farm Bureau

101



Kentucky Farm Bureau

Basic Concepts & Functions

Mission Statement

Kentucky Farm Bureau is a voluntary organization of farm families and their allies dedicated to serving as the voice of agriculture by identifying problems, developing solutions and taking actions which will improve net farm income, achieve better economic opportunities and enhance the quality of life for all.

Scope of Farm Bureau

Kentucky Farm Bureau, founded in 1919, is a federation of the 120 county Farm Bureaus in the state.

The American Farm Bureau is made up of 50 states and Puerto Rico, which nationwide boasts over 6 million family memberships. The AFBF office is located in Washington, DC.

Farm Bureau Defined

Farm Bureau is a voluntary, bi-partisan, dues-paying organization of farmers working together to accomplish as a group those things they cannot accomplish as individuals. Membership is on a family basis and the organization provides programs and services in which each member of the family has the opportunity to participate and serve.

Voluntary

No one is forced to join Farm Bureau. Rather, farmers voluntarily join to be a part of the organization and to participate in its many valuable programs.

Bi-Partisan

Farm Bureau is not officially connected with any branch or department of government. While the organization must interact constantly with officials of government on matters affecting agriculture, its policy is to do so on a non-partisan basis.

Dues-Paying

Members pay dues to support the organization. Farm Bureau receives no operating funds from any private or governmental source.

Structure of Kentucky Farm Bureau Federation

Kentucky Farm Bureau is governed by a Board of Directors consisting of 26 members, elected from their respective districts, plus 7 Directors-at-Large. Its officers are elected by the membership and serve as officers of the Insurance Board and other affiliated companies, but are not full-time employees of Farm Bureau. The Chief Administrative Officer of the organization is Mr. David S. Beck, who serves as the Executive Vice President, and is in charge of the day-to-day operation of the company.

Farm Bureau is the world's largest, most respected, and most effective farm organization and possesses a solid record of achievement in the history of American agriculture. It is an organization which, upon its record, has earned the membership and enthusiastic support of every farmer in Kentucky and in the nation.



Kentucky Farm Bureau

Programs & Services

Farm Bureau on all levels, conducts programs which are beneficial to agriculture in general and farmers in particular. A wide variety of services is offered to dues-paying Farm Bureau members in Kentucky. Some apply only to farmers, others to all members regardless of occupation.

Women's Program

The Kentucky Farm Bureau Women's Program provides opportunities for educational and leadership development; enabling farm women to become active participating members of Farm Bureau. It is designed to utilize the talents of women throughout the state for the purpose of implementing Farm Bureau goals and objectives. These activities also include all agricultural literacy efforts.

Agriculture in the Classroom

Kentucky Farm Bureau continues to effectively reach students and teachers through various activities and events such as Ag Day's, Agricultural Literacy Programs and Regional Teacher Workshops. Thousands of students each year have the opportunity to learn how Kentucky agriculture positively impacts their lives economically, environmentally and socially.

Youth Activities

School-age youth find opportunities for recognition through the Outstanding Farm Bureau Youth contest and talent competition at the county, district and state levels. An Institute for Future Agricultural Leaders (IFAL) is held on two Kentucky university campuses each summer, emphasizing leadership and agriculture careers for top students who have just completed the 11th grade.

Young Farmers

An Outstanding Young Farm Family contest, an Excellence in Agriculture Contest and an annual Discussion Meet are all designed to recognize successful and talented young farmers. County and state committees offer leadership opportunities for farmers 35 years of age and under.

Scholarships

Thousands of dollars in college aid grants are awarded annually to deserving Kentucky high school seniors from Farm Bureau families by the Kentucky Farm Bureau Education Foundation.

Information & Public Relations

A dedicated communications team is charged with informing Farm Bureau members and the general public about the program, products and services of Kentucky Farm Bureau, and informing the public of important agricultural issues. This is primarily accomplished through various news releases and media correspondence; a magazine entitled, Kentucky Farm Bureau News, published 10 times a year; daily and weekly radio programs; a monthly video report; and a weekly television program, Bluegrass and Backroads.

Farm Bureau Bank

The internet bank located in San Antonio offers credit cards, checking accounts, money market accounts, CDs, auto loans and home mortgage loans at competitive rates.

Governmental Affairs

Full-time lobbyists are on duty anytime the state legislature, Congress or regulatory agencies act on matters affecting agriculture. Policies are formulated through an annual process that measures grassroots sentiment on important issues. Measure-the-Candidate programs check candidates' views and compare them with Farm Bureau policies.

Commodity Interests

A team of commodity specialists help represent the interests of Farm Bureau's farmer members in an attempt to increase net farm income. This team works with the various commodity committees of Farm Bureau and acts as a liaison with other commodity organizations or groups interested in the state's agricultural industry.

Insurance

Agents in all 120 counties offer a full line of insurance services to Farm Bureau members. Kentucky Farm Bureau Mutual Insurance Company now carries the highest rating given for soundness and safety by the nation's top insurance rating service.

Buying Services

Price discounts for Farm Bureau members have been negotiated on a variety of products and services. The discounts cover products from eyeglasses, to prescription medicines, state park lodging and car rentals, among others. A group purchasing program for bulk shipments of farm chemicals and fruit is offered once a year as well.

Farm Bureau Priority Issues



2018 Kentucky Farm Bureau State Priority Issues

AGRICULTURE PROGRAMS AND SERVICES

Maintain allocating 50% of the Master Settlement Agreement funds to the Agricultural Development Board, and funds be spent for the purpose of improving net farm income of individual farmers in production agriculture.

The legislature should be commended for their support of maintaining 50% of the Master Settlement Agreement funds to agriculture. In previous sessions, the General Assembly showed their commitment to the agriculture community by doing so.

Agriculture has taken advantage of the opportunity granted by the Kentucky General Assembly. Agricultural development funds have been utilized to fund innovative projects that have increased net farm income and affected tobacco farmers, tobacco-impacted communities, and agriculture across the state through stimulating markets for Kentucky agricultural products, finding new ways to add value to Kentucky agricultural products, and exploring new opportunities for Kentucky farms and farm products.

The Kentucky Agricultural Development Board has funded a wide variety of projects to diversify Kentucky agriculture, including an ethanol plant, bio-diesel facility, farmers markets, agri-tourism projects, and processing facilities. In addition, there is the opportunity for farmers to diversify their farming operation by participating in County Agriculture Investment Programs which offer farmers a number of investment areas from forestry to aquaculture to livestock.

Communities across Kentucky continue to benefit from the funds allocated to agriculture. When profitable, farmers are the major economic stimulus for rural communities. In fact, Kentucky's farm receipts were estimated to exceed \$5.6 billion last year. This is testimony that the General Assembly investment in agriculture is paying dividends to Kentucky's overall economy. Agriculture's portion of the Master Settlement Agreement is not just an investment in Kentucky's farmers; it is an investment in Kentucky's future as a whole. As producers look to the future to diversify their farming operations, tobacco funds will prove to be essential now more than ever to achieve this goal.

Kentucky Farm Bureau encourages the legislature to again show their commitment to agriculture and appropriate 50% of the Master Settlement Funds for farm-based initiatives.

Farm Bureau Policy:

"We support more dollars of agricultural development funds be spent for the purpose of increasing net farm income of individual farmers in production agriculture."

"We recommend no changes in the Master Settlement Agreement and encourage the State of Kentucky to leave the settlement "as is"."

STATUS AFTER 2018 REGULAR SESSION

The Master Settlement Agreement funding formula was maintained - Success

May 2018



2018 Kentucky Farm Bureau State Priority Issues

AGRICULTURE PROGRAMS AND SERVICES

Support continued funding of the Soil Erosion and Water Quality Cost-Share Program.

