



Milk Matters



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Wishing for you & your
family the
Gift of Faith, the
Blessing of Hope, &
the Peace of
HIS LOVE at
Christmas & in the
New Year.

"For to us a child is born, to
us a son is given; and the
government shall be upon his
shoulder, and his name shall
be called Wonderful Counselor,
Mighty God, Everlasting
Father, Prince of Peace."

[Isaiah 9:6]

"It just goes to show 'ya. It's always something. If it's not one thing, it's another"

— Roseanne Rosannadanna

In 2014, we made progress at the state, federal and local level on a variety of issues important to dairy farmers in Washington. What follows is a re-cap of some of those issues.

Large scale water storage for drought and flood management

There has been extensive work done in the Chehalis Basin since the floods of 2007 and 2009. The Dairy Federation, along with other organizations (like Farm Bureau) have engaged in assisting dairy farms with recovery, communication, local actions.

The Chehalis Basin Flood Authority has prepared a basin response plan to reduce the damage from flooding. As part of this work, Jay Gordon was appointed as the Agricultural Representative by Governor Gregoire and re-appointed by Governor Inslee to the Chehalis Basin Workgroup to help prepare a Chehalis Basin Flood and Fisheries recovery plan. The plan was prepared by the Ruckelshaus Center and presented to Governor Inslee on November 14th. The plan recommends a large water retention structure and a significant effort over 10-20 years to improve the fisheries resources.

Groups that are working toward water storage in the Yakima and Chehalis basins have been working on coordination of efforts. Puget Sound interests have also discussed joining efforts to address water issues in all three regions.

The work in the Yakima and Chehalis basins is slow but we are finally seeing progress. It will take more years and strong partnerships (as well as large amounts of funding) to complete these aspirational plans. More floods and more droughts are coming; the question is can we complete these projects before those hammer or hamper our farms?

Elected officials in both parties, including Republican U.S. Rep. Jamie Herrera-Buetler and Democrat Governor Jay Inslee, have expressed support for the recommendation of a water storage project on the Chehalis. Such a project would be designed and constructed to enhance fish populations and prevent catastrophic flooding.

Department of Ecology - Ag Water Quality Advisory Committee Maia Bellon, Director of Ecology convened an advisory group in 2014; the Agricultural Water Quality Committee. The purpose - foremost - is to hold regular conversations about improving water quality in rural/agricultural areas. Committee includes representatives from Agriculture, and Environmental Organizations, and Tribal representatives. Topics have included, challenges to shellfish farming, point and non-point pollution programs, and a Department of Agriculture presentation on the Dairy Nutrient Program. The Director would like to have this committee continue to meet on a re-occurring basis to ensure better communication.

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All three districts re-elected their representatives for 2015 as follows:

District 1: Chris Sybrandy
District 2: Walter Abplanalp
District 3: Art Mensonides

Thank you for voting!

**Upcoming
Legislative Events**

WSDF Board Meeting &
Legislative
Reception:
January 27

Dairy Day at the
Legislature:
January 28

Beef Day at the
Legislature:
April 9

2014 ISSUES WERE WIDE-RANGING

...Continued from page 1...

Localized flooding and erosion

Dairy producers, other farmers and some tribes for years have been frustrated by damage from erosion to farms, fish restoration projects or dealing with flooding and erosion from rivers or ditches.

Legislation was introduced in 2014 that would have promoted a conversation between tribal, agency and farmer representatives on what and where improvements could be made to permit reducing the damages from erosion or flooding. The bill did not pass the 2014 legislature but similar legislation is expected in 2015.

It is apparent to many producers that for too long the rivers have been left largely unmanaged, ditch cleaning has been a problem and the damaging effects are building. Changing attitudes and making changes in the permitting processes has not been easy, but is a growing problem that we will not allow to be ignored.

Yakima Groundwater Management Area (GWMA)

The Depts. of Ecology, Agriculture and Health along with Yakima County, Environmental Protection Agency, Yakama Nation, farmers, the Conservation District, three years ago, started and appointed a committee to oversee a program to improve the groundwater in the Lower Yakima. GWMA Committee is launching programs and taking initial steps to help improve water quality.

Dairy Nutrient Management planning and implementation

The Department of Agriculture and Whatcom Conservation District have devel-

oped a training program for individual producers to develop their own farm plans.

Day-long education programs are slated for Yakima and Whatcom Counties starting January 7. (See back page for more information.) We have assisted in reviewing the curriculum and getting the word out about these meetings.

Producers indicate that training to get a better understanding about nutrient management would be good for them or some of their key staff to understand how to better meet their obligations within the dairy nutrient management laws. A big thanks to Steve George, Fred Lickel & David Haggith, who helped Whatcom and Yakima Conservation District and WSDA staff with this effort.

Voluntary Stewardship Program (VSP)

Currently there are 2 counties engaged in the VSP (Thurston and Chelan) process.

There are 26 other counties signed up to participate in the VSP program that need state funding to start. If the legislature funds these counties we will need dairy farmers involved in the VSP process late next summer. If VSP is not funded, the policy in these counties will revert back to the historic Critical Areas Ordinance (CAO) discussions that rely on regulatory approaches. This would threaten use of productive farmland in many counties.

