

# TACC GENERAL POLICIES AND PROGRAMS

## FARM PROGRAMS AND REGULATIONS

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### I. COTTON

1. With respect to the federal cotton programs, rules and regulations, the Texas Agricultural Cooperative Council recommends:
  - a. The Council fully supports the 2018 Farm Bill and the maintaining of those provisions for the six-year life of the bill. In that regard, we oppose any changes to this act that would lessen the financial safety net and stability that the act provides. Additionally, we are opposed to payment limits of any kind.
  - b. Continued and expanded use of all Foreign Agricultural Service and CCC credit programs to substantially increase the foreign markets for U. S. cotton and cottonseed products.
  - c. That no decrease be made in funding for cotton research programs of ERS, the Agricultural Cooperative Service or other agencies of the Department or in the Cooperative Extension Service programs and that any money appropriated be used in the period for which it is appropriated.
  - d. The Council opposes the use of embargoes on exports of cotton and cottonseed products and other farm products.
  - e. Loans on seed cotton stored in modules be continued, and maintain the ability to allow the producer to set the loan deficiency payment rate by furnishing module tag lists from the gin point to the controlling FSA office.
  - f. The Council supports a review of the Federal Crop Insurance Program providing important risk management tools for producers. We urge the following:
    1. Premiums per acre for all products should be regularly reviewed for methods to reduce cost. We urge RMA to continue to evaluate alternative rating methods as well as costs to deliver those products, in order to have the lowest possible cost to the producer.
    2. That Controlling FSA Committee have the authority to allow exception to planting and/or harvesting provision of Federal Crop Insurance.
    3. The Council supports risk management products of all types that allow for choice (i.e. Group Risk Program, individual coverage and etc).
  - g. The Council supports continuation of the current 10-month non-recourse loan for cotton.
  - h. Exports of agricultural commodities need to be a vital part of the program.
  - i. Opportunities for profits from sales of agricultural commodities at the market place, as the paramount criteria of the farm program.
  - j. Require USDA to provide timely notices on program changes and to object to any adverse retroactive program changes.
  - k. The Council supports the competitiveness plan currently in place for U.S. cotton and its efforts to keep U.S. cotton competitive and profitable in a global market.
  - l. The Texas Agricultural Cooperative Council (TACC) confirms its support of the National Cotton Council (NCC) efforts to secure favorable trade agreements that will

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enhance opportunities for the export of U.S. raw cotton, cotton yarns, finished textiles and cottonseed and their products; and as the NCC works through the United States Trade Representative and USDA in securing agreements favorable to the U.S. cotton industry.

Further, TACC supports NCC efforts to:

1. emphasize the importance of appropriate rules-of-origin for cotton and cotton textile products;
  2. remove non-tariff trade barriers and otherwise improve market access for cotton exports;
  3. end discrimination by countries against biotech agricultural products;
  4. ensure compliance by China with its cotton market access commitments;
  5. work with USTR, USDA, and the Administration to comply with WTO ruling in the least disruptive manner to the current Farm Bill.
  6. ensure the U.S. textile industry is not damaged further by surging imports of textile and apparel products; and
  7. work with U.S. officials to convey the position of the cotton industry with respect to the Doha Round of Multilateral Agricultural Trade negotiations under the WTO.”
  8. Implement NAFTA 2.0 (the U.S., Mexico, and Canadian Trade Agreement).
2. That cotton producers be encouraged to fulfill their responsibility to promote and utilize cotton products by:
    - a. Working with the programs of the National Cotton Council of America and regional cotton commodity organizations of the State. The chairman and vice-chairman or other representative of the Texas Agricultural Cooperative Council Cotton Division participate in and attend Texas Agricultural Council meetings and Texas Agricultural Forum meetings.
    - b. Cooperating with the activities of local cotton promotion clubs and others.
    - c. That the Board of Directors of the Texas Agricultural Cooperative Council reaffirm its support for Cotton Incorporated and encourage organizations and individuals with an interest in the cotton industry to continue to recognize, preserve and help enhance the work of Cotton Incorporated.
  3. That the Council continues to oppose the OSHA cotton dust standard, or any other standard of such economic stringency, for any segment of the industry, particularly in the areas of ginning, cottonseed processing, warehousing, compressing and merchandising. Further, the Council recommends that EPA delay implementation of a coarse particulate matter National Ambient Air Quality Standard until sound science has been applied to monitoring and control requirements under the CLEAN AIR ACT so as to not force the abandonment of cotton as a major source of fiber for yarns and goods. Additionally, the Council recommends the appointment of a greater number of representatives from the raw cotton industry than presently are on the OSHA Standards Committee.
  4. The USDA classification of cotton has become an international standard for cotton fiber evaluation. The Council supports:

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- a. High Volume Instrument (HVI) testing of cotton by Agricultural Marketing Service and urges the USDA to study a new method of establishing loan premiums and discounts by some other method than the daily spot quotes. USDA should consider industry input, including but not limited to, spinning performance data, actual prices paid to farmers and by mills and any other statistical sampling methods available.
  - b. TACC encourages more industry study on the issue of "prep" cotton and that appropriate steps be taken to reduce the frequency of cotton samples being classified as "prep" cotton.
  - c. The Council supports producer option in USDA assigning average HVI test results to all bales generated from a single module or trailer.
  - d. Council opposes consolidation of classing offices unless shown to be economically feasible.
5. The Texas Agricultural Cooperative Council supports legislation to require enforcement of trade agreements for all countries selling textile products in the United States.
  6. The Council supports the boll weevil eradication program and urges continued equitable federal and state cost sharing.
  7. The Texas Agricultural Cooperative Council opposes any change in current Texas Department of Agriculture (TDA) regulations and over-sight of cotton warehouses.