In 2016, the Kentucky General Assembly allocated \$5 million in both FY17 and FY18 to the Soil Erosion and Water Quality Cost-Share Program, from Master Settlement Agreement Funds, to assist landowners in installing best management practices. These best management practices are required to meet the goals of pollution reduction from agriculture and silviculture activities as stated in the federal Clean Water Act and the Kentucky Agriculture Water Quality Act (AWQA). Through the Soil Erosion and Water Quality Cost-Share Program, the public will share in the cost of protecting our natural resources.

The AWQA requires that all agriculture and silviculture landowners fully implement their individual water quality plans. We commend the General Assembly for including the \$5 million over the next biennium and would ultimately encourage restoration of the Soil Erosion and Water Quality Cost-Share program back to its \$9 million annual appropriation.

Finally, we support General Fund appropriations of at least \$2,575,000 annually to conservation districts to fund technical personnel and offices in all 120 counties who will provide assistance to landowners through their local conservation district in implementing their Ag Water Quality Plans.

Farm Bureau Policy:

“We support continuation of General Fund dollars and Kentucky Department of Agriculture dollars to the Kentucky Soil Erosion and Water Quality Cost-Share Program administered by the State Division of Conservation through local conservation districts to help farmers install best management practices to meet the requirements of the Kentucky Agriculture Water Quality Act.”

STATUS AFTER 2018 REGULAR SESSION

Kentucky Soil Erosion & Water Quality Cost-Share Program funds were maintained - Success

May 2018



2018 Kentucky Farm Bureau State Priority Issues

AGRICULTURE PROGRAMS AND SERVICES

Support an efficient, well-administered and adequately financed Kentucky Department of Agriculture.

Adequate funding for the Kentucky Department of Agriculture is critical in order to maintain profitable and productive farms. Farmers and consumers depend on the Department of Agriculture for all types of services.

As global markets change, helping Kentucky farmers to market their products has become valuable. Most farmers do not have the resources necessary to successfully market their products on an individual basis. As a result, the Kentucky Department of Agriculture has become a leader in the marketing of Kentucky's agricultural products. Programs like Kentucky Proud, Appalachia Proud and Homegrown by Hero's have encouraged consumers to buy Kentucky products, keeping money in the state, and making Kentucky farms more profitable. We support continued funding for all of the Kentucky Department of Agriculture's marketing programs because they help increase net farm income.

In addition to assisting farmers market their products, the Kentucky Department of Agriculture performs many other duties. The Office of the State Veterinarian is charged with keeping Kentucky's livestock free of disease. Livestock and poultry accounted for over \$1.9 billion in cash receipts in 2017, so the operation of the state veterinarian's office is of great importance to the agriculture economy.

The Kentucky Department of Agriculture also assists with local agricultural fairs, tests hay quality, administers the grain insurance law, promotes farm and home safety, and plays many other important roles in Kentucky agriculture. But the Department's functions extend well beyond the farm. For example, the Kentucky Hunger Initiative is bringing together farmers, charitable organizations, faith groups, community leaders, and government entities to help reduce hunger in Kentucky.

The Department's regulatory arm checks motor fuel pumps and price scanners for accuracy, inspects amusement rides, regulates the pesticide industry in Kentucky, tests commercial scales and performs numerous other duties.

Given the tremendous responsibilities the Kentucky Department of Agriculture has, it is of vital importance to not only farmers, but all the citizens of Kentucky, that they receive sufficient funding to carry out these duties.

Farm Bureau Policy:

"We support an efficient, well-administered and adequately financed Department of Agriculture. We support the Kentucky Department of Agriculture be primarily financed by dedicated resources of revenue, and recommend an increase in the budget's baseline to bring the marketing and promotion budget in line with other states."

STATUS AFTER 2018 REGULAR SESSION

Funding for KDA was maintained - Success

May 2018



2018 Kentucky Farm Bureau State Priority Issues

AGRICULTURE PROGRAMS AND SERVICES

Recommend sufficient funding be made available to maintain a strong grain elevator inspection program for the protection of farmers and protect the farmer-financed Grain Insurance Program.

Kentucky Farm Bureau supports sufficient funding in the Department of Agriculture's budget to maintain a strong grain elevator inspection program. The proper inspection of grain elevators is essential in providing farmers with a reliable market and/or storage facilities for their grain. The Department is required by statute to inspect licensed elevators a minimum of twice each year. The purpose of the inspection is to determine the following: if grain is in storage or statements show that the grain is accounted for; the condition of storage facilities; and conditions of grain in storage.

Farmers have the option of paying into the Kentucky Grain Insurance Fund. The fund was established and is financed solely by farmers and is capped at \$10 million. Neither the General Fund nor Master Settlement Agreement dollars are used to maintain the Grain Insurance Fund.

The Grain Insurance Fund is used to help farmers recoup funds in the event that a grain elevator the farmer sold their grain to goes bankrupt. Over the years, the fund has ensured that farmers received compensation for their grain. Without the fund, some farmers would have undoubtedly suffered severe losses with no recourse for recovering possibly an entire crop.

The fund also helps Kentucky's agricultural industry in other ways. Farmers from Tennessee, Indiana, Illinois and other border states sell grain in Kentucky because of our Grain Insurance Fund. The fund will pay farmers in other states only if they sell their grain in Kentucky, and only if they pay into the Grain Insurance Fund.

It is always tempting to use this farmer-financed fund for legislative projects. General Assembly members should remember that the statute states that if any money is taken from the fund, it ceases to exist. Thus, any use of the Grain Insurance fund dollars will abolish the fund.

Farm Bureau Policy:

"We commend the Kentucky General Assembly for the action taken relative to the grain insurance law and encourage that it continue to be monitored for protection of farmers."

STATUS AFTER 2018 REGULAR SESSION

Grain Insurance Program was maintained - Success

May 2018



2018 Kentucky Farm Bureau State Priority Issues

TAXATION

Kentucky's tax code should be reformed based on sound economic principles to create a more competitive business climate.

Kentucky offers vast natural resources and good transportation infrastructure. This is conducive to attracting and keeping businesses in the Commonwealth. However, the current state tax code needs to be addressed to attract more businesses to our state. Tax reform should be based on sound economic principles to ensure the longevity of such reforms.

Kentucky Farm Bureau believes that Kentucky's tax policy, in addition to being based on sound economic principles, should be based on public need and Kentucky taxes should be apportioned equitably among its citizens.

Legislation was introduced in the 2017 session which attempted to reform parts of Kentucky's tax code. The legislation would have decoupled the state estate tax from changes to the federal estate tax since 2003 and provided for a reduction and phase-out of the pension exclusion, and established a cap for itemized deductions. It would have also frozen the real property tax rate at 12.2 cents per \$100, removed the rate adjustment provision, and removed the recall provision. It would have removed the provisions of HB 44 that allow for recall of certain tax rates. We believe this type of reform would have set Kentucky back rather than help move it forward.

Kentucky Farm Bureau believes the time to address tax reform, both on the state and national level is upon us. The federal tax code has gone through major reforms recently and now the General Assembly should consider reforms to Kentucky's tax code to make our state more competitive. Other states that compete with Kentucky for jobs have already addressed their tax structure and created a more business-friendly climate.

Farm Bureau Policy:

"Kentucky's tax policy should be based on public need and sound economic principles and Kentucky taxes should be apportioned equitably among its citizens."

"Kentucky's tax code should be reformed based on sound economic principles to create a more competitive business climate."

