

1  
2 COMMONWEALTH OF PENNSYLVANIA  
3 HOUSE OF REPRESENTATIVES  
4 APPROPRIATIONS COMMITTEE

5 MAIN CAPITOL  
6 ROOM 140  
7 HARRISBURG, PENNSYLVANIA

8 BUDGET HEARING  
9 DEPARTMENT OF AGRICULTURE

10 MONDAY, FEBRUARY 26, 2018  
11 3:10 P.M.

12 BEFORE:

13 HONORABLE STANLEY SAYLOR, MAJORITY CHAIRMAN  
14 HONORABLE JOSEPH MARKOSEK, MINORITY CHAIRMAN  
15 HONORABLE KAREN BOBACK  
16 HONORABLE SHERYL DELOZIER  
17 HONORABLE GEORGE DUNBAR  
18 HONORABLE GARTH EVERETT  
19 HONORABLE KEITH GREINER  
20 HONORABLE MARCIA HAHN  
21 HONORABLE DOYLE HEFFLEY  
22 HONORABLE SUE HELM  
23 HONORABLE LEE JAMES  
24 HONORABLE WARREN KAMPF  
25 HONORABLE FRED KELLER  
HONORABLE DUANE MILNE  
HONORABLE JASON ORTITAY  
HONORABLE MIKE PEIFER  
HONORABLE MARGUERITE QUINN  
HONORABLE BRAD ROAE  
HONORABLE JAMIE SANTORA  
HONORABLE CURT SONNEY  
HONORABLE KEVIN BOYLE  
HONORABLE TIM BRIGGS

1 BEFORE (continued):

2 HONORABLE DONNA BULLOCK  
3 HONORABLE MADELEINE DEAN  
4 HONORABLE MARIA DONATUCCI  
5 HONORABLE MARTY FLYNN  
6 HONORABLE PATTY KIM  
7 HONORABLE STEPHEN KINSEY  
8 HONORABLE LEANNE KRUEGER-BRANEKY  
9 HONORABLE MIKE O'BRIEN  
10 HONORABLE MARK ROZZI  
11 HONORABLE PETER SCHWEYER

12 NON-COMMITTEE MEMBERS:

13 HONORABLE MARTY CAUSER  
14 HONORABLE RUSS DIAMOND  
15 HONORABLE KATE HARPER  
16 HONORABLE MARK KELLER  
17 HONORABLE DAVE MILLARD  
18 HONORABLE TOMMY STANKEY  
19 HONORABLE WILL TALLMAN  
20 HONORABLE MIKE TOBASH  
21 HONORABLE DAVE ZIMMERMAN  
22 HONORABLE MIKE CARROLL  
23 HONORABLE CAROLYN COMITTA  
24 HONORABLE MARK LONGIETTI  
25 HONORABLE STEVE MCCARTER  
HONORABLE ED NEILSON  
HONORABLE EDDIE PASHINSKI  
HONORABLE GREG VITALI  
HONORABLE PERRY WARREN

COMMITTEE STAFF PRESENT:

DAVID DONLEY, MAJORITY EXECUTIVE DIRECTOR  
RITCHIE LaFAVER, MAJORITY DEPUTY EXECUTIVE DIRECTOR  
MIRIAM FOX, MINORITY EXECUTIVE DIRECTOR  
TARA TREES, MINORITY CHIEF COUNSEL

20

21 BRENDA J. PARDUN, RPR  
22 P. O. BOX 278  
23 MAYTOWN, PA 17550  
24 717-940-6528  
25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

## INDEX

NAME	PAGE
RUSSELL REDDING SECRETARY PA DEPARTMENT OF AGRICULTURE	6
MICHAEL SMITH EXECUTIVE DEPUTY SECRETARY PA DEPARTMENT OF AGRICULTURE	21

## P R O C E E D I N G S

1  
2 MAJORITY CHAIRMAN SAYLOR: I had to use  
3 the gavel to get Representative Neilson to sit  
4 down. I have to blame it on somebody,  
5 Representative.

6 Anyway, I want to recognize, before we  
7 start the hearing, a couple members who are not on  
8 the committee who are here. We do have the  
9 chairman -- Democratic chairman of the Agriculture  
10 Committee, Representative Pashinski. We have  
11 Representative Comitta somewhere -- oh, there she  
12 is. I'm sorry. I just have looked right over you.  
13 And we have Representative Neilson.

14 We have also, on the Republican  
15 side, Representative Tallman, Representative  
16 Mark Keller, Representative Diamond,  
17 Representative Millard, and Representative  
18 Zimmerman also, all interested in agriculture  
19 issues.

20 With that, Mr. Secretary, would you  
21 rise to be sworn in. Thank you, Michael. You,  
22 too.

23 RUSSELL REDDING,

24 MICHAEL SMITH,

25 having been duly sworn or affirmed, testified on

1 their oaths as follows, to wit:

2 MAJORITY CHAIRMAN SAYLOR: Again, we  
3 have asked the secretaries not to make opening  
4 comments, and we will move right to questions.

5 The first questioner is Representative  
6 Everett.

7 REPRESENTATIVE EVERETT: Thank you,  
8 Mr. Chairman.

9 And thank you for being here today,  
10 Mr. Secretary.

11 I'm going to ask a couple questions  
12 about something that you and I deal with relatively  
13 frequently -- in fact, very frequently -- but just  
14 for the committee and for the record, with the  
15 efforts of ag towards our Chesapeake Bay  
16 EPA-imposed requirements, I think one of the things  
17 that I'd like to see us focus on, and I'd like your  
18 views on it, is increasing funding for our  
19 conservation districts and getting our conservation  
20 districts more involved in the process. I know  
21 they already are, but I think that's an asset  
22 that -- they're on the ground across the state,  
23 along with your people, boots on the ground, and  
24 just your views on -- on how we're using them to  
25 encourage BPMs, work with our farmers, and

1 accomplish our Chesapeake Bay requirements.

2 SECRETARY REDDING: Yeah.

3 Representative, thank you.

4 And to the Chairman, thanks, again, for  
5 the opportunity to be here.

6 First, to thank you for the Chesapeake  
7 Bay Commission and your work. We are sort of  
8 partners in this discussion at the state and  
9 certainly with the Chesapeake Bay Commission.

10 You know, we're making some progress,  
11 and I can talk more about that, but specific to  
12 the -- to the conservation districts, you know,  
13 I've said it many times, there's not a path forward  
14 in our conservation effort generally and/or  
15 specifically with the Chesapeake Bay without the  
16 conservation districts. I mean, they are the front  
17 line. They're doing the work. Rely on them to do  
18 all of the good sort of practices or conservation,  
19 irrespective whether in the bay region or not, they  
20 do that.

21 We have, the last couple years, as you  
22 know, this conversation with districts in terms of  
23 the compliance reviews and what they do or choose  
24 to do. And just as a personal statement, would ask  
25 everyone of the districts that have said that the

1 compliance work is something they're opting out of,  
2 I would just ask them to reconsider that, for the  
3 purpose of what I just said. I just know what the  
4 farm-level view is of the district. If a district  
5 is involved and district ag technician is involved  
6 in conversations about conservation, that that is a  
7 more meaningful and more targeted and more focused  
8 effort. So, that is just a general statement. I  
9 think you really have to look at what they're  
10 doing.

11 As we go forward, this gets into the  
12 funding issue and partly what the hearings sort of  
13 focused on, our funds are level for conservation  
14 districts, and that's certainly going to have to  
15 change as we look into the future for expectations  
16 around the TMDL and the WIP 3. And as I have  
17 learned more about the federal USDA and EPA budgets  
18 relative to the Chesapeake Bay and the 319 funds  
19 and conservation, makes that even more so as a  
20 state conversation.

21 So -- but very much appreciate what the  
22 districts do and their leadership and willingness  
23 to engage with the state and accept  
24 responsibilities for us as well.

25 REPRESENTATIVE EVERETT: Other than --

1 obviously, other than sending more money, is there  
2 anything else that you feel that the legislature  
3 could do to enhance the -- your efforts in the  
4 Department and/or efforts at the conservation  
5 district level to move forward on water quality  
6 issues?