## **II. GRAINS**

1. The Texas Agricultural Cooperative Council commends the producers of agricultural products in their use of the Federal Farm Program and urges their continued participation.
2. Uniform Marketing Agreements between Producer and Local cooperative. The Texas Agricultural Cooperative Council will undertake an educational program jointly with the Texas Agricultural Cooperative Service and Texas A&M University to create an awareness and understanding among Texas grain producers and their cooperatives of the need for improved organizational and financial structure and the profitable role and use of written marketing agreements between producers and their local cooperatives and between local cooperatives as a means for strengthening the marketing capability and leadership of grain marketing cooperatives in the U. S. and world markets.
3. That the Texas Agricultural Cooperative Council support programs to stimulate and assist in the development of export markets including:
  - a. Opposing export controls on grain.
  - b. Promoting productive long-term agreements with importing nations be continued.
  - c. Initiation of a foreign market development program among local and regional cooperatives and commodity groups.
  - d. Opposing the use of export subsidies by other exporting nations as a competitive marketing tool. If the use of these subsidies

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continues, the U. S. should continue subsidies on our exports to be more competitive in the foreign market place.

4. We recommend that the Federal Grain Inspection Service law apply to outbound export grain only and that the Federal Supervision fees be limited to no higher than the current fee that is assessed by the Supervisory Service. We urge the continued use of the existing efficient and economical grain inspection facilities.
5. That the Texas Agricultural Cooperative Council monitor the Federal Grain Inspection Service attempts to change the grain grade standards and report any negative-impacting proposals to the board of directors.
6. Texas Agricultural Cooperative Council promote and cooperate with the Texas Land Grant Universities on their ongoing in-depth studies of the cause and effects, detection and proper handling of aflatoxin and fumonsin infected crops, and that the Council supports the standardization of aflatoxin and fumonsin testing procedures. In addition, support controls on interstate movement of naturally contaminated grains, primarily corn.
7. TACC supports National Grain and Feed in their position on OSHA Safety and Health Standards.
8. TACC will seek and support legislation addressing abandoned or bankrupt railroad right-of-way, thusly: Before a railroad corporation or the trustee of a railroad corporation may sell a railroad right-of-way or other real property adjacent to it, the corporation or trustee must first offer that property (at fair market value) to:
  - a. Persons presently leasing (if permanent structures or fixtures have been erected on said property).
  - b. Persons presently owning the real estate, of which it was an integral part and from which it was originally acquired.

If an existing lease is in effect, the railroad corporation or trustee may not refuse to continue lease at a reasonable rate, unless it can prove said property is required for its operation without alternative.
9. TACC supports bonding and/or licensing requirements of all purchasers – for resale -- and exporters of Texas commodities for the protection of Texas producers.
10. TACC supports government involvement in a producer risk management program that is an economically viable alternative and user-friendly.
11. TACC opposes any elimination of wheat, feed grains and oilseeds from USDA's price support and deficiency programs.
12. We support the state trucking regulations and encourage the enforcement of these regulations.
13. TACC supports a maximum research effort to curtail and alleviate the spread of sorghum ergot.
14. TACC supports the modification of standards on Karnal bunt as a quarantine pest, while preserving our valuable wheat export markets.
15. We promote research to improve the safety of GMO crops to export markets.

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16. With respect to the Texas Grain Producers Indemnity Fund, TACC generally believes the fund is not necessary for producers who store, sell, and forward contract grain with local cooperatives due to the transparency of coops provided by having a local board of director's, and annual financial audits from Certified Public Accountants which are presented to cooperative members each year during their Annual Stockholder Meeting. Also, the recent enhancements made to the Texas Grain Warehouse Act have allowed for improved oversight of grain elevators by the Texas Department of Agriculture. However, TACC recognizes the TGPIF is a producer program and the passage, or defeat, of a future referendum is the responsibility of grain producers. Therefore, TACC recommends:
  - a. Producers should analyze the risks associated in doing business with the grain buyers they have selected.
  - b. Producers should study the facts regarding the TGPIF to fully understand the cost, benefits, governance, and management of the TGPIF.
  - c. Upon thorough analysis by each producer, TACC strongly encourages producers to vote in any future referendum.
  - d. In the event a referendum passes, TACC encourages the Board of Directors of the TGPIF to minimize information and record keeping demands on grain elevators.