STATUS AFTER 2018 REGULAR SESSION

Tax Reform was taken up in the 2018 Session which will make KY more competitive - Success

May 2018



2018 Kentucky Farm Bureau State Priority Issues

TAXATION

Strongly oppose freezing the state real property tax rate.

Support the provisions of House Bill 44 (KRS 132.010). Revenue from property taxes should continue to be limited to 4% plus new growth. Proposals to exceed 4% should automatically go to the voters.

Kentucky Farm Bureau is well aware the General Assembly is facing a very tight budget, with limited resources to address all the needs of the Commonwealth during the 2018 session. While we stand willing to work with the legislature in establishing appropriate ways to stabilize Kentucky's revenue system, we do not believe that raising property taxes is the answer. Many farmers and landowners simply cannot survive an increased tax burden.

We are opposed to freezing the tax rate and want to caution that implementing a rate freeze does not freeze property taxes. Locking in the tax rate will allow tax bills to rise beyond 4 percent per year, driven by the increase in property assessments. Freezing Kentucky's property tax rate is a tax increase not a tax decrease. Property owners, both rural and urban, deserve to retain protection from outrageous increases in tax burdens on existing homes, farms, and businesses.

Since 1979 the tax rate has dropped from 31 cents to the current level of 12.2 cents however, revenue the state has collected from property taxes has increased each year. We also recognize the impact property taxes have on government programs in this state. We believe that funding any level of government solely through property taxes is not in the best interest of Kentucky and we support HB 44 (KRS 132.010) as it was enacted in 1979. Our organization worked hard in the 1979 special session to bring about the protections in HB 44, and has been a strong supporter since its enactment.

Farm Bureau Policy:

"We strongly oppose freezing the state real property tax rate."

"We recommend that local officials' authority to increase revenue from property taxes continue to be confined to 4 percent plus new growth. Any proposal to increase revenue more than that formula should automatically be decided by a voter referendum."

STATUS AFTER 2018 REGULAR SESSION

Provisions of KRS 132.010 (HB 44) were maintained – Success

May 2018



2018 Kentucky Farm Bureau State Priority Issues

TAXATION

Maintain Kentucky's sales tax exemptions for production agriculture.

Kentucky Farm Bureau is well aware that the General Assembly will face tough decisions during the 2018 session which could potentially include reforming Kentucky's tax code.

All of Kentucky's seven surrounding states have some form of agricultural sales and use tax exemption. Removing this exemption for farmers in Kentucky would put them at a tremendous disadvantage as well as devastate the agricultural supply industry in our state. Farmers are also unable to pass along their cost of production to the market place.

Removal of the current agricultural sales and use tax exemption would also result in an immediate six percent increase in the cost of production and would force many producers out of business. Another consequence of removing the current sales and use tax exemption would be on Kentucky's agri-business industry. Like farmers, this would put the agri-business industry at a competitive disadvantage.

It is critical the General Assembly maintain the current agricultural sales and use tax exemption to ensure that Kentucky agriculture remains competitive and remains a vital part of Kentucky's economy.

Farm Bureau Policy:

"We recommend that all farm production items including veterinary medicine and vaccines, electricity, sawdust and wood shavings, all livestock and poultry bedding, LP gas, and natural gas be exempt from sales and use tax."

"Agriculture cannot pass along its increases in production expenses; therefore to keep our agriculture community viable, we need to keep our Kentucky agriculture sales tax exemption intact."

"We recommend production items associated with the equine industry be exempt from the sales and use tax."

STATUS AFTER 2018 REGULAR SESSION

Agriculture tax exemptions were maintained – Success

May 2018



2018 Kentucky Farm Bureau State Priority Issues

HIGHWAYS, ROADS AND BRIDGES

Support the rural secondary and county road aid programs and continuation of the 22.2% allocation of the state gasoline tax revenue for rural roads.

Kentucky's rural secondary and county roads are a critical piece of Kentucky's overall infrastructure. They are crucial for farmers to transport their products from farm to market and to attract new industries and economic opportunities to rural Kentucky.

Any reduction to the rural, secondary and county road funds would jeopardize the safety of citizens who travel these roads every day. The Commonwealth must maintain a viable infrastructure in rural Kentucky to enhance road safety, commerce, tourism and our overall economy.

Kentucky Farm Bureau is a member of the Kentucky Infrastructure Coalition, which is made up of farmers, manufacturers, engineers, local leaders and more than 40,000 transportation workers who understand that safe, reliable, efficient transportation is essential to Kentucky's economy. The Coalition supports long-term, sustainable funding that provides adequate revenues for all modes of transportation so our state can maintain the infrastructure we have today and build what we need for our future.

Kentucky Farm Bureau reaffirms its commitment to protect the integrity of the road fund distribution formula. Maintaining farm to market roads is vital to Kentucky's agriculture economy and rural Kentucky. Kentucky Farm Bureau believes the current road fund formula should not be altered, unless it is to increase the 22.2% rural road fund allocation. Rural roads are a very important investment not only to Kentucky agriculture, but to all citizens of the Commonwealth.

Farm Bureau Policy:

"We recommend continuation of the 22.2 percent allocation of the state gasoline tax revenue for rural roads, and increasing county road aid funds to the point that all rural roads can have a hard surface."

"We support revenue options that ensure adequate financing for transportation infrastructure maintenance which take into account increased construction cost, improved fuel efficiency, and electric vehicles which currently pay no fuel tax."

"We support legislation that clearly defines the right of farmers to transport their products to market by the most economically feasible method."

STATUS AFTER 2018 REGULAR SESSION

Rural and Secondary Road Fund Formula was maintained - Success

May 2018



2018 Kentucky Farm Bureau State Priority Issues

WATER RESOURCES

Support the Kentucky Water Resources Board and advocate a coordinated effort to manage water resource projects across the Commonwealth.

State water resource policy and regulations should be based on adequate scientific research data.

Since the passage of the 2016 legislation which created the Kentucky Water Resources Board, the board has been conducting research and developing recommendations to enhance the quantity of water resources accessible for agricultural production in the state. They also researched emerging water resource issues, including the adequacy of water supplies available for agricultural production and in our rural communities.

The board has examined potential actions to address deficiencies in water supplies and make recommendations for developing new and reliable water sources for key areas of farm production in Kentucky.

The next and most crucial stage of this initiative is to identify and secure the necessary state and/or federal funding to create on-farm water demonstration projects. While Kentucky has vast amounts of natural resources, agriculture and our rural communities are one drought away from causing a dramatic impact on our ability to produce crops.

The KFB Water Management Working Group continues their work to develop additional recommendations that will enhance the quality and quantity of water resources accessible for agricultural production in the state.

Farm Bureau Policy:

"We support the Kentucky Water Resources Board and its coordinated effort to manage water resource projects and programs."

"We support the University of Kentucky Grain and Forage Center of Excellence concept and coordinated research efforts on water resource development and irrigation efficiencies."

"We support increased monitoring of Kentucky's water resources to observe both quantity and quality of these resources."

“We recommend the Kentucky Drought Mitigation and Response Plan be updated to include a specific “Agriculture Drought Mitigation” section.”

“We support the use of peer-reviewed, sound science, as the basis for any regulatory decision.”

“We encourage the Kentucky Soil and Water Conservation Commission, local conservation districts and Farm Bureau to participate in developing water quality regulations. We request state government include agricultural representation in the process of developing water quality regulations to include, but not limited to TMDLs.”

STATUS AFTER 2018 REGULAR SESSION

There was no significant water resources legislation introduced in 2018.

May 2018



2018 Kentucky Farm Bureau State Priority Issues

WILDLIFE MANAGEMENT

Seek effective wildlife management that will reduce the wildlife population in an effort to alleviate continued crop and livestock losses, automobile accidents, human injuries, and loss of life.

