



February 19, 2020

The Honorable Paul G. Pinsky
Senate Education, Health, & Environmental Affairs Committee
2 West Miller Senate Office Building
Annapolis, MD 21401

Re: MidAtlantic Farm Credit OPPOSES SB 928 – Environment – Concentrated Animal Feeding Operation Construction or Expansion – Manure Transport Plan Requirement

Dear Chairman Pinsky and Committee Members:

On behalf of MidAtlantic Farm Credit, I would like to express our opposition to **SB 928**.

MidAtlantic is committed to providing rural communities and agriculture with reliable, consistent credit and financial services in good times and bad. Headquartered in Westminster, MD, we are one of the largest agricultural lenders on the East Coast with almost \$2.9 billion dollars in loans outstanding to over 11,500 member-owners. As a member-owned cooperative, we serve a full range of agricultural operations throughout our five state lending territory.

Beginning on or after October 1, 2021, this bill would prohibit MDE from approving coverage under a concentrated animal feeding operation (CAFO) discharge permit for a new or expanding CAFO in counties where more than 30% of their farmland have a soil phosphorus FIV of 150 or greater, unless the permit applicant submits a manure transport plan to the Department as part of the permit application that shows the manure generated will be transported to a county with less than 30% of its farmland above 150 phosphorus FIV or to an “organics recycling facility”.

According to the most recent data compiled by MDA, the counties where more than 30% of their farmland has an FIV of 150 or more are Calvert, Caroline, Somerset, Wicomico, and Worcester.

As implementation of the PMT continues, producers and regulators alike will have a clearer picture of its impact and, just as important, the tools and programmatic changes that will be necessary to ensure orderly compliance with it. However, it seems somewhat premature to move forward with the provisions of this bill without first allowing for the measures passed last year to take full effect – increased reporting requirements, strengthened penalties for Nutrient Management Plan violations – or before determining the impact of the next phase of PMT implementation.

In addition to the above, we have the following concerns with proposal:

- Assuming its duration must coincide with the length of the CAFO permit (five years), the proposed manure transport plan will be unable to adequately account for the changing markets for litter/manure amidst the continuing implementation of the PMT. Additionally, the PMT will most likely alter existing relationships between crop farmers and poultry producers, and possibly result in the development of new alternatives for litter utilization. Add to that the vagaries of weather and crop rotation, and one can recognize the difficulty in developing and adhering to such a plan spanning 5 years.



- New or expanding CAFO operations in the impacted counties would not be able to utilize their own litter on their crop fields, even if after running the PMT tool the science says otherwise. This would increase costs for the farmer and artificially force the transport of a locally-produced, organic fertilizer away from acreage that could safely utilize it.

For all these reasons, we respectfully urge an **UNFAVORABLE** Report for **SB 928**. Thank you for your time and consideration regarding our position on this measure.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Truitt, Jr.", is positioned above the printed name.

THOMAS H. TRUITT, JR.
President & CEO