### **III. PEANUTS**

1. We support the basic structure of the current peanut price support program.
2. We encourage reactivation of the cost of production support rate adjustment.
3. TACC encourages the use of Designated Marketing Association and Cooperative Marketing Association provisions of the current law.
4. TACC encourages USDA to develop a forfeiture sales policy utilizing the Designated Marketing Associations as the primary sales agent.

### **IV. DAIRY**

1. The Council favors and will continue to support the concept of a national producer-sponsored beef promotion program.
2. The Council favors improving the quality and flavor of processed milk distributed to Texas consumers through requiring that processed whole milk contain not less than 8.6% solids non-fat; that low-fat milk contain not less than 10% solids non-fat; that processed skim milk contain not less than 9% solids non-fat and that the responsibility for checking solids non-fat at the retail level and retain level be assigned the Texas Department of Agriculture.
3. Difficulties with milk pricing have prompted extensive government intervention in every country of the developed world with any substantial dairy industry. The Federal Government Programs relied upon in the United States to help stabilize milk prices are:
  - a. The Milk Price Support Program
  - b. Federal Milk Marketing Orders
  - c. Restrictions on imports of dairy products and particularly those imports that are subsidized by foreign governments.

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- d. Encouragement for Milk Marketing Cooperatives
- e. Strongly support pricing under the federal order system. The Texas Agricultural Cooperative Council endorses and supports strong administration of those federal programs and policies to provide a milk marketing system through which consumers can be assured of continuing supplies of milk at reasonable and stable prices. TACC supports the continued presence of these concepts in the 2001-2002 Farm Bill.

We support the National Milk Producers Federation "Foundation for the Future" program.

4. The Texas Agricultural Cooperative Council supports the Texas dairy industry in its efforts to enhance and stabilize dairy farmer income through legislation. Such legislative efforts would include the formation of regional dairy compacts and continued support for the maintenance of the Federal Milk Marketing Order system.
5. TACC supports state and federal institutions continued use of fluid milk in all their programs.

### **V. FARM CREDIT**

#### Agricultural Credit

The availability of competitively priced credit is critical to the success of the American agricultural and rural infrastructure. We therefore recommend:

1. Cooperation among agricultural lenders to ensure that the needs of agriculture are met in the 21<sup>st</sup> Century. Proposals that would create a competitive imbalance in rural lending are not in the best interest of farm business, agricultural cooperative or rural communities.
2. Support for efforts to modernize the Farm Credit charge to enable Farm Credit institutions to finance all components of agriculture. Leveraging Farm Credit's rural expertise to promote rural economic development should be pursued as part of rural economic development policy.
3. As a cooperative owned and controlled by its customer-members, major governance and structural changes to Farm Credit institutions should require stockholder approval.

### **VI. RURAL ELECTRIC AND TELEPHONE**

1. The Texas Agricultural Cooperative Council affirms the essential availability of adequate electric power and communications facilities to rural areas and, therefore, shall support any reasonable and prudent efforts to assure that rural electric and telephone cooperatives remain strong and viable suppliers of service to rural Texas. This affirmation encompasses insistence upon the necessity to give the highest possible priorities to agricultural production and processing for all forms of energy.
2. The Council will support legislation to reaffirm the intent of the Communications Act of 1934 and make possible the continuation of universal communications service at reasonable charges with adequate facilities on a nation-wide basis. We urge the Texas Congressional delegation to support appropriate measures to ensure the affordability of telephone service by all residential users.

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3. The Council will support legislation to assure that rural telephone systems be given full opportunity to provide facilities for all telecommunications services within their service territories.
4. The Council opposes the efforts to sell and/or refinance the five (5) federal power marketing agencies and the Rural Utility Services Revolving Fund.
5. The Council will support legislation to assure that satellite television programming will be available on a non-discriminatory basis to rural residents who are dependent on satellite reception for information, education and entertainment which is accessible to those served by cable television.
6. The Council supports the concept that a substantial majority of the member-owners of an electric cooperative should be required to sell all or substantially all of its cooperative assets.
7. The Council supports the utilization of electric and telephone cooperatives through the Rural Utility Services as a major conduit for federal assistance for the economic development and revitalization of rural communities.
8. The Council opposes hostile take-over attempts of electric cooperatives by for-profit, investor-owned groups.

### **VII. SUGAR**

1. We recommend that the Texas Agricultural Cooperative Council strongly petitions action by the Secretary of Agriculture toward maintaining:
  - a. Limitations of sugar imports to the amount necessary to meet the domestic deficiency in production and utilize the duties and fees allowable under International Trade Treaty Agreement to which the U. S. is bound to continue a raw sugar support.
  - b. Oppose free trade agreements, including but not limited to provisions in the Central American Free Trade Agreement (CAFTA), that would increase sugar imports and thereby circumvent the policy stated under VII – SUGAR, Section 1, paragraph a.

### **VIII. SUPPLY**

1. Energy
  - a. TACC supports the agricultural producer exemption to the fuel tax, and recommends exemption from additional taxes that might be imposed on other energy sources used for agricultural purposes.
  - b. In order that farmers may readily purchase tax-exempt fuel, the Internal Revenue Service should ensure that cooperatives qualify as wholesalers. Cooperatives should be able to continue their dual role as wholesaler and retailer without jeopardizing their eligibility and cooperatives should be able to make tax exempt bulk sales through unattended outlets.