Action is needed to control the growing wildlife population in the state. As the number of wildlife increases, so does the areas in which they inhabit. Elk are expanding beyond the 16 county restoration zone and black bears continue to expand their footprint in Kentucky. We believe that all means of controlling wildlife should be considered including increasing the hunting seasons, increasing limits on the number of wildlife that can be taken, and other such initiatives.

There has been a significant increase in property and crop damage caused by the growing black bear population in Eastern Kentucky. Many people do not realize that virtually everyone is adversely affected by the actions of wildlife at one time or another. Every consumer pays more for commodities when supplies are decreased or damaged by wildlife.

Deer are also responsible for more human deaths than any other animal. According to the Insurance Information Institute, there are approximately 1.6 million deer related vehicle crashes each year that result in more than 150 deaths, injure tens of thousands and result in over 3.6 billion in vehicle damage. In 2016, Kentucky ranked 15th in the country for the most deer collisions, the odds drivers will hit a deer in Kentucky are 1 out of 100, well above the national odds of 1 in 162.

Kentucky State Police tracked nearly 3,100 deer collisions across the Commonwealth in 2016 and expect just as many if not more in 2017. In addition to causing damage to vehicles, deer contribute to more than 100 injury crashes and about three highway fatalities in Kentucky each year.

In addition, according to the most recent data from USDA's National Agricultural Statistics Service, more than half of U.S. farmers experience economic loss from wildlife damage. The National Agricultural Statistics Service reported wildlife caused an estimated \$944 million damage to crops and livestock in its most recent survey.

Farm Bureau Policy:

"We support effective wildlife management that will reduce the wildlife population in an effort to alleviate continued crop loss, automobile accidents, human injuries, and loss of life."

"We recommend that the state establish procedures for controlling wildlife pests such as beaver, black bear, deer, turkey, coyote, raccoon, etc., which are proving to be destructive in certain areas of the state."

"We encourage more liberal deer, elk, turkey, duck, geese, and black bear hunting seasons to control rapidly expanding populations."

STATUS AFTER 2018 REGULAR SESSION

HCR 7 – Black Vulture permit resolution was passed – Success

May 2018



2018 Kentucky Farm Bureau State Priority Issues

RURAL COMMUNICATIONS

Support broadband and high speed internet service being available for the benefit of all Kentuckians.

Support efforts and incentives to improve all telecommunications in rural Kentucky.

Rural Kentucky's internet speed and accessibility have been slow to catch up with the rest of the state. Increased broadband service would greatly assist with agriculture, agritourism, education, economic development, health care, public safety and many other areas. Kentucky ranks 47th in the country in broadband speeds and capacity. This puts Kentucky at a major disadvantage for attracting new jobs and educational opportunities.

The Kentucky Communications Network Authority (KCNA), which manages Kentucky Wired is a public technology authority that partners to build and manage a Commonwealth-owned, leading-edge communication infrastructure service to provide affordable broadband connectivity, foster collaboration, and promote innovative use digital technologies connecting the people of Kentucky to the world.

Enhanced communications and technology is essential for economic success and growth for agriculture and large and small businesses in rural Kentucky. Technology would allow businesses in rural Kentucky to communicate with customers around the world.

Incentives to provide affordable broadband and high speed internet service to all rural areas of Kentucky must be explored.

Farm Bureau Policy:

"We support efforts to provide affordable broadband and high speed internet service to all rural areas of Kentucky through improved access to, and prompt and efficient use of, all available federal and state funding opportunities."

"We support all efforts and incentives to improve all telecommunications in rural Kentucky."

STATUS AFTER 2018 REGULAR SESSION

There was not major broadband legislation introduced in the 2018 session.

May 2018



2018 Kentucky Farm Bureau State Priority Issues

REGULATORY REFORM

Oppose any agency exceeding legislative intent in the implementation of regulations.

When legislation establishes a need for regulations, Kentucky Farm Bureau policy supports reasonable regulations which reflect the intent of the General Assembly. It is extremely important that agencies writing and promulgating regulations comply with the intent of the legislation.

Kentucky Farm Bureau commends the Kentucky General Assembly and their Administrative Regulations committee, which provides the needed oversight to each regulation submitted by state agencies to ensure they comply with current statute and legislative intent.

Kentucky Farm Bureau has long opposed local regulations being more stringent than state regulations and state regulations being more stringent than federal level regulations. When layers of different regulations are promulgated it can hinder individuals and businesses from operating effectively and efficiently.

We look forward to working with regulatory agencies to offer input on regulations affecting agriculture and rural Kentucky communities while staying true to the legislative intent for which the need for the regulation was established.

Farm Bureau Policy:

“We recommend that the state legislature provide specific guidelines and restraints on the agencies that are to administer the laws and are given the power to adopt rules and regulations.”

“We support legislative oversight of state regulations.”

“We oppose any local ordinance that is more restrictive than state regulations governing agricultural operations.”

“We oppose state regulations that are more stringent than federal.”

“Any new regulation should not restrict expansion or sale of existing agricultural operations.”

STATUS AFTER 2018 REGULAR SESSION

No new regulations that negatively affect agriculture were filed – Success

May 2018



2018 Kentucky Farm Bureau State Priority Issues

PRIVATE PROPERTY RIGHTS

Oppose the power of eminent domain being used to take private property for private use.

Kentucky Farm Bureau opposes the power of eminent domain being used to take private property for private use. We support property owners having the right to choose whether to allow private entities to negotiate easements on or through their land. We believe that the power of eminent domain should only be exercised as a last resort and that it should only be used for public use projects.

The U.S. Constitution has long protected property owners from the threat of taking of private property for monetary or commercial gain. While Kentucky Farm Bureau realizes that growth is inevitable, care must be taken to not violate the property rights of Kentuckians. As Kentucky's infrastructure grows we realize that in certain instances the use of eminent domain is necessary but we believe that property owners should grant permission before any entity gains access to or through private land. Additionally, property owners should be fully and fairly compensated for property taken for regional planning, eminent domain, and smart growth initiatives.

Farm Bureau Policy:

"We oppose the power of eminent domain being used to take private property for private use."

"We support protection of private property rights from eminent domain actions for any reason other than public use."

"We favor repeal of the law which gives the Kentucky Department of Fish and Wildlife the right of eminent domain."

"We oppose any legislation that would allow public access to or through private property without permission of the property owner or authorized agent."

"We oppose scientific or archeological activity being conducted on private land without written permission from, and compensation to, the land owner".

STATUS AFTER 2018 REGULAR SESSION

No erosion of private property rights through legislation - Success

May 2018



2018 Kentucky Farm Bureau State Priority Issues

FORESTRY

Support forestry initiatives that enhance the economy and create opportunities for woodland owners.

Forestry is a major part of the agriculture landscape in Kentucky. Kentucky plays a pivotal role in providing forest products to the U.S. and beyond and has a \$14.4 billion in total economic contribution to the economy with 27,740 jobs in the forest industry and 722 facilities located in 110 counties in Kentucky.

We must continue to assist our tree farmers and the forest industry by protecting these landowners from trespassing and timber theft.

Kentucky Farm Bureau will seek opportunities during the 2018 session of the Kentucky General Assembly to add to these efforts by supporting legislation which will further assist woodland owners.

Farm Bureau Policy:

“We recommend that the Division of Forestry increase the number of state foresters in order to reduce the waiting time for forester assistance and increase services provided, with an emphasis in the Appalachian region of Eastern Kentucky for landowner assistance”.

