

Dear General Assembly Member:

Virginia Poultry Federation (VPF), representing family farms, poultry processing companies, and allied businesses that provide products and services to the poultry industry, is pleased to share our views on state issues.

Poultry and eggs form Virginia's leading agricultural sector, creating thousands of jobs in rural areas and supporting the livelihoods of farm families that raise chickens, turkeys, and eggs. Farm income generated by poultry industry investment in Virginia helps conserve open spaces by keeping farmland in production. Without this industry, Virginia's rural landscape and character would give way to accelerated development and its associated environmental challenges.

Poultry farmers and processors operate on thin margins at best. Our industry is highly sensitive to regional factors, such as increased government regulations, that drive up operating costs and can cause production to shift elsewhere. Production costs are generally higher in Virginia than states to the south and west, but historically our proximity to east coast markets has compensated for our competitive disadvantages. But in recent years, poultry manure management regulations have increased costs for farmers, and poultry processors have had to spend millions of dollars to comply with some of the most stringent wastewater treatment standards in the nation.

Please partner with us to ensure that poultry continues to be a farmland-preserving, job-creating industry for Virginia. We respectfully ask for your support on the issues described below. Please do not hesitate to contact me if you would like additional information about these issues or our industry.

Sincerely,



Hobey Bauhan
President

THE ISSUES

A Clean Environment

Agricultural BMP Cost-Share Program - VPF supports sufficient and stable funding for the Virginia Agricultural BMP Cost-Share Program.

Biosolids - VPF opposes additional restrictions or increased authority to regulate bio-solids at the county or local level, and supports adequate state resources and enforcement to ensure environmental protection and public health.

Chesapeake Bay Preservation Act Expansion - VPF opposes the expansion of the Chesapeake Bay Preservation Act to the western localities within the Bay watershed.

Development of New Markets for Poultry Litter - VPF supports state efforts to help develop new, environmentally sound markets for poultry litter, such as energy production and as fertilizer for phosphorus deficient soils.

- Initiatives could include grants, tax incentives, such as a credit for purchase of equipment used to recycle manures into value-added products or for energy production, and state policies that encourage agencies such as the Virginia Department of Transportation to utilize poultry litter fertilizer products.
- VPF opposes costly, market-distorting litter transport subsidies, and favors cost-effective, sustainable long-term environmental solutions that capture the value of poultry litter.

Feed Nutrient Management - VPF supports education and incentives for feed nutrient management and opposes mandates for use of the phosphorus reduction enzyme Phytase or other feed nutrient management strategies.

Nutrient Management Plan Writers - VPF supports adequate budget and staffing resources at the Virginia Department of Conservation and Recreation to develop nutrient management plans for farmers mandated to have a plan by state regulations.

Nutrient Management Program - VPF supports a nutrient management program that addresses nutrient applications through site-specific assessments, provides essential flexibility for agricultural operators, and seeks a balance between environmental stewardship and maintaining and improving the profitability and viability of agribusinesses.

Out-of-State Poultry Litter - VPF supports the initiation of efforts by the Commonwealth to work within the multi-state Chesapeake Bay Program to encourage Maryland to scale back its poultry litter transport subsidy in order to reduce its harmful impact on Virginia's poultry litter market.

Poultry Litter Regulations - VPF supports collaboration with state agencies to develop a targeted approach to addressing environmental issues concerning litter transferred by permitted poultry growers to other farmers. VPF believes solutions must not impose additional burdens upon poultry growers; maintain and, preferably, build the value of litter to poultry farmers; be economically viable for the poultry industry; and be based upon sound science.

Right to Farm Act - VPF supports Virginia's Right to Farm Act. The current law ensures that local government regulations treat farmers equitably through zoning ordinances. VPF opposes legislation that weakens the Right to Farm Act.

Soil and Water Conservation Districts - VPF supports adequate funding for Soil and Water Conservation District operations.

Water Quantity - VPF supports adoption of sound water policy that fairly and equitably addresses water uses, water rights of landowners, and water restrictions during drought.

Virginia Department of Agriculture and Consumer Services

VDACS Funding - VPF supports adequate funding for the Virginia Department of Agriculture and Consumer Services to support programs in animal health, poultry grading services, and other agency operations.

Virginia Tech

Virginia Cooperative Extension - VPF supports the

Commonwealth Staffing Initiative at Virginia Tech and Virginia State University that will fund additional extension agent and specialist positions. Virginia Cooperative Extension plays a critical role in helping to maintain the profitability of agricultural production in Virginia.

General

Electricity Restructuring/Deregulation - VPF urges the General Assembly to study options and enact, prior to the end of the rate-cap period, legislation protecting Virginia's businesses and citizens from the variability and uncertainty of external wholesale electricity markets.

Eminent Domain (Rights of Private Property Owners) - VPF supports legislative action that prevents unreasonable restrictions, actions against, and unjust compensation for private property owners when eminent domain authority is exercised.