7                   SECRETARY REDDING: I would say, yes,  
8 in several ways. One, coming out of the PA in the  
9 Balance effort with the Pennsylvania State  
10 University, that we learned a lot about the  
11 voluntary efforts of farms and how that is such an  
12 important part and not necessarily reflected in the  
13 Chesapeake Bay model. I think, collectively, for  
14 both the Ag Committee and the Appropriation  
15 Committee to keep encouraging and supporting the  
16 farm community in that regard, encourage the  
17 departments, both DEP and Ag, to -- we've done the  
18 voluntary cost share survey once, but that's just a  
19 -- that's a one shot, that's sort of a Polaroid --  
20 is to keep doing that. I'd ask you to support us  
21 in that effort.

22                   We have looked at how do we recognize  
23 the efforts of farms who are actually getting the  
24 job done, and that's another area, as you've heard  
25 many times. It's a -- we can ask for folks to do



1 things and do more, but we also have to recognize  
2 the farmers who are actually getting the job done.  
3 And that recognition program is also part of the  
4 WIP 3 and the PA in the Balance.

5 I think the need to always be looking  
6 at the research on water quality and the research  
7 on technology. If we're in this, which we want to  
8 be, long term, both in animal agriculture and as a  
9 business here, is making sure that we're really  
10 smart about the investments we make in technology  
11 around nutrients. And that would be an area of  
12 interest, I know, of the commission as well as the  
13 Department.

14 REPRESENTATIVE EVERETT: And the red  
15 light just came on, so I'll thank you for your  
16 answers and your insight and look forward to  
17 working with you as we go down the line.

18 SECRETARY REDDING: Likewise. Thank  
19 you.

20 REPRESENTATIVE EVERETT: Thank you,  
21 Secretary.

22 MAJORITY CHAIRMAN SAYLOR: I want to  
23 introduce, we've been joined also by the Republican  
24 chairman of the Agriculture Committee, Marty  
25 Causer.

1           Before I move to the next questioner,  
2 Representative Braneky, I wanted to have the  
3 students from the FFA -- I'm very proud that you  
4 guys are here. If each of you would stand up and  
5 say what school you're from and your name. Say it  
6 loudly, because we don't have a microphone over  
7 there.

8           Young lady, would you start?

9           MS. HALBLEIB: Hello everyone. My  
10 name's Taylor Halbleib, and I'm from Elizabethtown  
11 in Lancaster County.

12          MS. STEWART: Hi everyone. I'm Kelsey  
13 Stewart, and I'm from Mercersburg in Franklin  
14 County.

15          MR. WINKLOSKY: Hello everyone. I'm  
16 Philip Winklosky, and I'm from Derry in  
17 Westmoreland County.

18          MR. COOLIDGE: Hi everyone. I'm a  
19 graduate of Wellsboro in Tioga County.

20          MR. MOYER: Good afternoon everyone.  
21 I'm a graduate from Selinsgrove Area High School in  
22 Snyder County.

23          MR. KURTZ: Good afternoon. My name is  
24 Justin Kurtz, and I'm a graduate of State College  
25 Area High School in Centre County.

1 MR. GABEL: Pleasure to be here. My  
2 name's Thomas Gabel, and I'm from Newport in Perry  
3 County.

4 MAJORITY CHAIRMAN SAYLOR: Which of  
5 you -- I know you're all statewide officers, am I  
6 correct? Who is the president?

7 Very good. Congratulations to all of  
8 you and thank you for cooperating.

9 Chairman Markosek said you were the  
10 loudest, so I should have knew that.

11 With that, we'll move to Representative  
12 Krueger-Braneky.

13 REPRESENTATIVE KRUEGER-BRANEKY: Thank  
14 you, Mr. Chairman.

15 Hi, Mr. Secretary. It's good to see  
16 you.

17 SECRETARY REDDING: Great to see you.

18 REPRESENTATIVE KRUEGER-BRANEKY: I'm  
19 curious if you could talk some about the economic  
20 impact analysis that your department worked on with  
21 a number of partners in looking at the high point.  
22 I was really struck by the impact of the  
23 agricultural industry here in Pennsylvania. We all  
24 know this, but some of the hard numbers that came  
25 out in that study really proved the importance of

1 agriculture. 135.7 billion dollars in annual  
2 economic impact, almost three hundred thousand  
3 direct jobs. Ag pays nearly 27 billion dollars in  
4 wages.

5           So, I'm wondering, in looking at the  
6 results of that study, and in particular the SWOT  
7 analysis that looked at the strengths and  
8 weaknesses and opportunities and threats, what  
9 stood out to you? And how is it informing the  
10 decisions you're making as secretary?

11           SECRETARY REDDING: Yeah. Thank you.

12           You know, we've talked about the  
13 impacts of agriculture at this hearing many times.  
14 And we always sort of qualify our answer, right,  
15 because it was a production number, cash receipts  
16 times the factor of X equaled Y. Right? And I  
17 think each time we did that, we were a little  
18 uncomfortable with it, just because we knew that  
19 there were a lot of pieces of agriculture even  
20 within our Department that weren't included in that  
21 definition.

22           So, there were several things that  
23 impressed us. One is the scope of agriculture in  
24 the state of Pennsylvania, the diversity of that  
25 industry. You know, it is the racing -- horse

1 racing industry. It's the hardwoods industry.  
2 It's all our, you know, production, animal  
3 agriculture, it's the food processing, it's what's  
4 happening at our urban centers, all add up to a  
5 significant economic impact of, as you noted, 136  
6 billion.

7           But that is also important to put in  
8 context with the state's economy. It's 18 percent  
9 of the gross state product is in agriculture and  
10 the food business. I think that's an impressive  
11 number.

12           The -- the other sort of important  
13 points out of it -- there were a lot of things that  
14 were good to see and hear, but I think what  
15 resonated particularly with the Department and our  
16 Team Pennsylvania Foundation ag advisory board were  
17 two-fold. One is that there are opportunities for  
18 Pennsylvania in the differentiation of our products  
19 in the marketplace, making sure that we're being  
20 really smart about how we do that, whether it be PA  
21 Preferred and the transparency of that production,  
22 the focus on infrastructure. And in some sectors,  
23 we are particularly well in -- sort of we have the  
24 right assets. In other areas, we don't. And just  
25 having the Chairman Causer and Ag committee talk

1 about dairy infrastructure, that's one of the  
2 areas.

3 But the final point would be just the  
4 importance of the -- the inclusion of that industry  
5 in what we do going forward and recognizing this  
6 state, with major metropolitan centers, is that we  
7 really have an opportunity to bring sort of rural  
8 and urban. And agriculture's not by your zip code.  
9 Right? It's really about where -- where  
10 agriculture's found and consumers are found in this  
11 state.

12 So, I think that presents a great  
13 opportunity for us, particularly when,  
14 increasingly, consumers want to know who's feeding  
15 them, and that's an opportunity for us, both in the  
16 marketplace but also to think about  
17 diversification.

18 REPRESENTATIVE KRUEGER-BRANEKY: Yeah.  
19 I mean, the consumer demand to buy local, right,  
20 has grown exponentially over the past decade.

21 A follow-up question. I notice one of  
22 the weaknesses was the aging workforce. And I know  
23 that also, in many families, you know, they've  
24 farmed the same land for generations, and then  
25 there isn't someone to pass it on to. And at the

1 same time, I've met a lot of aspiring farmers or  
2 farmers who are farming at a microlevel who want to  
3 move into larger scale production, but the biggest  
4 barrier to entry for them is access to land. And  
5 particularly in the southeast, even though we've  
6 got some lovely rural areas, the cost of land is an  
7 incredibly steep barrier to entry for these  
8 aspiring farmers.

9           What can we do to improve things for  
10 them to make sure that we've got the farmers of the  
11 future?

12           SECRETARY REDDING: Yeah. So, the  
13 workforce issue also came out pretty strong, as you  
14 noted, and it was both the aging current farm  
15 community but also those who, you know, are in that  
16 service sector who support agriculture. So, that  
17 is an important sort of reminder to us of ag and  
18 the workforce and who is actually in the business  
19 but also who makes some of the investments that  
20 aren't in our budget but in the governor's budget  
21 around workforce development important.