“We recommend that the Cabinet for Economic Development intensify its efforts in marketing Kentucky forest products and increasing wood utilization.”

STATUS AFTER 2018 REGULAR SESSION

No legislation effected the forestry/timber industry was filed this session

May 2018



2018 Kentucky Farm Bureau National Priority Issues

NATIONAL FARM POLICY

Federal crop insurance programs should be maintained at current levels to provide an effective safety net for agriculture.

Support crop insurance initiatives to maintain the integrity of crop insurance.

Support NRCS assistance for the development of additional water resources for irrigation and livestock use.

Support modifying USDA Rural Development broadband programs to increase access to broadband service that meets or exceeds FCC standards.

The Agricultural Act of 2014 (2014 Farm Bill) is important legislation that provides authorization for services and programs that impact every American and millions of people across the world. Crop insurance and the Dairy Margin Protection Plan (DMPP) were designed to provide farmers with the safety net to survive major natural disasters or market factors. Crop insurance policies protect farmers against losses due to naturally occurring events such as drought, wind or excessive moisture and the DMPP is designed to kick in when dairy margins fall below a set level for two specific concurrent months. Attempts to remove significant funding and threaten the long-term viability of an effective crop insurance program could develop. Dairy producers do not feel the DMPP, as currently structured, provides adequate support for dairy producers in down markets because it does not address true costs of production. Legislative efforts could cap benefits producers might expect either by reducing crop insurance premium assistance or by capping indemnity payments in a reauthorized farm bill.

The House and Senate Agriculture Committees plan to have draft farm bill language to consider early in 2018 and hope to reauthorize a new farm bill before the current farm bill expires on September 30, 2018. Kentucky Farm Bureau worked with all commodity groups in the Commonwealth to evaluate current farm bill programs and provide specific recommendations to improve programs in the next farm bill that will provide a more effective safety net for Kentucky farmers. News and additional resources on the farm bill can be accessed at kyfb.com/farmbill18.

Insurance fraud continues to be a factor that threatens crop insurance availability for some sectors of the agricultural industry. Fraud not only results in premium increases but could result in producers, counties or the entire state losing crop insurance for specific commodities. Recent indictments in other states, with a few recently announced in Kentucky, have shed light on the need to take action to prevent insurance fraud in order to maintain an effective crop insurance program for all commodities.

Following the 2012 drought, many producers are turning to irrigation to minimize any impact due to future droughts. Some producers have the resources to utilize high-capacity wells as a source for irrigation water. Others are looking toward development of additional water impoundments to store water from winter and spring precipitation for use during the summer cropping season when water resources may be needed. Some states provide tax incentives to help offset costs of water resource development but increased technical assistance may be needed to engineer structures that would safely store large quantities of water for irrigation and livestock use. Currently, USDA's Natural Resources Conservation Service (NRCS) can provide farmers with technical support once water resources are developed, but not in the initial process of planning and development of new water resources.

Access to rural broadband services continues to be an issue for many rural Kentuckians. To thrive, rural areas need access to health care, government services and educational and business opportunities. For many rural communities, access can only be gained by using broadband services and sophisticated technologies that require high-speed connections. Rural business owners need access to new markets and employees for their businesses. Rural health care providers need access to health information technology. Rural students need access to educational resources and continuing education opportunities. Access to broadband is essential for farmers and ranchers to follow commodity markets, communicate with their customers, gain access to new markets around the world and, increasingly, for regulatory compliance.

KFB Policy:

"We support the availability of crop insurance for all forage crops and pasture."

"We support a two-tiered crop insurance program for tobacco; the base rate being available for all tobacco with a second tier buy-up level for tobacco grown under contract from a company GAP member in good standing."

"We support any tobacco graded as no value and receiving an insurance adjustment being required to be destroyed and destruction witnessed by a representative of the insurance company."

"We support USDA modifying existing cost-share programs to allow for NRCS technical assistance in assessing the long-term availability of water resources and the planning and development of new on-farm water supplies and irrigation systems."

"We support all efforts and incentives to improve all telecommunications in rural Kentucky."

"We support efforts to provide affordable broadband and high speed internet service to all rural areas of Kentucky through improved access to, and prompt and efficient use of, all available federal and state funding opportunities."

AFBF Policy:

"We support the availability of crop yield and revenue insurance for all producers of all crops, livestock and poultry in the country."

"We support: Annual reviews to ensure proper premium ratings that are actuarially sound by crop, county and state;"

“We support: Continuation of the federal government financial support, at a percent not less than current levels, for the program with the private sector continuing to serve as the primary deliverer of insurance.”

“We support: Legislation which strongly addresses crop insurance fraud.”

“We oppose: The double selling of tobacco pounds through the use of both the open market and contracts when federal tobacco crop insurance claims are sought. The acreage for tobacco crops on which insurance is paid should be verified to be destroyed and not allowed to be marketed.”

“We support: Federal funding of producer incentives for water conservation, including construction, repair, and maintenance of impoundments, farm ponds, streams, waterways and drought mitigation measures;”

“We support: Cooperation between federal, individual, local and state interests in water development projects;”

“We support: Increasing high speed internet access in rural areas through any source, including wireless, by using a combination of tax incentives, grants and/or regulations. Networks should meet and exceed the FCC’s definition for broadband;”

January 2018

Status Update: The House Agriculture Committee reported HR 2, the *Agriculture & Nutrition Act of 2018* out of committee on April 18, 2018 with anticipation of the bill being debated by the full U. S. House of Representatives the week of May 14. The Senate Committee on Agriculture, Nutrition and Forestry is expected to begin releasing some farm bill proposals the first of May. Generally, the new farm bill is likely to be an evolution of current farm policy rather than a revolutionary change. The crop insurance program is maintained. Dairy and cotton programs have already seen some modifications because of changes authorized in the *Bipartisan Budget Act of 2018*. The bill also modifies the ARC/PLC programs and would allow producers to make a new election between ARC and PLC. Conservation programs are modified with the EQIP program strengthened with increased funding. Proposed changes to the Supplemental Nutrition Assistance Program (SNAP) will likely be the major issue during Congressional debate. The Energy Title in the current farm bill was eliminated, but most programs were reauthorized under the Rural Infrastructure and Economic Development title in HR 2.

May 2018



2018 Kentucky Farm Bureau National Priority Issues

IMMIGRATION & FARM LABOR REFORM

Support immigration reform that includes restructuring the H-2A program to streamline the process making it more reliable, economical and simple for farmers to participate.

Support development of an effective migrant worker program to address labor needs within the livestock industry.

Farmers face a shortage of workers who are willing and able to work on farms and in the fields. Nationally, it is estimated that \$5-9 billion in annual production is at risk if an ample supply of farm labor cannot be secured. Jobs in agriculture are physically demanding and are conducted in all seasons of the year. Generally, most U.S. residents looking for employment are not inclined to seek employment in the agricultural marketplace.

Currently, farmers and ranchers may recruit workers from abroad under the H-2A temporary guest worker program. But the H-2A program is expensive because it requires employers to offer free housing and transportation in addition to a wage rate (the “adverse effect wage rate” or AEWR) that is frequently above market levels. Moreover, the program is excessively bureaucratic, requiring subsequent approval by four governmental agencies: Department of Labor (DOL), Department of Homeland Security (DHS), State Department and the State Employment Agency. New rules and agency opinions have also added to the difficulty a farmer might face when trying to utilize the program to meet their labor needs. DOL recently interpreted the 50 percent rule to mean that during the first half of an H-2A labor contract the employer needing workers must hire *any and all* domestic workers willing, and able, to accept employment as long as there is at least one H-2A worker employed, regardless of the number of visas approved for the contract. DOL also posted a response on their frequently asked question (FAQ) page that would prohibit staggering worker arrivals under a single H-2A contract. This means that employers wanting to bring workers in at different times during the season must apply for separate contracts for each of those designated dates of need. This creates additional cost and complexity for farmers trying to utilize the program.