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- c. TACC supports the repeal of excise taxation on fuel and petroleum products used in agricultural processing at the wholesale level.
  - d. In times of fuel shortages, first priority for the consumption of fuel should go to the producers, distributors and processors of agricultural products.
  - e. TACC supports all state and federal government renewable energy fuel source programs, such as the development of ethanol, as an alternative to aid in the production of food and fiber.
2. Pesticides
- a. Because agricultural chemicals are necessary for the mass production of food and fiber in this country, TACC opposes any unwarranted restriction of pesticide use. The banning of any agricultural chemical should be made for scientific reasons rather than emotional ones. The Texas Department of Agriculture should not be more restrictive on the use and application of agriculture chemicals than the current EPA regulations. TACC should also support efforts to eliminate any proposed regulatory restrictions on the use of organophosphates and carbonates that are necessary for crop production by Texas farmers.
  - b. Agricultural producers support a clean groundwater system. However, TACC opposes the banning of agricultural chemicals based on emotional fear and not scientific proof that the chemicals are present in groundwater in amounts greater than the government accepted levels.
  - c. With regards to the Agricultural Hazard Communications Act or Right to Know law, TACC supports a 1/4-mile definition of a "member of the community". TACC supports the exemption of cotton gins because of the lack of pesticides used in the ginning process and strongly opposes the mandatory distribution of material safety data sheets unless requested by the pesticide customer.

3. Fertilizers

Regarding fertilizer handling, storage, and reporting, TACC supports...

- a. Long term utilization of ammonium nitrate.
  - b. Co-ops maintaining a close relationship with their local fire chief, fire department, police chief, local emergency planning committee (*LEPC*), appropriate insurance loss control specialists, and the Texas Feed and Fertilizer Control Service as their primary state regulatory oversight agency of fertilizer businesses.
  - c. That the Tier 2 report information that is required of fertilizers businesses only be provided, secured, and available to heads of local, city, and county authorities having oversight of such businesses.
4. Animal Health Care Products

TACC opposes any restriction on the use of animal health care products such as pharmaceuticals or biologicals.\



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### 5. Agricultural Inputs

State crop and livestock estimates can have a great influence on commodity prices, and the availability of petroleum, farm equipment and machinery, feed and fertilizer, chemicals and general farm supplies. Therefore, TACC supports state and federal programs and policies that will encourage the availability of these inputs, including the restoration of full funding to the Texas Agricultural Statistical Service.

## IX. MISCELLANEOUS

### 1. Transportation

- a. The Texas Agricultural Cooperative Council calls upon the Congress to pass legislation which would give the national administration the authority to impose mandatory arbitration immediately when the failure of settlement by voluntary arbitration has created an emergency situation in the long shore, maritime, railroad, trucking and airline industries which is detrimental to the public welfare.
- b. The Council supports the deregulation of the agricultural trucking industry and opposes the implementation of Federal Truck Regulations for agricultural cooperative vehicles. TACC will continue to monitor parts 390-397, 399, 325, 383, 385, 386, 387 of the Federal Motor Carrier Safety Regulations (driver in-service, out-service criteria).
- c. TACC will support the Texas Department of Transportation regulations that will permit truck weight variance on farm hauled commodities that may involve a certain radius from the farm to the elevator or first point of processing. It could allow for a given percentage of overload before a fine takes place.
- d. TACC supports legislation that would replace or revise regulation of the Department of Transportation's present 70-hour work week law due to the intolerable economic burden placed upon agriculture processors.
- e. Regarding bullet trains in Texas, the Council strongly opposes the taking of private property from landowners via eminent domain, opposes routes of any kind that dissect agricultural land, and that economic development with regard to this project not come at the expense of individual farm and ranch families.
- f. The Council supports the monitoring of abandon railroad right-of-way issues, which could impact co-ops or members' holdings.
- g. TACC supports all trucks entering the United States from Mexico are to adhere to all safety standards adopted by the Texas Department of Transportation.

### 2. Animal Health

- a. We move that the Texas Agricultural Cooperative Council continually support the Texas Animal Health Commission in their administration of local and national animal health programs to eliminate animal diseases and parasites detrimental to the health of all animals.
- b. We further move that this Board be made aware of any immediate problems relating to animal health with recommendations for actions to be taken.

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- c. The Texas Agricultural Cooperative Council staff shall watch for and notify the appropriate TACC members of action that is being contemplated or taken by the State Legislature or State Animal Health Commission involving any restrictions on the use of animal health care products such as pharmaceuticals or biologicals.
- d. BE IT RESOLVED, that the Texas Agricultural Cooperative Council supports the Texas Animal Health Commission.
- e. TACC supports the humane treatment of livestock and poultry. Well meaning but misinformed people who have little or no knowledge of animal husbandry practices should not be allowed to dictate standards by which animals are raised.