22           Specific to the opportunities for  
23 transition, we're very proud in Pennsylvania to  
24 have, you know, fifty-two hundred farms that have  
25 been preserved permanently. And how we use those

1 and how we engage with the folks who have added  
2 that clause to their deed, which says that this  
3 farm will be a productive agricultural asset in  
4 perpetuity, really is an important consideration  
5 for us, as public policy makers, but also an  
6 opportunity, I think, for those farms and how we  
7 link them.

8           Two, we have a Pennsylvania Farm Link  
9 initiative, and as the name implies, it's about  
10 linking. It's about linking folks who, you know,  
11 are in transition either on the retirement side and  
12 want to transition out but those who want to  
13 transition in. We have a very active effort  
14 underway with the Pennsylvania Farm Link  
15 organization to do that.

16           I would say the opportunities around  
17 workforce, particularly as we have looked at the ag  
18 science programs in Pennsylvania -- the chairman  
19 recognized the FFA officers -- a hundred and fifty  
20 of those programs in the state, how do we actually  
21 use them more intentionally around opportunities  
22 for production agriculture, and then, really being  
23 sort of that facilitator, which I think the  
24 Department does well between those of -- who are in  
25 production ag with those who want to transition in.



1 And we've trained ourselves to think both in terms  
2 of farm and -- current farm and the transition of  
3 that farm but also to think about the very creative  
4 open spaces and urban centers as an opportunity to  
5 bring folks on to those lands.

6 REPRESENTATIVE KRUEGER-BRANEKY: Thank  
7 you, Mr. Secretary.

8 MAJORITY CHAIRMAN SAYLOR:  
9 Representative Hahn.

10 REPRESENTATIVE HAHN: Thank you,  
11 Mr. Chairman.

12 Good afternoon, Secretary. Good to see  
13 you again.

14 SECRETARY REDDING: Good to see you.  
15 Thank you.

16 REPRESENTATIVE HAHN: I want to switch  
17 gears here a little bit and talk about dog laws and  
18 the license increase fee. I think a lot of  
19 constituents in the area don't realize that the dog  
20 law enforcement agents are under the Department of  
21 Ag. So, we were talking earlier where one of  
22 members said one of the agents was out knocking on  
23 the door, heard the dog barking, and then left a  
24 tag and said, We heard you have large breed dog --  
25 probably decided that by the bark -- and you need

1 to send information in to the Department that  
2 your -- your dog, your dog's name and license  
3 number and things. And so, I guess, that's one of  
4 the ways.

5 I feel like a lot of households now  
6 have more dogs than children probably. You know,  
7 you see dogs with a lot of families. Are we sure  
8 that we're getting all the dogs? Or how do we know  
9 if we're finding all the dogs and they're licensed?

10 And then, can you explain what you're  
11 doing, you know, with the increase in funding and  
12 how we're going to handle that, to make sure that  
13 we get them? And if we had more dogs, do we still  
14 need the -- I mean, if we had more licensed dogs,  
15 do we still need the increase?

16 SECRETARY REDDING: Yeah. It's a great  
17 question. So, our best guess is that there are  
18 about 2.3 million dogs in Pennsylvania. We license  
19 about a million of them. So, to the point that  
20 there are dogs out there, multiple dogs, families,  
21 we do our best and to try to find them, to, you  
22 know, get them licensed, as the law requires.

23 If you were wildly successful and to  
24 license every single dog of the 2.3 million, you  
25 would raise about 14 million dollars, which would

1 negate the need for the fee increase. Okay? But  
2 the challenge has been, how do you find all of  
3 these folks? We advertise. We canvass. We work  
4 with our county treasurers. I mean, we've got a  
5 very active social media, but we still sort of  
6 struggle to get all of those dogs -- owners to sort  
7 of license their dogs. So, that is sort of the --  
8 the landscape.

9           You know, where we are today, the  
10 reality where we find ourselves is is that those  
11 revenues are insufficient to cover, you know, the  
12 cost of the bureau. We generate, in round numbers,  
13 about 7 million dollars in revenue from fees. And  
14 it takes about 9 million to run the operation.

15           REPRESENTATIVE HAHN: But is going out  
16 canvassing door to door really cost effective? And  
17 I see you want to implement maybe an online sale.  
18 So, you have a list, people who have licensed their  
19 dog before. And I know some -- I probably have  
20 done that when I had a dog, you forget. You know,  
21 it's that time of year, you don't think of it for a  
22 while. Do you send out notices, you know -- I've  
23 had a dog in the past. You send out a notice and  
24 just say, You haven't registered the dog yet, or a  
25 reminder, or what happens? So, do you ever follow

1 up on any of that? Rather than send them door to  
2 door, is that something you can do by e-mail or a  
3 letter?

4 SECRETARY REDDING: Yeah. So, part of  
5 the proposal we have is for a modernization  
6 component. Right? And it gets to this point, if  
7 you're in the system, being able to send sort of a  
8 reminder. I'm not sure how many folks would  
9 remember to get their car inspected if they didn't  
10 get a notice in the mail about, Hey, it's time to  
11 get your car in. And it's sort of the same way. I  
12 don't know how much it's sort of intentional. In  
13 some cases, it is for some folks who just aren't  
14 licensing. But we do some direct outreach, given  
15 that we work with our treasurers. They're sort of  
16 our lead agents within the county, to really depend  
17 on them to sort of do that front-line outreach.

18 We try to supplement that with, you  
19 know, the canvass effort and the social media  
20 effort in particular counties. But it's a  
21 collective effort.

22 So, we're hopeful that we get the fee  
23 increase. We get the modernization package with  
24 it. We can get to the point of having a statewide  
25 database, being able to send out reminders and

1 build that.

2 REPRESENTATIVE HAHN: Is there any way  
3 to, when you purchase a puppy or go to the humane  
4 society and adopt a puppy, that you do it right  
5 there and get your license right away?

6 SECRETARY REDDING: So, being able to  
7 license at the point of purchase, I mean, I think  
8 there are some -- again, the uniformity on this  
9 is -- the short answer is, yes, you can. That  
10 doesn't mean that it happens everywhere as a  
11 subagent of the county treasurers within those  
12 particular counties. And that, again, that would  
13 be something that we would change if we had the  
14 modernization legislation.

15 REPRESENTATIVE HAHN: And have them do  
16 it online right there.

17 EXECUTIVE DEPUTY SECRETARY SMITH: And  
18 if I could add, Representative, right now, it's one  
19 of the amendments we've talked about with the dog  
20 law. Presently, the dog law allows us to -- well,  
21 mandates that any dog three months or older be  
22 licensed, but you can sell a dog as young as eight  
23 weeks old, so there's a roughly one-month gap  
24 there. That's just one instance of where we think  
25 we could, with relatively minor amendments to the

1 dog law, make a big difference.

2 REPRESENTATIVE HAHN: Make a  
3 difference. Okay. Thank you.

4 Thank you, Mr. Chairman.

5 MAJORITY CHAIRMAN SAYLOR: Thank you.  
6 Representative Kinsey.

7 REPRESENTATIVE KINSEY: Thank you,  
8 Mr. Chairman.

9 Good afternoon, Mr. Secretary.

10 SECRETARY REDDING: Good to see you.  
11 Thank you.

12 REPRESENTATIVE KINSEY: Great.

13 Mr. Secretary, Pennsylvania was the  
14 first nation -- was the first in the nation -- I'm  
15 sorry, not the first nation -- but the first in the  
16 nation to pursue programs to finance healthy food  
17 access. The project launched in 2004, with 30  
18 million dollars of state funds, but then, over a  
19 three-year period, it also leveraged an additional  
20 145 million dollars of investment.

21 This particular program, as you may be  
22 aware, was started by our former colleague,  
23 Representative Evans, of course who's now in  
24 congress, but I think when he started it, the  
25 initial idea was to address some of the food

1 deserts that existed throughout Pennsylvania,  
2 primarily, I know, in the city of Philadelphia.

3 I guess my question to you is, do you  
4 have any data that shows there's still a need? And  
5 also, has your department talked about ways to  
6 continue to address the food deserts that still  
7 exist?

8 SECRETARY REDDING: Yeah. Great  
9 question. Thank you.

10 The Fresh Food Financing Initiative  
11 really has been, you know, sort of a major and  
12 significant development. And I hope that we can  
13 sort of do that again. I mean, there's been  
14 conversations about how to do that.