H-2A employers are also required by the Internal Revenue Service to provide H-2A employees with W-2 forms reporting wages paid if over \$600. The employer is not required to withhold taxes from H-2A workers as long as the workers provide a Social Security number or Individual Taxpayer Identification Number for reporting purposes. Failure or neglect of the employee to provide identification for reporting makes the employer liable for backup withholding at the rate of 28 percent. It is a confusing situation since foreign agricultural workers temporarily employed in the U.S. on H-2A visas are exempt from U.S. Social Security and Medicare taxes.

If an ample and secure workforce is not available the consequences for agriculture are significant. The new Administration has signaled their intent to tackle immigration reform. However it is unclear what steps will be taken to reform programs such as the H-2A program that many farmers rely on as a source of dependable labor. Farm Bureau will continue to seek every opportunity to provide a stable, legal supply of workers for U.S. agriculture.

KFB Policy:

“We encourage the development of a standardized, expedited system within the U.S. consulate’s offices for processing and verification of H-2A workers.”

“We strongly urge the Department of Labor to approve joint contracts among farmers for the H-2A labor program.”

“We support a meaningful agricultural temporary worker program and encourage the following reforms:

- a new agriculture visa that is portable (at-will) or by contract and that also deals with ag sectors, including livestock, that need year-round workers;***
- required reimbursement being paid at the 50 percent point of the contract;***
- a streamlined system to receive workers;***
- a change from the Adverse Effect Wage Rate (AEWR) to the agricultural prevailing wage rate; and***
- staggered dates of worker entry under a single contract.”***

AFBF Policy:

“We support establishing a new agricultural visa that is portable (at-will) or by contract and that also deals with ag sectors that need year-round workers.”

“We support the reform of existing migrant labor laws to be more farmer-friendly.”

“We support a worker program that:

- Addresses agriculture’s unique needs, which may change suddenly with weather, global market realities, contract enforceability or other variables beyond the grower’s control;***
- Is simplified and cost-competitive to make their employment more feasible for perishable crops.”***

“We support improved training for employers to understand and better use the H-2A program, and provide better information for new users to the program.”

January 2018

Status Update: The Administration continues to move forward with border security efforts and addressing undocumented migrants in the country, with the Goodlatte ***Securing America’s Future Act***, HR 4760 that would create a new H-2C guestworker program awaiting action in the House. However, there is discussion about the Administration possibly proposing reforms to the H-2A program if legislation stalls. Some of the reforms being discussed are similar to those implemented under the Bush Administration. Exact details on possible reforms are not yet available.

May 7, 2018



2018 Kentucky Farm Bureau National Priority Issues

TRADE

Support fair and open multilateral trade agreements that will open new markets and expand existing markets for U.S. agricultural products.

International trade is an integral part of the modern world economy. U.S. agricultural exports in 2017 amounted to over \$140 billion, and are projected to increase slightly in 2017. These exports account for roughly one third of the total U.S. farm income, and with the productivity and efficiency of the American farmer, exports can continue to grow. However, it is critical that sound, multilateral international trade agreements are drafted that will help farmers compete globally on a level playing field to have access to the world's consumers, 95 percent of whom live outside our borders. Kentucky's 2016 agricultural exports totaled roughly \$2.1 billion, with grain, tobacco and poultry being the top commodities exported.

To obtain that access, it is imperative that we work to reduce and eliminate international barriers to trade. On that front, the U.S. had negotiated the Trans-Pacific Partnership (TPP) and was also engaged in negotiating a Transatlantic Trade and Investment Partnership (TTIP). However, both TPP and TTIP negotiations have been suspended by the Administration.

Tariff reductions and sanitary and phytosanitary (SPS) measures are a significant part of international trade agreements. Continuing barriers to the export of U.S. beef, pork and poultry along with the slow approval process for biotech products are major areas of interest in the TTIP negotiations. Inclusion of Japan, our fourth largest export destination, enhanced the significance of TPP because successful approval would present American agriculture the opportunity to gain new access by eliminating tariffs and reducing non-tariff barriers. In comparison, agricultural exports to Japan alone in 2014 were roughly equal to the \$12.7 billion of exports to the European Union.

KFB Policy:

"We will continue to investigate the export market potential for Kentucky livestock and livestock products."

AFBF Policy:

"We are strong advocates of fair and open world trade."

"Aggressive efforts must be made at all levels to open new markets and expand existing markets for U.S. agricultural products."

"We recommend that all imported agricultural products at point of entry be subject to the same or equivalent inspection, sanitary, quality, labeling and residue standards as domestic products from the United States and Puerto Rico. Any products that do not meet these standards, Food Safety Modernization Act (FSMA) standards and the Food Quality Protection Act (FQPA) standards should be refused entry."

January 2018

Status Update: The recent announcement by the Administration to impose up to 25 percent tariffs on certain products coming from China has created serious concerns about the possibility of retaliatory tariffs being imposed by China on US agricultural commodities and products, as well as a potential trade war. Renegotiation of the North American Free Trade Agreement (NAFTA) with Canada and Mexico continues and after sending signals of US interest in re-entering Trans Pacific Partnership negotiations the Administration has

May 8, 2018

Kentucky Farm Bureau Federation • Public Affairs Division
9201 Bunsen Pkwy • Louisville, KY 40220 • Phone: 502-495-5000 • Fax: 502-495-5114 • kyfb.com



2018 Kentucky Farm Bureau National Priority Issues

REGULATORY REFORM

Support a thorough regulatory review to ensure regulations do not impose an undue economic burden on any segment of society and the regulatory process is transparent and results achievable.

All regulations should be based on sound, peer-reviewed scientific data that can be replicated.

Support congressional oversight of federal agency regulatory actions to ensure rules and regulations do not exceed the intent and authority of federal law.

Congress and the new Administration have stated that federal regulatory reform is a priority. They point to burdensome regulations as primary factors in slowing the country's economic recovery and growth. Efforts to delete the term 'navigable' from the Clean Water Act (CWA) and redefine 'waters of the United States' resulted in the EPA and U.S. Army Corps of Engineers finalizing the "Waters of the U.S." (WOTUS) rule. However, the current Administration has suspended the final rule and plans to issue new definitions for "navigable waters" to provide clear guidance of waters that would be determined to be WOTUS. Under the final rule, virtually any area retaining water for any period of time, or land feature with a visible high water mark, evidence of a flow pattern or even a characteristic only visible on aerial photographs, soil surveys or other interpretive methods, could be deemed to be under federal jurisdiction and require normal field activities to be permitted.

Overreach of federal agencies beyond Congressional intent remains a concern on a number of fronts. The *Regulations from the Executive in Need of Scrutiny Act* (REINS Act), would require any major rule proposed by the Executive Branch be approved by Congress before the rule can become final has been introduced in Congress. A major rule as defined by the Office of Management and Budget (OMB) is one that has an annual effect on the economy of \$100 million or more.

KFB Policy:

"We support the use of peer-reviewed, sound science, as the basis for any regulatory decision."

"We support reasonable environmental protection programs including air quality protection programs that are based on sound science."

"We oppose the enactment of regulations that go beyond the intent and authority of state and federal laws."

"We oppose climate change legislation that establishes mandatory cap and trade provisions which would lead to higher energy costs and negative impacts on the agricultural economy."