### 3. Marketing

- a. We urge the continuation and strengthening of economic assistance as now being practiced under P. L. 480 and other export enhancement programs.
- b. TACC will support agricultural trade and market development opportunities beneficial to U. S. ag products with Mexico and Canada within the framework of the North American Free Trade Agreement.
- c. WHEREAS, the ability of farmers to join together to jointly market the fruits of their labor is of vital importance,

WHEREAS, such cooperative efforts are even more important today as a result of continuing budget pressures and declining Federal support for farm programs, as well as increasing global competition,

WHEREAS, the importance of such cooperative efforts has been reflected in policies and programs, such as marketing orders, which have helped provide producers with a reasonable return on their productivity and investment, while ensuring consumers a dependable supply of high quality agricultural products at reasonable prices,

WHEREAS, the effectiveness of such marketing order programs has been threatened by a combination of administrative and regulatory actions, including:

- 1) establishment of administrative procedures which have delayed or blocked consideration in a timely manner of regulations and policy decisions necessary for the effective operation of such programs,
- 2) over-ruling decisions by producer-elected administrative or advisory committees with regard to marketing order regulations,
- 3) modification and suspension of certain marketing orders without the recommendation or approval of a majority of producers or their elected administrative or advisory committees, and
- 4) adoption of policy guidelines contrary to existing law to specifically discourage farmer cooperatives and their farmer-elected boards of directors to act or vote on behalf of their farmer members, and

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WHEREAS, such actions have not only adversely affected the effectiveness and operation of such programs, but the economic well-being of farmers, ranchers and their cooperatives,

THEREFORE, BE IT RESOLVED that the Board of Directors of the Texas Agricultural Cooperative Council strongly reaffirms its support for policies and programs to protect and enhance the ability of farmers to join together in cooperative efforts and hereby urges the President and the Congress to take such action as necessary to achieve these broad objectives.

Specifically, we believe the following actions should be taken:

- 1) Eliminate or modify existing administrative procedures which have resulted in unwarranted delay or blocked consideration of policy decisions or regulations necessary for the effective operation of marketing orders and related programs;
  - 2) Require prior to any administrative action to modify, suspend, or terminate a marketing order, without the recommendation of a majority of producers or their elected administrative or advisory committees, a preliminary economic impact analysis with a final report no later than six months following such action; and
  - 3) Eliminate administrative guidelines that have been established to specifically discourage farmer cooperatives and their elected boards of directors from voting or acting on behalf of their farmer members as provided under existing law.
- d. Council supports the application of any Texas Cooperative Warehouse to the New York Cotton Exchange (NYCE) for approval to become a certification point for the NYCE.
  - e. TACC supports the immediate normalization of trade and travel relations with Cuba.
4. Education
- a. We urge the appointment of at least one bonafide farmer and rancher to the boards of regents of all the state colleges and universities in Texas.
  - b. We support the election of members to the State Board of Education rather than by appointment.
  - c. Concern is that school children, especially in large urban areas do not know where their food and fiber originates, and that certain organizations opposed to progressive production agriculture have been aggressive in promoting their agenda to these children.
  - d. TACC supports the use of educational systems for the children of Texas to create an awareness of the benefits of all agricultural products.
  - e. TACC to encourage its members to have local annual programs for the children of Texas to create an awareness of the benefits of all agricultural products and by-products.

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- f. TACC supports the research and extension programs of the Texas A&M AgriLife Extension Service that enhance the profitability of production agriculture, agribusiness and rural community and economic development.

### 5. Water Conservation and Land Use

- a. Water conservation being vital to Texas agriculture, the Council supports a local managed supply plan which will include agriculture and will fully protect the rights of present landowners.
- b. We believe that the land use-planning program should be controlled at the local level of government and by private landowners.
- c. TACC opposes any move that state or federal agencies may make to control or infringe on the private property rights to underground water.
- d. TACC supports realistic high water quality standards that reflect practical economic management activities.
- e. TACC will encourage progress on the issue of interbasin transfer of water and junior water rights.
- f. TACC will monitor the Rule of Capture water provision issue and will accept new direction only if changes are in the best interest of landowners and agricultural producers.
- g. TACC supports the increased funding of agricultural technical assistance via the Texas State Soil and Water Conservation Board.

### 6. Air and Water Pollution Controls

- a. In view of the widespread concern not only from the general public in regards to the apparent pollution of our environment, particularly our air and water, but from the agricultural industry itself, we recommend that adequate and continuing research funds be appropriated to determine a balance between reasonable technological costs and resulting benefits to society.
- b. Additionally, we recommend that particular emphasis be placed upon objective research to evaluate our respective agricultural industries weighed against economic consequences to the firm and resultant necessary add-on cost to society as a whole.
- c. We further recommend that due consideration be given those facts developed by actual tests through research in any proposed regulations or legislation affecting agriculture and the fact recognized that the technology of various industries may require different regulations and tolerances for each.
- d. And TACC recommends that Texas Commission on Environmental Quality work to educate agriculture producers regarding water pollution rules and law, specifically that emphasis be placed on working with producers to spend their money developing compliance programs, rather than proposing fines as a means of pushing agriculture producers into compliance.
- e. The Council strongly opposes all attempts by any federal or state agency that would limit grazing rights on privately-owned property, that would require

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registration of every farm animal in the state, or would restrict timeliness of conservation and soil enrichment practices by private property owners and commercial agricultural operations.