15 When you look at the impact and what  
16 it's done, you know -- I use my own example. I'm  
17 not in Philadelphia. I'm in Adams County,  
18 Gettysburg, and being able to have a downtown store  
19 for access within walking distance just sort of  
20 makes the point that, again, it's not about the zip  
21 code, it's about access.

22 So, to your point, yes, we still have  
23 2 million people who have limited access or no  
24 access across the state of Pennsylvania to  
25 nutritious foods and the outlet of that, whether

1 that be a corner store or a significant grocery  
2 store. So, we have that data and can provide that  
3 to you.

4 REPRESENTATIVE KINSEY: Okay. Again, I  
5 guess my question is, recognizing that there's such  
6 a need, has there been conversation to include or  
7 to ask for additional dollars within the budget to  
8 sort of help address that as well?

9 SECRETARY REDDING: Yeah, there's  
10 been -- not directly into the budget sort of  
11 process but sort of ad hoc to that. And Mike can  
12 share some recent conversations we've had in that  
13 regard. But all with the goal, working with the  
14 food trust, to -- you know, there's still these  
15 pockets and you can talk about sort of food access.  
16 We talk about the "at risk" of hunger. But you  
17 still have to have some way to reach them, and we  
18 believe the Fresh Food Financing Initiative is a  
19 great model.

20 So, how do we extend what we have into  
21 those other areas? Mike, you want to share?

22 EXECUTIVE DEPUTY SECRETARY SMITH:  
23 Thanks, Representative, for the question.

24 We have been engaged in a number of  
25 conversation with the food trusts as well as



1 members of the general assembly about resurrecting  
2 the Fresh Food Financing program. Most of the  
3 conversation seems to be around a 20-million-dollar  
4 initiative, again, over three years, as version  
5 2.0, if you will.

6           We -- as the Secretary said, we  
7 certainly recognize the need. And to the data, if  
8 you're not familiar with it, the RAND Corporation  
9 actually issued a report in late December, looking  
10 at a case study in the Hill District of Pittsburgh,  
11 and it was a pretty sizable difference -- my  
12 apologies -- pretty sizable difference between the  
13 communities that had a Fresh Food Financing --  
14 Fresh Food-financed grocery stores compared to the  
15 control community.

16           REPRESENTATIVE KINSEY: Well, I want to  
17 thank you both for sharing that. And my hope is,  
18 Mr. Secretary, that my office can be involved.  
19 I've worked directly with the food trusts as well.  
20 And I'd like to get engaged -- more engaged to see  
21 how we can address the need for fresh food  
22 throughout the commonwealth of Pennsylvania.

23           So, I want to say thank you very much  
24 for sharing that.

25           SECRETARY REDDING: You're welcome.

1 Thank you.

2 MAJORITY CHAIRMAN SAYLOR:

3 Representative Peifer.

4 REPRESENTATIVE PEIFER: Thank you,  
5 Chairman.

6 Thank you, Secretary, for being here.

7 For a number of years, Secretary, Wayne  
8 County always had a Dairy Day. The Wayne Highlands  
9 School District hosted a wonderful event where  
10 vendors and farmers and different -- you know, 4H  
11 groups and people would come in and talk about  
12 dairy and buy their, you know, produce and  
13 fertilizer and seed for the upcoming year. And  
14 it's a great event. This year, Wayne County has  
15 renamed it Ag Days, simply because it's more  
16 diverse than it's ever been.

17 But there's a concern that we're really  
18 losing our dairy industry. And look, I understand  
19 you're very good friends with Commissioner Brian  
20 Smith. This is what he speaks to every time that  
21 you see him. He's well respected. But the  
22 numbers -- and I'm not sure about these numbers. I  
23 just kind of wrote them down when you spoke last.  
24 But, at one point, Wayne County had over two  
25 hundred seventy-five dairy farms. I think that was

1 in the year 2000. At one time, it was well over  
2 nine hundred to a thousand. Now, they're down to  
3 forty-five farms. Okay?

4 So, our dairy industry, and in talking  
5 with the landowners and the farmers at this Dairy  
6 Day this past week, you could just feel the stress  
7 in their voice. You could just -- you could see it  
8 in their face. When you spoke to these  
9 individuals, they were stressed. They were  
10 concerned. They also sit on beautiful properties,  
11 some of the most magnificent properties in this  
12 commonwealth. They cannot drill for natural gas,  
13 which I don't want to go there. That's another  
14 argument for another day. But they're not allowed  
15 currently to harvest that resource underneath their  
16 ground that they've owned for hundreds of years.

17 So, they're good stewards of their  
18 land. They can no longer survive in the dairy  
19 industry. How do we help them? What do we tell  
20 them? That they're paying property taxes. They're  
21 leveraged. You know, they're at wit's end. You  
22 know, where do we go with that industry? What do  
23 we tell them? You know, is there somewhere else  
24 that we can go?

25 SECRETARY REDDING: Well, it's a,

1 again, a great, you know, question and dilemma. We  
2 spent a couple hours with Chairmen Causer and  
3 Pashinski, you know, talking about dairy and dairy  
4 in Pennsylvania. And, you know, the short answer  
5 is, I would say to them, you know, we have been on  
6 this path of change for years. Right? If you look  
7 back, just three years ago we were profitable, four  
8 years ago we saw the highest prices in history.  
9 You know, so there's opportunity there. Our  
10 challenge is, how do we manage through the next, I  
11 think, year, while this sort of international  
12 market that we are part of now sort of settles out.  
13 Right? And I know that's not a perfect answer to  
14 anybody who's trying to figure out how do they get  
15 through the next sort of six months. But I think  
16 there's great opportunity in Pennsylvania.

17 I think it underscores the economic  
18 impact study and being -- looking at what we can do  
19 to diversify. It's the study that we had  
20 commissioned with the Center for Dairy Excellence  
21 to make sure that we're not, you know, just  
22 reacting to a particular market or moment to really  
23 strategically say, what can we do in Pennsylvania?  
24 That's what got us to thinking and looking at the  
25 dairy processing.

1           If there's one thing I take away from  
2 the two-hour hearing this afternoon on dairy is  
3 that this issue of infrastructure for Pennsylvania,  
4 given where it's been, given our location in the  
5 marketplace, but also where the consumer trends  
6 are, is the real requirement for us to reinvest  
7 in -- invest and reinvest in the process and  
8 capacity.

9           REPRESENTATIVE PEIFER: I know you have  
10 some talented people, but if you could just keep  
11 that region in mind, an area that really has a  
12 beautiful land resource, that is really looking to  
13 divest their financial interest into something  
14 else.

15           And the funny thing is, when I drive  
16 down here to Harrisburg from home, when you hit the  
17 81/78 corridor, there's new agriculture buildings  
18 being built all over. Now -- you know, I don't get  
19 it. I mean, I'm confused by -- I see -- and these  
20 are large, capital structures, and they're  
21 beautiful.

22           What is the industry that's moving  
23 into, I want to say, southern Schuylkill, Lebanon,  
24 Berks counties?

25           SECRETARY REDDING: What is it?

1                   REPRESENTATIVE PEIFER: I would say the  
2 81/78 corridor. So, you're talking Berks, Lebanon,  
3 southern Schuylkill counties.

4                   SECRETARY REDDING: Right. So, you're  
5 seeing Bell and Evans poultry.

6                   REPRESENTATIVE PEIFER: Poultry.

7                   SECRETARY REDDING: Those houses are  
8 poultry. They're broiler market, going after the  
9 natural, organic market. Added three hundred farms  
10 in -- I think the number's three hundred. It's a  
11 significant number, with probably that number to be  
12 added. And that's a market -- Pennsylvania-grown  
13 market.

14                   So -- but I would say, you used Wayne  
15 County as a great example though, because of the  
16 Wayne Tomorrow and the strategic plan that was done  
17 a couple years ago that produced both a great plan  
18 but it also produced and resurrected the ag science  
19 program at the Honesdale High School for the first  
20 time in forty years. Right. And I think there's a  
21 great story in that community, that county, saying  
22 agriculture's important economically to us. It's  
23 got needs in education, economic development. So,  
24 I feel like you're set in a good place to have that  
25 conversation.