AFBF Policy:

"We support: Regulations promulgated as a result of congressional action being reviewed by the congressional committee of jurisdiction prior to implementation to ensure that the legislative intent is being followed;"

"All federal agencies shall be held to the strictest interpretation of law when setting regulations. No federal agency shall be allowed to legislate through their regulatory power."

"Regulations should be based on sound scientific data that can be replicated and peer reviewed;"

"Congress should provide for strong congressional oversight of regulatory and significant agency actions as well as a willingness to override unacceptable agency actions."

January 2018

Status Update: The Administration continues moving forward with reducing burdensome regulations with both EPA and USDA being aggressive in identifying and eliminating regulations. Imposing rules and regulations based on unproven technologies or science increases costs to produce food, feed, fuel and fiber without measurably addressing the root issue in a practical way that would accomplish the desired result. The agricultural community is faced with many regulatory requirements under the Clean Water Act, the Endangered Species Act, the Food Safety Modernization Act, immigration and labor rules. For example, EPA is moving forward with plans to rescind and replace the WOTUS rule that was finalized in 2015. That rule was initially blocked by the 6th Circuit Court of Appeals, but in 2018 the US Supreme Court lifted that nationwide stay. EPA and the US Army Corps of Engineers recently finalized an "Applicability Date Rule" that delays implementation until 2020 while the agencies continue to repeal and replace the 2015 rule.

May 8, 2017



2018 Kentucky Farm Bureau National Priority Issues

HEALTH CARE

Support changes to current health care law that will stabilize the market, encourage competition that will reduce health care costs and increase consumer choice.

Support increased access to Association Health Plans.

For many farm families, health insurance is their largest monthly payment. Over the past few years the lack of competition among providers has continued to drive premiums up, with no silver bullet to fix the health insurance situation in sight. Efforts to address health care on a national level have been unsuccessful in delivering quality health care coverage at reasonable costs to Kentuckians. The Kentucky General Assembly has also attempted to address health care issues.

Federal health care reform began in 2009 with final passage of the Patient Protection and Affordable Care Act (Affordable Care Act) early in 2010 and President Obama signing it into law March 23, 2010. Full implementation of the law does not occur until 2018. The stated goal of this legislation is to have affordable health care insurance available to all Americans, but the issue of health care costs is not addressed.

Efforts continue in the 115th Congress to “repeal and replace” the Affordable Care Act to address the issue of controlling costs. There have been signals that some components of the Affordable Care Act may be maintained such as the pre-existing condition provision and the ability for children to remain on parent’s health plans until age 26.

Kentucky Farm Bureau’s goal remains the same – improve the health insurance market in Kentucky by seeking ways to increase competition that will improve the health care system and reduce health insurance costs.

KFB Policy:

“We support changes in Kentucky’s health insurance laws that will stabilize the market, encourage competition and increase consumer choice.”

“We support comprehensive affordable health care for all U.S. citizens.”

“We support:

(1) Every possible effort to affect cost management while providing accessible high quality health care;”

January 2018

Status Update: Health care policy reform dominated Congress and the Administration in 2017 and while significant changes to Affordable Care Act provisions such as mandated coverage were made, efforts fell short in repealing and replacing the ACA. The Administration issued an Executive Order in October 2017 directing the US Department of Labor to broaden the definition of an employer to allow more groups to form association health plans. The US House of Representatives had already passed HR 1101, the *Small Business Health Fairness Act* early in 2017 that would make it easier for small businesses to band together and offer employee coverage through AHPs. This bill awaits action by the Senate. HR 2, the *Agriculture and Nutrition Act of 2018* includes language supporting AHPs by providing funds to assist in the establishment of agricultural association health plans.

May 8, 2018

Kentucky Farm Bureau Federation • Public Affairs Division
9201 Bunsen Pkwy • Louisville, KY 40220 • Phone: 502-495-5000 • Fax: 502-495-5114 • kyfb.com



2018 Kentucky Farm Bureau National Priority Issues

FISCAL POLICY

In order to protect the future integrity of our nation's economy it is in our best interest to address budget deficits, which erode our ability to remain fiscally stable with the goal of reaching a balanced budget.

Federal tax code should be reformed based on sound economic principles to create a more competitive business climate.

What are the consequences of the rising U.S. government debt? One measure of a country's economic health is the level of the country's debt compared to its gross domestic product (GDP), roughly a debt-to-revenue ratio. The U.S. public debt is currently about 73 percent of GDP, well above historical levels. Economists predict that continuing on the present path will lift this same ration to 146 percent by 2030. This is far above what most market watchers view as sustainable. For reference, Greece's debt level was at 120 percent when the global market significantly boosted the interest rate at which they were willing to buy Greek debt. This forced the European Union to step in and Greece has had to live with significant budget cutbacks and tax increases imposed by forces outside of the country. Fifty years ago, only 5 percent of federal debt was held overseas. Today, roughly a third of our national debt is held by those outside of our country. China and Japan are the two largest holders of U.S. debt together holding over \$2 trillion of our more than \$20 trillion federal debt.

So, how does rising federal debt affect consumers? Some of the impact is clearly visible as Congress tries to avoid sequestration and the impending fiscal cliff. The most immediate impact is the need to rein in the debt by raising taxes, reducing spending or a combination of the two. Rising federal debt will eventually result in higher interest rates. Generally the federal debt is financed through the sale of U.S. Treasury bonds. As interest rates inch up to attract Treasury bond investors, so will rates for consumers. In the short term, the Federal Reserve is also buying up Treasury bonds. Eventually this can lead to much higher rates of inflation as well.

Increasing federal debt also impacts economic growth. Government spending currently accounts for around a fifth of economic activity in the U.S., so if a greater portion of government spending goes to pay higher interest costs fewer dollars remain to build roads, continue federal programs at present levels or provide tax incentives to spur business growth.

The federal tax code is extensive, and very complicated, but recent tax reform efforts by Congress and the Administration included key provisions for farmers and ranchers that include the continuation of immediate expensing, business interest deduction and cash accounting. The estate tax exemption increased to \$11 million per individual and is indexed for inflation. Also addressed were corporate and individual tax rates and deductions with the goal to simplify current tax code.

Kentucky Farm Bureau believes that tax policy, in addition to being based on sound economic principles, should be based on public need with state and Federal taxes apportioned equitably among its citizens. Federal tax reform may have an effect on when Kentucky addresses reforms to the current tax code.

KFB Policy:

“Kentucky’s tax policy should be based on public need and sound economic principles and Kentucky taxes should be apportioned equitably among its citizens.”

AFBF Policy:

“In order to protect the future integrity of our nation’s economy it is in our best interest to prevent budget deficits, which erode our ability to remain fiscally stable. We support a Constitutional amendment requiring a balanced budget.”

“We support:

Accelerated depreciation using the same methods available to non-farm businesses;”

January 2018

Status Update: Passage of the Tax Cuts and Jobs Act in 2017 resulted in many major tax reforms that affect business and individuals. Many important provisions such as reduced tax rates, increased Section 179 Small Business Expensing to \$1 million, a shortened depreciation schedule for farm equipment, the new flat 21 percent corporate tax rate and repeal of the corporate alternative minimum tax are considered permanent provisions. However, the doubling of the estate tax exemption to \$11 million per person or \$22 million per couple, reduced pass-through tax rates, the new 20 percent business income deduction, unlimited bonus depreciation (expensing) and increased the alternative minimum tax threshold for individuals are examples of provisions that will expire on December 31, 2025 if Congress fails to extend or make the provisions permanent.

May 8, 2018



2018 Kentucky Farm Bureau National Priority Issues

WILDLIFE ISSUES

Support a producer's right to protect livestock and property against nuisance wildlife predation.