- f. We support the agriculture section of the Texas Commission on Environmental Quality.
- g. TACC recommends that the EPA not impose regulations affecting agriculture until there has been sufficient scientific study to determine if in fact the regulations are needed.
- h. The current Clean Water Act emphasis on non-point source pollution management will regulate all sizes and aspects of animal feeding and livestock operations more intensely. We therefore recommend:
  - i) The Council strives to keep all new regulations scientifically based.
  - ii) Appropriate consideration be given to the economic impact of additional regulation.
  - iii) There be a strong educational/assistance component to address the effort aimed at the grass roots thus coming from the bottom up.
  - iv) Enforcement penalties be kept at a minimum with the emphasis placed on applying the producer dollars to the systems needed.
  - v) Flexibility in programs to allow for regional differences and embracing new solutions as technology evolves.
- i. Regarding climate change legislation, the Council's members have a proven track record at being good stewards of the land and the environment. Until such time this legislation has benefits for all production agriculture that outweigh the economic consequences, the Council will oppose such efforts.

### 7. Agricultural Conservation Programs

The Agricultural Conservation Program (ACP) has contributed greatly to the preservation of two of our most precious natural resources - soil and water. We urge the continued funding at a level that will insure its continued success under the new Environmental Quality Improvement Program (EQIP). And as future needed pollution and conservation programs pertaining to our soil and water resources are needed, we urge additional funding at levels adequate to meet the needs and insure their success.

### 8. U. S. Department of Agriculture

- a. We commend the U. S. Department of Agriculture and other organizations, such as the Agricultural Council of America, for their public information programs designed to inform the U. S. consumer that a relatively low percentage of the dollar spent for food actually goes to the farmer and rancher; and furthermore, that the U. S. consumer is spending a smaller percentage of his income for food than any people in the world and that the percentage of income spent for food today is lower than at anytime in the history of this nation.
- b. We strongly protest the diversion of USDA's interest in a sound agriculture; we protest the readiness to assume that consumer activists represent the bonafide interests of consumers; we point out that the long-run consumer interest can only be served through continuation of production and the productivity gains that have enabled American farmers and ranchers to create the most efficient

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food and fiber production system in history and to provide the only hope for maintaining favorable import-export trade balances.

Agricultural producers, bonafide consumers and taxpayers are entitled to a cabinet level position that advocates productivity rather than a fallacious brand of consumerism.

- c. WHEREAS, it is commonly recognized that the crop year starts with management and marketing decisions which include financial arrangements, planting, etc., that have not coincided with the current farm program sign up dates; and  
WHEREAS, producers must make planning and implementation decisions based on expectations as to the interpretation of farm programs.

NOW THEREFORE, the Texas Agricultural Cooperative Council urges USDA to be consistent in the interpretation of federal regulations across crop years. If there is a substantial change in the interpretation of federal regulations by state or federal CFSA officials after the dates for program announcements as mandated in the 1996 Farm Bill, producers should have the option to operate either under the current interpretation or that which existed prior to said date.

### 9. Predatory Animal Control

- a. We urge that the Environmental Protection Agency rescind its ban on use of cyanide, strychnine and 10-80 used in connection with control of predatory animals. We encourage expanded informational programs to inform the public of the economic costs imposed upon consumers through measures to protect and build the coyote population and of the fact that coyotes spread rabies.
- b. TACC to support legislation to exempt agriculture from all laws which protect feral hogs.

### 10. Fruits and Vegetables

The Council will seek legislation and other programs to assure fair competition between various fruit growing areas to prevent dumping of distress supplies at prices that fail to reflect the supply-demand and cost situation.

### 11. Taxes

- a. The Council supports passage of State legislation providing for alternate ways of financing public school and local governments rather than by ad valorem property taxes, and urge the formula for taxation of agriculture land on its production value not be changed, including changes in open space valuations.
- b. The Council supports a constitutional amendment prohibiting a state income tax or corporate income tax.
- c. The Texas Agricultural Cooperative Council opposes any elimination of sales tax exemptions related to agriculture and to rural utility services.
- d. The Council supports the state franchise tax-exempt status for agricultural, electric and telephone cooperatives.

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- e. TACC supports the formation of agricultural development districts as a method to give rise to self-help mechanisms for agricultural producers.

### 12. Cooperation Between Agriculture Associations

- a. WHEREAS, it is recognized that one of the weaknesses in agriculture is the lack of communications, cooperation and unified effort between agricultural associations, livestock associations, service organizations and cooperatives, and as a result, all rural people are the losers.

NOW BE IT RESOLVED: The Texas Agricultural Cooperative Council work to obtain the full cooperation between these agencies and that communications be established and efforts be combined in the areas of common interest so that maximum success may be achieved.