1                   REPRESENTATIVE PEIFER: Thank you,  
2     Secretary.

3                   Thank you, Mr. Chairman.

4                   MAJORITY CHAIRMAN SAYLOR:  
5     Representative Rozzi.

6                   REPRESENTATIVE ROZZI: Good afternoon,  
7     Secretary.

8                   SECRETARY REDDING: Good afternoon.

9                   REPRESENTATIVE ROZZI: My question is  
10    going to just turn to industrial hemp here quick.  
11    I have just one question.

12                   Now that our permitting is in place to  
13    advance industrial hemp, is there funding dedicated  
14    to do research in this industry? I'm not sure if  
15    you know, but New York's budget, they put in about  
16    12 and a half million dollars to do research. Are  
17    you asking for money to do research in this field?  
18    And if so, how much?

19                   SECRETARY REDDING: Yeah. There's no  
20    dedicated funding to industrial hemp research.

21                   REPRESENTATIVE ROZZI: How much --  
22    I mean, I'm sure you would like to have some  
23    dedicated funding here to do research. If so, how  
24    much would you be asking for?

25                   SECRETARY REDDING: Well, I think

1     there's -- I mean, there's a couple pieces.  If the  
2     research was to include market research, right, I  
3     think that's what -- New York is sort of building  
4     that market.  I think there's a lot of other  
5     aspects that we can actually accommodate in the  
6     normal research funding.  But I think that market  
7     research, you know, what's -- you know, I don't  
8     have a number in mind, but I think, just thinking  
9     out loud, I mean, you're -- you know, a couple  
10    hundred thousand dollars to do the market research  
11    and to bring in, I think beyond the permit holders,  
12    having somebody who's really looking at this market  
13    in a very --

14                    REPRESENTATIVE ROZZI:  Just with a new  
15    industry, to me, it would make sense to put some  
16    dedicated fund to the side to do some type of  
17    research to continue to promote this industry,  
18    wouldn't you agree?

19                    SECRETARY REDDING:  Yeah.  I think --  
20    listen, you've got an opportunity in Pennsylvania.  
21    We made that case when Act 92 was passed two years  
22    ago, saw a major sort of interest in first-year,  
23    you know, forty permits this year, a thousand  
24    acres, so we're on this trail.

25                    What is absent, two things.  One, a



1 change in federal law that gets rid of the  
2 industrial hemp as a Class 1 drug. Right? And two  
3 is, you've got to have a marketing plan. And what  
4 we have not seen with any of the permit holders is  
5 this marketing plan. Right?

6 A lot of speculation, a lot of  
7 opportunity. We think it's there. But the  
8 research would help us define that.

9 REPRESENTATIVE ROZZI: All right.  
10 Thank you, Secretary.

11 MAJORITY CHAIRMAN SAYLOR:  
12 Representative Keller.

13 REPRESENTATIVE KELLER: Thank you,  
14 Mr. Chairman.

15 And good to see you again,  
16 Mr. Secretary.

17 SECRETARY REDDING: Likewise. Thank  
18 you.

19 REPRESENTATIVE KELLER: Just a couple  
20 question, and I know we touched on a little bit  
21 earlier this morning with the permitting for the  
22 CAFOs. DEP's suggesting that that go from 100  
23 dollars to 500 dollars. Do you see an issue with  
24 our people that are already doing that? In  
25 addition to that, they're also looking at going

1 from a five-year term to a three-year period when  
2 they'd have to pay that application fee.

3 Do you see any problems that would be  
4 causing for our farms and the people that are  
5 running those organizations? Because they're  
6 generally contracted for their animals, and they  
7 can't usually just pass that on to the next person.

8 SECRETARY REDDING: Yeah. We  
9 have maybe heard from the same people. Right?  
10 They have registered their concern, as you point  
11 out. It's both the fee increase but it's also the  
12 term of the permit for five years to three years.  
13 They have expressed concern about that.

14 Our comments at DEP have been, one,  
15 having some sensitivity to this agricultural market  
16 that we're experiencing, making sure that we're,  
17 you know, sensitive to farms or every dollar at  
18 this moment's a pretty critical dollar.

19 We understand why, you know, they're  
20 asking just because of the need to, you know,  
21 generate some revenue, to turn the permits around,  
22 but would second your concerns. We've heard from  
23 the farm organizations as well.

24 REPRESENTATIVE KELLER: Unfortunately,  
25 the farmers can't just get more money because they

1 need to turn things around, too.

2 SECRETARY REDDING: Right.

3 REPRESENTATIVE KELLER: It's going to  
4 come out of their pockets. And we already know  
5 what's happening with dairy farms and everything  
6 else with increased cost. So --

7 SECRETARY REDDING: Yeah. The unspoken  
8 piece of that is the hope that -- in the renewed  
9 permit, is that the turnaround time for the permit,  
10 which has been a point of concern in the  
11 agricultural community, if you're going to pay it,  
12 you need to get it. Work it through, but let's  
13 make sure that's as efficient as possible.

14 REPRESENTATIVE KELLER: Yeah. I agree  
15 with that, but I think we -- I don't know how  
16 automated they are but we should probably look into  
17 that.

18 I would hope that maybe we could work  
19 together in making sure that DEP keeps that comment  
20 period open until the end of March. It's my  
21 understanding it's supposed to be till the end of  
22 March.

23 SECRETARY REDDING: Well, I -- we  
24 thought it was, but it's actually the end -- its  
25 sort of the end of -- it was last Friday, whatever

1 that date was.

2 REPRESENTATIVE KELLER: So, did they  
3 shorten that period, or was that the original date?

4 SECRETARY REDDING: I'm not sure. I  
5 thought it was for sixty days, but I'm not sure  
6 what the start date on that was. We'll have to  
7 double-check that.

8 REPRESENTATIVE KELLER: Because I know  
9 we were talking with probably some of the same  
10 people as you mentioned --

11 SECRETARY REDDING: Yes.

12 REPRESENTATIVE KELLER: -- and, you  
13 know, they seemed to think it was a shortened  
14 comment period.

15 SECRETARY REDDING: Okay.

16 REPRESENTATIVE KELLER: I --

17 SECRETARY REDDING: We'll follow up on  
18 that.

19 REPRESENTATIVE KELLER: I appreciate  
20 that. And whatever help we could have, if that is  
21 shortened, to make sure it's extended to the full  
22 sixty days, we'd appreciate.

23 One other question I just had, and it  
24 was in the testimony. We're talking about the  
25 proposed budget, and I notice your testimony says a

1 7.4 percent increase, or almost 2.3 million dollars  
2 more, for GGO.

3 SECRETARY REDDING: Yes.

4 REPRESENTATIVE KELLER: General  
5 government operations. And, again, this is just me  
6 trying to understand the numbers.

7 When I looked at the governor's budget  
8 information, he actually shows 2.623 in the  
9 appropriation, which is about, if my calculations  
10 are right, about an 8.5 percent increase. Is there  
11 a reason that they would be different?

12 SECRETARY REDDING: I'd have to  
13 double-check. I had it calculated at 7.4.

14 REPRESENTATIVE KELLER: The stuff I'm  
15 looking at from the governor's information is on  
16 page E7-8 in the governor's book. And, again, I'm  
17 just trying to understand it and make sure I didn't  
18 miss something.

19 SECRETARY REDDING: Let us -- we'll  
20 double-check.

21 That's a 2.6 million increase. Yeah.  
22 But let us double-check that.

23 REPRESENTATIVE KELLER: Yeah. If you  
24 can just make sure that I understand, you know --

25 SECRETARY REDDING: Yeah.

1                   REPRESENTATIVE KELLER: -- we're both  
2 on the same page, I'd appreciate that, because I  
3 just would wonder what we -- and I'm sure we have a  
4 good use for the funds, I just want to make sure  
5 that it happens. Because I notice you have the  
6 spotted lantern fly and so forth included in the  
7 governor's information.

8                   SECRETARY REDDING: Yeah. The largest  
9 portion of that 2.6 million increase is for the  
10 spotted lantern fly, at 1.6 million. And then the  
11 rest is sort of cost to carry.