WSDF will work with others to fund the VSP processes in these remaining counties. Governor Inslee has included that funding in his budget proposal, so we are off to a good start in advance of the 2015 legislative session.

2014 ISSUES WERE WIDE-RANGING (CONTINUED)

State tax preferences: There are a number of agricultural tax preferences that will undergo legislative review in the next few years. The tax system directly affects dairy farmers' ability to produce and compete domestically and internationally. We have engaged cooperatively with other agricultural production groups and organizations on producing a report called: "Agriculture and Food/Beverage Processing Economic & Fiscal Impact Study." In the study, Community Attributes Inc. (CAI) discusses the total economic impact of agriculture statewide, the importance to specific local areas, the wages paid, and challenges (such as weather, international trade, water supply, etc.) that agriculture faces.

CAI produced a similar report on the impact of aerospace, aiding in the extension of tax incentives to keep Boeing operations located in our state. It is hoped that the report on agriculture will have a similar impact.

In the 2015 legislative session, the Legislature will consider extending the agricultural processor tax exemption for dairy and seafood. Without extension of the exemption, dairy processors would see a tax increase of about \$2,399,000 annually. Governor Inslee has included the extension of the tax exemption in his proposed budget.

Animal health and disease containment:

We have worked with the Washington Department of Agriculture and the US Department of Agriculture for many years to improve policy and procedures to help with animal disease prevention, control and containment. In 3 surveys, dairy producers overwhelmingly supported creation of an option to report electronically when there is a change of ownership of cattle.

On December 19, Washington State Director of Agriculture Bud Hover signed into rule the first step toward creating such an option. We have known for some years that the 15-head exemption from reporting was going to be removed from state administrative rules. Our efforts have been to replace the exemption with a less-costly and more efficient electronic reporting option preferred by dairy producers.

As a transition to an electronic reporting system, the 15-head exemption will remain in place until the earliest of Jan. 1, 2016 or when the new electronic system is launched.

The Washington State Dairy Federation is working with the Dept. of Agriculture to try to create a seamless transition. The Dept. of Ag expects the costs for electronic reporting will be significantly less than the traditional brand inspection program, where producers pay fees, and potentially mileage and hourly costs. The electronic system would allow reporting change of ownership of a range of age and sex of cattle, not just mature females for which there is now an exemption.

Climate Change / Carbon Tax

Governor Inslee is pushing for a more aggressive carbon reduction package. Policies to reduce carbon emissions could have an effect on agriculture. Governor Inslee appointed a Carbon Emission Reduction Taskforce (CERT) which included a few folks from business including Agriculture. The charge from the Governor was to help him and his staff to understand the impacts on business and agriculture from potential programs under consideration to reduce the carbon emission goals. The CERT committee reported to the Governor in November. The CERT process was neither extensive enough nor specific enough to adequately determine the impacts to agricultural businesses. Jay Gordon and Brandon Housekeeper (Association of WA Business) reported concerns about the impact from different proposals that could be very costly, including Governor Inslee's new carbon tax proposal released last week.

Department of Ecology - Non Point Discharge Elimination System Permit (NPDES) update

The NPDES permit that some dairy farms in Washington operate under needs to be updated. The process is led by the Department of Ecology. Ecology started the update process in November and it is expected to take most of 2015 to conduct the listening sessions, initial drafting, and public comment, then issue final permit in late 2015 early 2016.



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May 2015 be a wonderful year for you and yours.

Dairy Nutrient Management planning and implementation *(continued from page 2)*

- Where:** Ten Mile Grange, Lynden, WA (meeting is upstairs)
When: **Wednesday, January 7, 2015, 10:00am-4:00pm**, Registration and coffee is from 9:30-10:00
Free lunch by Dutch Mothers will be provided!
RSVP: <https://www.surveymonkey.com/s/5BZ5963>
Sponsors: Whatcom Conservation District, WA Dairy Federation, and Dairy Farmers of Washington
Contact: Nichole Embertson (360) 354-2035 x 126
What to bring: Your most recent farm map, soil tests, manure tests, and a pencil!
More info: <https://sites.google.com/site/wadairyplan/special-events>

This training event will lead you through the topics of: regulations, nutrient cycling, crop production, agronomic rate calculation, economics, manure risk management, and available real-time manure management tools. At the end of the training you will have gone through your entire farm and identified high risk areas, created custom manure application timing schedules by field, and assessed your nutrient budget for the year. This is a *voluntary* event that has been created for producers, consultants and custom applicators that assist them in manure nutrient management. Your participation and feedback will help us refine the training and determine its future success. Please RSVP and bring your manager, helpers, and anyone else you think will benefit from this event.

Department of Revenue Issues Favorable Ruling

The Washington State Department of Revenue released a ruling, requested by the Washington State Dairy Federation, with regard to centrifuges used for manure separation. Their ruling clarifies that the centrifuges are, indeed, separators and are eligible for the exemption from sales tax. Still left unclear is whether the structure and other installations used exclusively for the centrifuges are eligible for the exemption. We will ask.