### 13. Regulatory Agencies

- a. The Texas Agricultural Cooperative Council recommends that legislative and regulatory bodies take into full consideration the fact that member-owned organizations are governed by their members and some regulations often are a duplication of controls inherent to their organization structure; therefore, such regulations may be an additional unnecessary burden to the members.
- b. Texas Agricultural Cooperative Council urges the PUC and/or the Texas Legislature to allow seasonal electric rates, in accordance with usage, in the agricultural industry.
- c. The Council opposes any effort to establish user fees or other such taxing instruments upon livestock and agricultural producers. If such fees are implemented, the accumulative impact of such monies should be used solely for that specified purpose and not diverted for other state funding uses. Further, the Council supports the establishment of industry advisory committees to monitor agency operations with particular emphasis on fiscal efficiency.
- d. Given the pro's and con's of state agency consolidations in the 1980s and 1990s, TACC goes on record of approaching any new state agency merger and/or any state agency decentralization with extreme caution.
- e. Biosecurity – TACC supports efforts to ensure the ag, food and fiber industry is safe and secure from agro- terrorist actions. We encourage policymakers to recognize programs already in place to deter vandalism and theft (risk management plan, etc.) before adopting new, redundant and expensive policies. TACC will monitor Homeland Security measure to determine impact on the membership.
- f. The Texas Agricultural Cooperative Council supports contacting new TACC members. Potential cooperatives will be sent a copy of the TACC newsletter and an invitation to join with the dues formula sheet attached.
- g. Texas Agricultural Cooperative Council affirms support of legislation at both the state and federal levels regarding tort reform and restoring equity in the Civil Justice System.

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### 14. Federal Budget

The Texas Agricultural Cooperative Council urges our Congressmen to meet with the current administration and develop a federal budget that will restore confidence in the financial market, attempt to lower interest rates, and once again allow all of the segments of the agricultural industry to have a chance to prosper.

### 15. Agricultural Policy

The Texas Agricultural Cooperative Council will support and encourage development by farmers, and implementation by government, of effective programs to gear total agricultural output more closely to the quantities of commodities needed for domestic and export markets, at reasonable prices to producers.

### 16. Property Rights

- a. The Council urges three major reforms regarding the Endangered Species Act. First, the Council recommends the Act provide a provision for "just compensation" for the taking of private property through condemnation proceedings. Secondly, the Council strongly supports legislation that mandates a significantly higher performance standard at "recovering" listed endangered species. Thirdly, the Council urges Congress to provide legislation that gives "economic impact" a substantially higher priority in final justification of listing an endangered species.
- b. The Council strongly opposes the use of the power of eminent domain by any government agency without establishing positive proof that there is an urgent and overriding need for the land that is more important than future production of food and fiber, and that there is no alternative to taking the land. The Council further strongly opposes the use of the power of eminent domain for parks, wildlife refuges, trails, waterways, or other recreational projects, including municipal acquisition of rural land for whatever purpose. The Council further strongly opposes the use of the power of eminent domain in any fashion that will aid private real estate or industrial corporation to make a profit.
- c. The Council supports legislation that would provide more adequate compensation to owners of property condemned and taken, and for property rendered less valuable as a result of property being divided, or adjacent property taken in condemnation. At least one farmer, rancher, or person directly connected with agriculture should be represented on all condemnation courts. Property acquired through condemnation for a stated purpose but not used for that purpose within a five (5) year period, or property that ceases to be used for the specified purpose, should be returned to private ownership. The last owner or heirs should be given the first option to buy at the original sale price.
- d. The Council strongly opposes any legislation, which would grant the power of eminent domain or taxation to any additional groups or agencies. Any unit of government which holds an election affecting the acquisition or use of rural property should be required to permit voting by rural property owners and their family members of voting age if their rural property may be acquired or regulated as a result of the election. No agency of the federal government should be allowed to use its power of eminent domain in Texas without obtaining prior permission from the Texas legislature.



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- e. The Council strongly opposes government entities taking land and property by regulation without actually taking it through condemnation or confiscation, which requires due process of law and compensation. The Council opposes the taking of private land by governmental agencies around the boundaries of wilderness areas, parks, recreation areas, conservation plan areas, etc. under the pretext of a buffer zone or scenic easement. We favor legislation that would prohibit the use of implied easements to secure the use of private property, such as roads, because it deprives the owner of a portion of his property rights without due process and/or compensation.
- f. The Council favors legislation that would limit government authorities to condemn only the surface and not the minerals and/or water rights under eminent domain, with the minerals and/or water rights remaining in the possession of the owner and/or his heirs at the time of condemnation.

### 17. Waste Management

- a. The Texas Agricultural Cooperative Council is opposed to the placing and disposal of nuclear waste in Texas.
- b. The Council supports regulations and legislation that would allow proper handling of waste disposal, yet at the same time not be cost-prohibitive to rural communities and rural landfills.
- c. The Council strongly opposes out-of-state shipment of all wastes into Texas.

### 18. Proposed Homestead Amendment to Texas Constitution

The Council opposes any changes in the Constitution of Texas which would eliminate or change in any way the current constitutional provisions relating to rural (agricultural) homesteads.