Support a nationwide depredation order, or safe harbor provision, to take black vultures.

In recent years the black vulture, or black buzzard, has become a significant problem for livestock producers across Kentucky. Unlike the red-headed turkey vulture, the black vulture has become predatory. Many livestock producers have experienced significant losses of newborn calves, and even cows, to aggressive packs of black vultures. Because both species of vultures are protected, options to protect livestock from predation are currently limited.

The American Black Vulture receives special legal protections under the Migratory Bird Treaty Act of 1918 in the United States, by the Convention for the Protection of Migratory Birds in Canada, and by the Convention for the Protection of Migratory Birds and Game Mammals in Mexico. In the United States it is illegal to take, kill, or possess black vultures and violation of the law is punishable by a fine of up to \$15,000 and imprisonment of up to six months. Black Vultures are numerous and their populations have increased in the U.S. over the last half-century, according to the North American Breeding Bird Survey. It is estimated that the global breeding population of this very wide-ranging bird is at about 20 million.

Both turkey and black vultures normally eat carrion. Black vultures, however, also may attack and kill calves, lambs, piglets and other weak animals. This predatory behavior often results in serious injury to livestock, as vultures target the eyes and soft membranous tissues. If not killed outright, these domestic animals must often be euthanized due to the extent of their injuries. Black vultures often damage homes and commercial buildings by tearing window caulking, roof shingles, vent seals, rubber roof liners and pool covers. Damage to nearby vehicles includes scratched paint, removal of rubber seals and wipers, and the ripping of vinyl seat covers from boats and tractors.

In 2015, Kentucky Farm Bureau received a statewide depredation permit from the U.S. Fish and Wildlife Services (USFWS) for black vultures allowing the issuance of individual Livestock Protection Sub Permits to producers who are experiencing livestock losses. Kentucky Farm Bureau's current permit allows for up to 1,200 "takes" of problem black vultures.

Congressional leaders continue to work on a more permanent fix. It is highly unlikely the treaty will be opened to allow delisting of the black vulture, but, there may be an alternative way to allow for protection of livestock and property from black vulture depredation. Efforts are ongoing to include "safe harbor" language in appropriate legislation that would allow protection of livestock and property when active depredation is occurring without first seeking a federal permit.

KFB Policy:

"We encourage a more readily available permit process for nuisance wildlife such as the American black vulture."

"We support removal of the black vulture from protected status and elimination of permit fees."

AFBF Policy:

"Controlling wildlife damage is a critical factor in maintaining the success of American agriculture. Towards that goal we support:

Legislation which would require the control of wildlife including endangered species or provide depredation permits for farmers who suffer losses from wildlife;"

"We support:

"A standing depredation order for black vultures and the double-crested cormorant;"

"Removal of resident Canada geese, black vultures and cormorants from protection under the Migratory Bird Treaty Act."

January 2018

Status Update: Congress continues to work on legislation to reform the Endangered Species Act to make it more transparent, and allow for more cooperative efforts to between landowners and Agencies to address threatened and endangered species recovery efforts. There is also a continued effort to include "safe harbor" language that would allow property owners to make lethal "takes" of black vultures that are actively damaging property or livestock. A feral hog task force has been created with USDA APHIS Wildlife Services, Kentucky Fish & Wildlife Department, University of Kentucky and Kentucky Farm Bureau working together to eradicate feral hog populations in Kentucky.

May 7, 2018

Contest Application and Score Sheets

KENTUCKY FARM BUREAU OUTSTANDING FARM BUREAU YOUTH CONTEST RULES

The purpose of the Outstanding Farm Bureau Youth Contest is to promote youth involvement in county Farm Bureau activities and to recognize leadership, achievements and awards in their schools and communities.

1. Children of all Kentucky Farm Bureau members are eligible to participate and must enter the contest in the county where the membership is paid. Contestants may only enter the contest in one county each year.
2. Contestants must be 15-years old at the time of the county contest, but not have reached 19-years old by January 1 of the following year.
3. A contestant who is married before the state contest is ineligible to enter.
4. Prior first place state winners are ineligible to enter.
5. Contestant dress for county and district level competitions is business attire (**no jeans**). For the state contest, females should wear business attire (suits, slacks, or skirts) and the males should wear suits (coat and tie). Youth organizational attire (i.e. FFA, 4-H, and FCCLA) is acceptable on all levels: county, district, and state.
6. The contestant's school grades for the past two years, certified by a school official, must be attached, along with a one-page extra-curricular activities listing, to the application form.
7. If for any reason the county or district winner is disqualified or cannot participate, the first runner-up will represent that county or district. All district winners are expected to attend the state annual meeting unless an emergency occurs.
8. The contest will consist of a personal interview (not to exceed seven minutes). During the personal interview, contestants will be asked about school activities, special interests and career goals. The personal interview is followed by the on-stage portion of the competition. The on-stage portion consists of a two-minute prepared speech given by the contestant on a topic relating to Farm Bureau or agriculture. The contestant will be penalized a total of five points if the prepared speech exceeds two minutes.
9. The state Outstanding Farm Bureau Youth Contest is held during the Kentucky Farm Bureau Annual Meeting in Louisville in early December.

OUTSTANDING FARM BUREAU YOUTH CONTEST PERSONAL INTERVIEW SCORE SHEET



FEMALE ONLY

50 Points Total

Contestant Number		1	2	3	4	5	6	7	8	9	10	11
1. General Knowledge (Activities & Achievements)	20											
2. Conversational Ability & Attitude	15											
3. Grades	10											
4. General Appearance	5											
TOTAL OF ABOVE	50											

Note: The contestant's school grades for the past two years, certified by a school official, must be attached to the application, along with a one-page listing of extra-curricular activities. Do not exceed seven minutes for each contestant's personal interview.

OUTSTANDING FARM BUREAU YOUTH CONTEST ON-STAGE/PREPARED SPEECH SCORE SHEET



FEMALE ONLY

50 Points Total

Contestant Number		1	2	3	4	5	6	7	8	9	10	11
1. General Appearance	5											
2. Personality & Poise	5											
3. Content of Speech	20											
4. Delivery of Speech	20											
TOTAL OF ABOVE	50											

Note: The on-stage portion of the competition will consist of a two-minute prepared speech given by the contestant on Farm Bureau or agriculture. The contestant will be penalized a total of 5 points if the prepared speech exceeds two minutes.

OUTSTANDING FARM BUREAU YOUTH CONTEST PERSONAL INTERVIEW SCORE SHEET



MALE ONLY

50 Points Total

Contestant Number		1	2	3	4	5	6	7	8	9	10	11
1. General Knowledge (Activities & Achievements)	20											
2. Conversational Ability & Attitude	15											
3. Grades	10											
4. General Appearance	5											
TOTAL OF ABOVE	50											

Note: The contestant's school grades for the past two years, certified by a school official, must be attached to the application, along with a one-page listing of extra-curricular activities. Do not exceed seven minutes for each contestant's personal interview.

OUTSTANDING FARM BUREAU YOUTH CONTEST ON-STAGE/PREPARED SPEECH SCORE SHEET



MALE ONLY

50 Points Total

Contestant Number		1	2	3	4	5	6	7	8	9	10	11
1. General Appearance	5											
2. Personality & Poise	5											
3. Content of Speech	20											
4. Delivery of Speech	20											
TOTAL OF ABOVE	50											

Note: The on-stage portion of the competition will consist of a two-minute prepared speech given by the contestant on Farm Bureau or agriculture. The contestant will be penalized a total of 5 points if the prepared speech exceeds two minutes.