12                   REPRESENTATIVE KELLER: Yeah. I'm just  
13 trying to reconcile the 2.3 that's in the testimony  
14 versus what the governor had submitted. So --

15                   SECRETARY REDDING: Right.

16                   REPRESENTATIVE KELLER: Thank you.  
17 Appreciate it.

18                   SECRETARY REDDING: Thank you. We'll  
19 check.

20                   MAJORITY CHAIRMAN SAYLOR:  
21 Representative Bullock.

22                   REPRESENTATIVE BULLOCK: Thank you,  
23 Chairman.

24                   Good afternoon, Secretary. How are  
25 you?

1                   SECRETARY REDDING: Good to see you.  
2 Thank you.

3                   REPRESENTATIVE BULLOCK: I wanted to  
4 follow up on Representative Kinsey's line of  
5 questioning regarding food access and specifically  
6 regarding the state food purchase program.

7                   I understand that in 2015-'16, we  
8 included an additional million dollars to  
9 supplement that program through the PASS program,  
10 which is Pennsylvania Agricultural Surplus System.  
11 Could you tell me the success of that program since  
12 2015? Which this program allows millions of pounds  
13 of Pennsylvania-grown fruits and vegetables to get  
14 to families in need and underserved communities  
15 throughout the commonwealth.

16                   SECRETARY REDDING: Yeah. Thank you.

17                   And I think it's one of those great  
18 success stories. The legislation reaches back to  
19 2010, but we had, in -- '15-'16 was the first year  
20 we actually provided dollars to support it, a  
21 million dollars. The second year, and proposing  
22 again a million dollars.

23                   What we have seen is both a great  
24 response on the farm side. Right? And the -- the  
25 program is designed to take products that are still

1 nutritious, they're still healthy, they're good  
2 products, but they may not have the same sort of  
3 marketability, you know, as most consumers would  
4 want, and channel that into the charitable food  
5 system, so the agricultural, you know, surplus  
6 system, was designed.

7           We have -- all counties have been  
8 involved. There has been a hundred different  
9 farmers who have participated in it. We're  
10 north -- I think the number's now about 6.3 million  
11 pounds of product have -- you know, otherwise would  
12 have gone into recycling, would have gone into the  
13 compost pile or somewhere, left in the fields. All  
14 of that now has been sort of harvested and packed  
15 and pushed out through our charitable food system.  
16 So, it's a really nice story.

17           To the dairy point earlier, you know,  
18 we were even able to get a couple of trailer loads  
19 of milk, that would have been dumped last year  
20 because of prices, into that system for cheese and  
21 to have that distributed, of course, into the  
22 charitable food system.

23           So, it's a great -- a great opportunity  
24 for us, I think, to make that connection sometimes,  
25 and we forget that, you know, our charitable food



1 system is here and it's necessary, but the strength  
2 of it is really on our ability to produce  
3 agricultural product and connect them. So, in the  
4 past, the program does that.

5 REPRESENTATIVE BULLOCK: Thank you. I  
6 was reading an article recently about, quote,  
7 unquote, ugly food and how much of it is discarded.  
8 And it's really unfortunate that we are actually  
9 losing millions of pounds of food because it  
10 doesn't look nice and plump for a food stand in a  
11 grocery store. So, I'm happy to see that that food  
12 is given to families.

13 Is that program similar to or related  
14 to the voucher program that we have that goes to  
15 seniors and to families that are on WIC to buy  
16 produce at farmers markets, or is it a different  
17 program?

18 SECRETARY REDDING: It's a different  
19 program. So, it would be -- our partners, I would  
20 say, are probably the same partners both in terms  
21 of the food bank community as well as, in some  
22 cases, the farm community. But they're separate,  
23 very different efforts.

24 You know, the farmers market nutrition  
25 program, we have a thousand farmers participating

1 in that, but that, again -- that's a voucher going  
2 to a farm market versus product that would be  
3 coming off the farm into a -- into a processing  
4 stream for placement, and, of course, the WIC  
5 farmers market for the women, infant, and children,  
6 same way.

7 REPRESENTATIVE BULLOCK: Do you have  
8 any statistics on the usage of those vouchers?

9 SECRETARY REDDING: We do. So, the  
10 senior farmers market program nutrition program,  
11 the redemption is at 82 percent. The women,  
12 infant, and children portion of that is about 48  
13 percent. Combined last year, we helped about  
14 340,000 individuals.

15 REPRESENTATIVE BULLOCK: That was 82  
16 percent for seniors and 48 percent for women and  
17 children?

18 SECRETARY REDDING: That's correct.  
19 Yes.

20 REPRESENTATIVE BULLOCK: Thank you.  
21 I have no further questions.

22 SECRETARY REDDING: Thank you.

23 MAJORITY CHAIRMAN SAYLOR:  
24 Representative Boback.

25 REPRESENTATIVE BOBACK: Thank you,

1 Mr. Chairman.

2 Good afternoon, Mr. Secretary.

3 SECRETARY REDDING: It's good to see  
4 you.

5 REPRESENTATIVE BOBACK: My questions  
6 are specific to food safety and food handling. I  
7 was here for a Title 7, Chapter 46, and that's what  
8 the food safety training certification came  
9 underplay and was updated. Now, in that title, we  
10 put down that preventing contamination from food  
11 employees' hands, bare-hand contact, was prohibited.  
12 In other words, if something is prepared, a food  
13 handler cannot touch that with their bare hands.  
14 And yet, no matter where I go, whether it be in  
15 kiosks at a mall, particularly during the summer,  
16 some of our farmers markets, where young people are  
17 hired or relatives are hired to run a stand, they  
18 don't know this. And that's so important.

19 I mean, in this day and age, where we  
20 could prevent, hopefully, some sicknesses that go  
21 around just by -- we talk about washing our hands,  
22 but what goes on afterwards, with handling money,  
23 you know, holding different things, and then  
24 touching that food, I think that's egregious.

25 I also think what we need to do is --

1 and I've been trying to get through  
2 legislatively -- posters in every establishment.  
3 People don't know this. And I do think that you do  
4 have a manager. They have to go through  
5 certification. But, as I said, when they're hiring  
6 part-time or summer people, I don't know that they  
7 go through that rigorous training, as I believe  
8 they should. So, the poster that we have in all  
9 the restaurants, "Food handlers must wash their  
10 hands," I think we need the same reminder, "Food  
11 handlers may not touch food with their exposed  
12 hands." I mean, especially after touching money or  
13 something of that sort.

14                   So, that's something I want you to look  
15 into, if you would, please, because, I -- I've  
16 spoken with more managers who said to me, "Gee,  
17 Karen, I didn't realize."

18                   And I ask, "Well, don't you go through  
19 a food safety training class with your new  
20 employees?" I guess they do, but maybe that's  
21 overlooked.

22                   So, if you would look into that. If we  
23 can't get that through legislatively with those  
24 placards, perhaps you could do an administrative  
25 type of a demand or send them out to the

1 restaurants or places of eating, eateries. At  
2 least think of it. And if I could help you, I  
3 will.

4 I also wanted to ask about ratings.  
5 So, in other states, when I was in New York City,  
6 different restaurants have ratings, A-plus, B-plus,  
7 whatever. Did we ever consider that in this state?  
8 Because your inspectors do a wonderful job. I  
9 mean, I love reading those pages, because, I think,  
10 well, somebody's watching out for our food safety.  
11 I don't think there are enough of them, truly. I  
12 know that you did get, I think, three more  
13 positions, maybe with federal funding --

14 SECRETARY REDDING: Um-hum. Right.

15 REPRESENTATIVE BOBACK: -- but, again,  
16 this is a matter of public health and safety. So,  
17 I wouldn't mind looking at more money for you with  
18 food safety handlers. And, I'm sorry, I didn't  
19 give you a chance to respond.

20 But that would be a question. Do you  
21 have enough people in these positions? How do they  
22 go about looking at what's inspected? How are they  
23 funded? Do you need more people? And did you ever  
24 consider a rating? And will you please consider  
25 one of those placards?