### 19. Labeling of Agricultural Products

BE IT RESOLVED that the Texas Agricultural Cooperative Council through this medium of communication requests all agencies, either legislative or administrative, to establish rules and regulations and legislation for the purpose of requiring that all agricultural products imported into the United States, whether marketed wholesale or retail, be labeled with a prominent label stating the name of country where raised and/or processed or reprocessed, and in addition that said agricultural products be labeled to proclaim the purity of the product, i.e., "PURE BEEF"; if not pure beef, the additives used.

### 20. Industrial Revenue Sharing Bonds

Industrial Revenue Sharing Bonds should not be made available to agricultural producers in setting up operations until a market impact study is made as to the implications on supply-demand and on government policies regarding support prices and subsidies.

### 21. Embryo-Transplant

The Texas Agricultural Cooperative Council shall oppose any legislation for the purpose of licensing or banning the unrestricted use of "Embryo-Transplant" in cattle.

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### 22. Aflatoxin Control

- a. TACC shall monitor the ongoing issue of natural contamination presence in agricultural commerce. We support academic research and regulatory cooperation for the purpose of managing the problem and assisting the affected producers and regulatory interstate trade.
- b. We commend the research efforts of Dr. Peter Cotty with USDA-ARS and his role in reducing and/or eliminating aflatoxin in Arizona cottonseed and Texas feedgrains and cottonseed.

### 23. Rural Hospitals

The Texas Agricultural Cooperative Council resolves that this organization goes on record asking support for legislation that will allow rural hospitals to recover costs for care of Medicare and Medicaid patients from state and federal governments that is equitable to the costs incurred and that are necessary to maintaining the life and health of both the individuals and institutions.

### 24. Rural Crime and Violence

- a. The Texas Agricultural Cooperative Council supports efforts by the Texas Cooperative Extension, in cooperation with Brazos Electric Cooperative, the association of Texas Electric Cooperatives, the Texas Crime Prevention Association and others in promoting the PACE Setter Program as a means of reversing the worsening trend of juvenile crime in rural Texas.
- b. Given that border violence has escalated to the point that farmers and ranchers fear for their lives, crime to growers and producers is at an all-time high, and that production and harvesting has been repeatedly interrupted, TACC goes on record demanding swift action and appropriate resources be allocated by federal and state authorities to restore order and bring remedy to the citizens along the Rio Grande River border with Mexico.

### 25. Rural Fire Protection

The Texas Agricultural Cooperative Council supports the programs of the Texas Forest Service and others in their efforts to ensure increased fire protection for rural Texas through the efforts of local volunteer fire departments.

### 26. Central Notification

TACC will continue to monitor, but currently has no position.

### 27. EPA

- a. Given renewed aggressive interest by the EPA regarding areas that impact the agricultural industry; specifically water and air quality, ag chemicals, soil and water nutrient loading and livestock operation waste management and understanding that agricultural operators view themselves as sound environmental stewards basing their business conduct on scientific reason and sound economic principles; therefore TACC will aggressively pursue involvement with the EPA to articulate and manage agricultural concerns.

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- b. TACC supports voluntary environmental stewardship to show that animal and plant agriculture is using best available technology and best management practices.
- c. Until further proven scientific findings warrant, TACC aggressively opposes the expanded regulatory and land grab proposal outlined in the "EPA Waters of the U.S." paper put forth in 2014.

### 28. Workers Compensation

TACC encourages modifications where the workers compensation system has been abused by employees, including but not limited to:

- a. Requiring such cases be tried in those counties where incidents occurred.
- b. Requiring doctors to place working restrictions on injured employees so as to allow them to return to work much quicker.

### 29. Immigration

- a. TACC vigorously supports effective border security. However, we strongly disagree with the concept involved in H.R. 4437 that we first pass border security as a separate bill with the assumption that Congress will subsequently pass another bill to address other reforms. Comprehensive reform, including reasonable penalties for employers who knowingly hire illegal workers, and a tamper-proof personal identification card, will enhance border security, not detract from it.
- b. TACC supports a viable guest worker program that would provide temporary workers for the large number of seasonal jobs in agriculture. We urge Congress to also be aware that certain segments of agriculture require workers to be available for a longer period. We support a workable day crossing provision so workers from Mexico can continue to live in Mexico and fill those jobs within 100 miles of the border between the U.S. and Mexico. These workers should be subject to basic U.S. worker protection laws.
- c. TACC supports a program that allows for the transition of certain undocumented workers already in the U.S. to a legal status. We do not support any provision that would allow these workers to jump to the front of the line of people who long ago went through the lengthy process of seeking U.S. citizenship. We are mindful that these workers need to go through a criminal background check, learn to speak English, and pay some type of restitution for illegally entering the U.S. or overstaying their visa. It is, however, inconsistent with our heritage as a country of immigrants to suddenly think we can or should deport all of the people who came to this country to find a better life for themselves and their families.

*Approved March 17, 2024  
TACC Board Meeting  
Round Rock, Texas*