Energy Policy - VPF supports voluntary incentives for renewable energy production and opposes mandatory policies that threaten the availability of an affordable supply of crops for food production.

Freedom of Information - VPF supports amendments to the Virginia Freedom of Information Act that will prevent disclosure of sensitive proprietary information from investigation reports, laboratory testing, and data bases related to acts of bio-terrorism and other catastrophic events effecting agriculture and forestry producers.

Immigration Reform - VPF supports policies that create a legal, affordable, and accessible workforce, including foreign workers, for the agribusiness industry and opposes state and local employment requirements, procedures, or penalties that exceed federal requirements.

Rail - VPF supports a viable, responsive rail transportation system that provides competitive rates for transportation of agricultural commodities, supplies, and finished products. VPF also supports state programs and investments that support Virginia's rail infrastructure.

Regulatory Reform - VPF supports a state program to ensure thorough analysis and consideration of the full economic costs of new regulatory legislation and agency regulations.

Truck Restrictions - VPF opposes unreasonable bans, restrictions, and selective tolls on commercial truck traffic. VPF strongly opposes tolls on Interstate 81, which could add substantially to the poultry industry's cost of operating in the Shenandoah Valley and threaten the Valley's viability as a poultry-producing region.

Tax Policy - VPF supports preservation of agricultural tax exemptions and credits, elimination of machinery and tools taxes, maintaining local land use taxation, and reducing localities' dependence upon real estate taxes.

Workers' Compensation - VPF supports the existing framework of Virginia's workers' compensation law and opposes any changes that will undermine the basic concept and sound balance of this law, such as broadening conditions not clearly arising out of and in the course of employment.

Youth Education - VPF supports Ag in the Classroom, 4-H, FFA, and a the Governor's School for Agriculture.

Poultry and Egg Industry Facts

The poultry and egg industry supports the livelihood of more than 1,200 family farms in 33 counties, helping to keep agricultural land in production and preserve open spaces.

Cargill, George's Foods, Perdue Farms, Pilgrim's Pride Corporation, Tyson Foods, and Virginia Poultry Growers Cooperative employ approximately 11,000 people. Each processing job is estimated to create over seven jobs outside the poultry industry. Poultry and eggs contributed \$843 million to Virginia's economy in 2005.

Virginia ranks 4th in turkey production, 9th in broiler chickens, and 27th in eggs. In 2005, Virginia family farms produced:

- 260 million broiler chickens
- 21 million turkeys
- 823 million eggs

The Shenandoah Valley is Virginia's top poultry region:

- Approximately 300 turkey farms
- Approximately 600 chicken farms
- More than 7,000 poultry company employees
- 8 poultry processing plants
- 5 poultry feed mills
- 6 hatcheries
- More than 12,000 rail cars deliver about 1.3 million tons of corn and soybean meal annually.
- Rockingham is the nation's 2nd ranked turkey producing county.

Processing plants, feed mills, hatcheries, and family farms that raise poultry and eggs can also be found in Central, Southside, Eastern Shore, and Southwest Virginia regions, giving the industry statewide importance.

The poultry industry creates economic opportunities in rural communities throughout much of Virginia. The industry gives a lot back to these communities through organizations such as the United Way.

Advances in breeding, nutrition and animal husbandry have helped the poultry industry gain efficiency over the years. Farmers in the early 20th century used more than five pounds of feed to produce a pound of chicken; today, they use less than two pounds. It once took more than 14 weeks to grow three pounds of chicken. Today's farmers produce a four-pound chicken in less than six weeks.

Per capita U.S. poultry meat consumption has risen from 34 pounds in 1960 to nearly 100 pounds today. Virginia's poultry and egg industries produce an affordable, wholesome source of protein to help meet growing nutritional requirements in the U.S. and around the world.

Environmental stewardship is a priority in Virginia's poultry industry. Poultry growers operate with nutrient management plans, and most have voluntarily constructed poultry litter storage sheds.

Virginia Poultry Federation

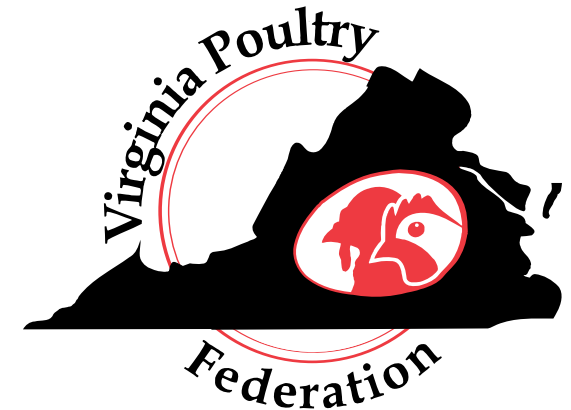
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*Positions on
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