1                   SECRETARY REDDING: Okay. So, I'll  
2 work in reverse.

3                   REPRESENTATIVE BOBACK: Okay.

4                   SECRETARY REDDING: I mean, I think  
5 the -- the number of folks -- and we've talked  
6 about this before. Our challenge has been the  
7 number of municipalities who have chosen not to do  
8 food safety inspections. And that has been turned  
9 back to -- to the Department of Agriculture.

10                   You know, I think the number of  
11 facilities --

12                   EXECUTIVE DEPUTY SECRETARY SMITH:  
13 Seventeen hundred over the last eight years or so.

14                   SECRETARY REDDING: Yeah.

15                   REPRESENTATIVE BOBACK: That are --

16                   SECRETARY REDDING: Yeah. So,  
17 seventeen hundred facilities came back to the  
18 Department. Thirty-three municipalities have  
19 turned that responsibility back to us. So, you  
20 know, it ends up being, when you do the number of  
21 inspections that an inspector could actually do  
22 realistically, you're somewhere in the neighborhood  
23 of four or five additional inspectors needed just  
24 to cover the obligation of, you know, as the law  
25 requires, and to get those inspections completed.

1 So, that's the first piece.

2           The second, I think the issue of -- you  
3 know, the rating, once we adopt it, the model food  
4 code, which is part of the legislation, right, that  
5 model food code is all -- off a numeric score, and  
6 that's sort of universal. There are some  
7 municipalities who like the idea of a grade.  
8 Right? And they put that right on the door.  
9 Right? It's an A, B, C. Our system, since we  
10 adopted it, really requires us to use numeric  
11 versus an alphabetical listing.

12           You know, I think whatever we can do to  
13 underscore your point that, you know, the food  
14 handling deficiencies are one of the highest  
15 failings of inspections. Right? It's both the  
16 person in charge, does the employee and those that  
17 they're responsible for know of the good handling  
18 practices but underscoring this point of the food  
19 contact with bare hands. We'll reinforce that. If  
20 it takes a poster, we'll take a look at it.

21           Yeah. Thank you.

22           REPRESENTATIVE BOBACK: Thank you very  
23 much.

24           Thank you, Mr. Chairman.

25           MAJORITY CHAIRMAN SAYLOR: Talking

1 about that, I know my Red Lion Grange is hosting a  
2 food handling seminar, I believe, this week. I  
3 don't know if -- the Department of Ag, I think, is  
4 hosting it, putting it on. But just wanted to  
5 mention that.

6 SECRETARY REDDING: Yeah. Thank you  
7 for doing that. It's part of our food safety  
8 modernization act and working with the state  
9 counsel, and there are several granges doing it,  
10 and Red Lion's one of them. Thank you.

11 MAJORITY CHAIRMAN SAYLOR: As a past  
12 master, I'm very proud of them.

13 SECRETARY REDDING: Good. Thank you.

14 MAJORITY CHAIRMAN SAYLOR:  
15 Representative Donatucci.

16 REPRESENTATIVE DONATUCCI: Thank you,  
17 Mr. Chairman.

18 And thank you, Mr. Secretary, for being  
19 here today.

20 SECRETARY REDDING: You're welcome.

21 REPRESENTATIVE DONATUCCI: Last year,  
22 Pennsylvania Animal Diagnostic Laboratory System  
23 was recognized with the national quality credential  
24 demonstrating the system's commitment to animal  
25 health and food safety. PA DLS includes the Penn



1 Veterinary Laboratory at the Pennsylvania  
2 Department of Agriculture in Harrisburg along with  
3 Penn State's animal diagnostic laboratory and the  
4 University of Penn's New Bolton Center.

5 Having said that, what is the value of  
6 the veterinary laboratory system to the industry  
7 and to consumers?

8 SECRETARY REDDING: Yeah. It's one of  
9 those great stories of Pennsylvania. When I think  
10 about, you know, the work done over the years by  
11 the legislature to create this sort of tripartite  
12 arrangement between, you know, the premiere  
13 veterinary medical school in Penn Vet, with our  
14 land grant university of Penn State, plus our  
15 diagnostic lab at -- in Harrisburg, here at the  
16 Department, it's one of one in the country.

17 As I often say, when you have 200  
18 million animals that are in the state at some point  
19 during the year, the oversight of what happens on  
20 animal health is critical to both public health as  
21 well as the health of those animals and the health  
22 of our food system. That's what we have in the PA  
23 DLS system.

24 In addition, we have achieved, through  
25 the reaccreditation, something else significant is

1 that we have additional authority granted to the  
2 state of Pennsylvania because of the system to do  
3 additional testing, first-level testing, for other  
4 diseases like High Path AI and CWD. So, it's both  
5 having the PA DLS system, the credentials that it  
6 gives both as a state, but also in assurances to  
7 the larger public.

8 And then to have Dean Hendricks, who's  
9 here, just phenomenal people, you know, you've made  
10 the system work and work so well. We should be  
11 very proud of that.

12 REPRESENTATIVE DONATUCCI: Thank you.

13 You know, can you elaborate on the  
14 comprehensive system Pennsylvania has in place to  
15 address animal health issues? Could you elaborate  
16 on that?

17 SECRETARY REDDING: Well, I mean, I  
18 think the -- the designation, I think, is probably  
19 important, just from the -- through the  
20 accreditation process and national animal health  
21 network, which is a body of the USDA APHIS, grants  
22 that as two select states. And I think there's a  
23 tier one and a tier two, and the tiers really are  
24 reflective of the capabilities of that particular  
25 lab and being able to deal with surge capacity, if

1 the federal government needed, addressing issues of  
2 exports. So, both the lab at New Bolton Center is  
3 a higher level tier two, and the lab here in  
4 Harrisburg is a tier one.

5 But when you look at the diagnostic  
6 efforts, you know, what we can do, the treatment  
7 of, you know, the diagnostic work, but also just  
8 with the diagnostic efforts that are part of that  
9 system, pretty impressive.

10 REPRESENTATIVE DONATUCCI: Thank you.

11 Thank you, Mr. Chairman.

12 MAJORITY CHAIRMAN SAYLOR:

13 Representative Kampf.

14 REPRESENTATIVE KAMPF: Mr. Secretary,  
15 I'm going to talk to you for a second about the  
16 financing agreement related to the farm show. So,  
17 we were -- through '17-'18, we were under the  
18 impression that there would be 300 million dollars  
19 taken from -- according to the budget, taken from  
20 various special funds. And, instead, we were given  
21 this finance agreement that DGS, apparently,  
22 executed. It mentions the farm show. And it's for  
23 200 million dollars. And that, I guess, is going  
24 to go for a very significant portion of that 300  
25 million we thought was going to come out of special

1 funds.

2 For the life of me, I can't find any  
3 authority anywhere for DGS to do this. But I do  
4 see that the farm show commission, under the  
5 administrative code, has the power to approve  
6 transactions related to the farm show and leasing  
7 it.

8 So, my first question to you is, did  
9 the farm show commission approve this financing  
10 agreement?

11 SECRETARY REDDING: Well, first, just  
12 on the -- I don't think there's a correlation  
13 between the 200 million and the 300 million. I  
14 mean, that's -- if that's the case, it's not my  
15 understanding -- that they are two separate  
16 actions. Right? So, it wasn't to do the 200 --

17 MAJORITY CHAIRMAN SAYLOR:  
18 Mr. Secretary, not necessarily correcting you, but  
19 the budget secretary says there is, that farm show  
20 money is counting toward the 300 million dollars  
21 and transferred from the special fund account.  
22 Just telling you what he says.

23 SECRETARY REDDING: Okay. So, then  
24 stand corrected.

25 REPRESENTATIVE KAMPF: So, did the

1 commission, the farm show commission, approve the  
2 financing agreement?

3 SECRETARY REDDING: No.

4 REPRESENTATIVE KAMPF: Okay. Did the  
5 Department of Agriculture approve it?

6 SECRETARY REDDING: So, we were  
7 approved in the sense of part of the final sort of  
8 review team that reviewed the -- the qualified  
9 applicants. Right? So, in that respect, yes, part  
10 of the final decision.

11 REPRESENTATIVE KAMPF: So, in the  
12 agreement, it says that DGS and various  
13 agricultural line items, ag extension and some  
14 other things, are going to receive some of this  
15 money. What is the breakdown between DGS and Ag  
16 for this 200 million?

17 SECRETARY REDDING: Yeah. I don't know  
18 if I can give you the full breakdown. I mean, the  
19 safe food purchase program of 19-plus million is  
20 covered out of the 200. And the Penn State  
21 University College of Agricultural Science's 52  
22 million is part of -- included in that 200 million.  
23 Beyond that, I don't know what the breakdown is.

24 REPRESENTATIVE KAMPF: But there's no  
25 extra money for those. It's just substitute in for

1 whatever the general fund was going to do; is that  
2 correct?

3 SECRETARY REDDING: That's correct.

4 REPRESENTATIVE KAMPF: Okay. And are  
5 you aware that there's actually an additional 190  
6 million that will be due over the life of this  
7 financing agreement? So, in addition to the 200  
8 million we're talking about that might have come  
9 out of general fund or special funds that exist,  
10 the Commonwealth's going to have to pay back 200  
11 million plus another 190 million?

12 SECRETARY REDDING: Again, didn't know  
13 the exact number but know it was a commitment over  
14 twenty-nine years for the 200 million.

15 REPRESENTATIVE KAMPF: Okay.

16 SECRETARY REDDING: Yes.

17 REPRESENTATIVE KAMPF: And the  
18 recitations in here, this financing agreement,  
19 about the farm show, I mean, does the -- this  
20 entity, Municipal Real Estate Funding, does it have  
21 any power over the farm show?

22 SECRETARY REDDING: There is no power  
23 over the farm show. It doesn't change the  
24 governance structure. Doesn't change our, you  
25 know, commitment to, by contract, for food service

1 or lessees of the complex.

2 REPRESENTATIVE KAMPF: Okay. So, even  
3 though it's mentioned in the agreement, this entity  
4 that is a part of this finance agreement, the  
5 private entity has no power over the farm show.

6 SECRETARY REDDING: That's correct.

7 REPRESENTATIVE KAMPF: Okay. And maybe  
8 just lastly, we were interested in getting some of  
9 the documents, other than the financing agreement.  
10 This is all we have, plus a debt schedule.

11 Do you have the escrow agreement?

12 EXECUTIVE DEPUTY SECRETARY SMITH: We  
13 do not, as the Department of Agriculture.

14 REPRESENTATIVE KAMPF: Okay. All  
15 right.

16 Thank you very much.

17 SECRETARY REDDING: Thank you.

18 MAJORITY CHAIRMAN SAYLOR: Recognize  
19 Representative Markosek.

20 MINORITY CHAIRMAN MARKOSEK: Thank you,  
21 Chairman.

22 Mr. Secretary, and this my annual -- I  
23 don't want to say "speech," but I have a question,  
24 I guess, relative to one of my favorite parts of  
25 your Department, the Bureau of Weights and Measures

1 and the amusement ride folks. And, you know, so  
2 often in our -- I think a lot of the public doesn't  
3 realize, when you talk about weights and measures  
4 and going out and looking at, you know, how much  
5 a -- you know, certain products that are in our  
6 gasoline, for example, and all these scanners  
7 throughout the commonwealth in every fast food  
8 store or grocery store or retail store, your  
9 Department has jurisdiction over -- over those  
10 machines in terms of inspections, and gas pumps,  
11 too, at least in the counties where they don't do  
12 it and they pick up the phone and say, Department  
13 of Agriculture, you please do it.

14 SECRETARY REDDING: Right.

15 MINORITY CHAIRMAN MARKOSEK: How's that  
16 coming along? I haven't heard anything negative or  
17 positive or anything here, myself, recently. It  
18 used to be a bigger issue with me at one time, as  
19 you probably know. But would you give us a little  
20 status report on that?

21 Also, how are you fixed for staff in  
22 order to maintain that inspection level or the  
23 inspection levels that you have relative to weights  
24 and measures?

25 And a further question would be



1 relative to the amusement rides. We saw last  
2 summer, I think it was in Columbus, Ohio, the Ohio  
3 State Fair, they had a major accident when one of  
4 their rides fell apart while it was in operation.  
5 Luckily, we haven't had that here. But if we did,  
6 they'd be picking up the phone and calling you.

7 So, I guess my question, you know, in  
8 all those things, if you can just gives us a status  
9 report.

10 SECRETARY REDDING: Yeah. Thank you,  
11 Mr. Chairman.

12 The trend continues of local  
13 governments, municipalities sort of returning that  
14 responsibility of the weighing and measuring and  
15 certification of those devices to the Department of  
16 Agriculture, not unlike what we've seen in the food  
17 safety area as well. What does that look like for  
18 us? I mean, that is now, you know, forty-two  
19 counties in the state have turned that  
20 responsibility back to the Department of Ag. You  
21 know, somewhere in the neighborhood of eighty-two  
22 thousand fuel pumps have come pack to the  
23 Department of Agriculture.

24 So, we have the responsibility. And,  
25 of course, this happens without a lot of notice and

1 it happens faster than we can say "thank you."  
2 Right? So, you have this problem that we have.

3           What we are hoping to do, just to link  
4 the two parts of your question, is to use the same  
5 model that we have on the ride safety side for  
6 purposes of the certification of the weighing and  
7 measuring devices. Right? Using a third party is  
8 the only way we get, you know, ten thousand rides  
9 inspected on the schedules that they need inspected  
10 in Pennsylvania.

11           We need the same authority on the --  
12 for gas pumps, particularly in the vehicle tank  
13 meters. That's a CEWM, which we had authority, by  
14 the way, up until 2012, when that was removed from  
15 the Department. But we desperately need it back.  
16 That's the only way we're going to be able to get  
17 to, you know, the inspections done and to give that  
18 assurance to the public.

19           If locals don't want to do it, we  
20 respect that. They have the first right of  
21 refusal. But if you give it back to us, we have to  
22 have some way to offset that, either by more  
23 people, which we've been really reluctant to do, or  
24 to find the private sector, a third party, which  
25 has worked so well on the ride safety side.

1                   MINORITY CHAIRMAN MARKOSEK: How do the  
2 other -- how do other states --

3                   SECRETARY REDDING: So, it's a variety  
4 pack, I would say, that there are states which have  
5 simply hired -- they have state authority, don't  
6 delegate to local, can't use third party. There  
7 are a couple of those states that have simply hired  
8 and, you know, do it all themselves.

9                   There are hybrids -- and I would put us  
10 sort of in the hybrid category -- that, you know,  
11 we have some states around us that have used the  
12 certified examiner of weights and measures to do  
13 the job.

14                   So, it's everything in between those  
15 two. To completely private sector, by the way,  
16 there are some.

17                   Ours is sort of in the middle, where we  
18 would take on more of an oversight, training, and  
19 quality control role and let the third-party  
20 private sector inspect the devices.

21                   MINORITY CHAIRMAN MARKOSEK: Okay.  
22 Well, I -- I'd certainly be willing to help do  
23 whatever I can from this level relative to that.

24                   And I just want to let the members  
25 know, this is very similar to the situation we had

1 with the state police, where a municipality can  
2 pick the phone up and say, We no longer have a  
3 local police force and would the state police  
4 please come in and police our municipality.

5 And that's all fine and dandy, and the  
6 state police do a great job and -- but there is a  
7 cost to all that. And it's something that --  
8 sometimes that's the part that becomes the hard  
9 part up here in Harrisburg. You know, we all want  
10 things done and want programs and all that, and  
11 then a lot of us get pretty silent when it comes to  
12 finding out the ways to fund those program.

13 So, just a little bit of a soapbox  
14 there, while I have the mic. But I appreciate your  
15 answer.

16 Thank you.

17 SECRETARY REDDING: Sure. It's really  
18 important. It's an important piece of what we do.  
19 Right? Because it's where you touch every local  
20 market, every fuel pump. It's a very personal  
21 transaction, and people, they want to complain, who  
22 do they complain to? If you need -- if you look at  
23 the seal, when was the last time it was inspected?  
24 On and on.

25 And so, we find ourselves in those

1 difficult spots of giving answers where locals  
2 don't want to do it, and our staff, quite frankly,  
3 will do our best to get there, but sometimes it's  
4 hard to get to -- on the frequency that's also  
5 designated in law, to get that job done.

6           When the responsibilities, in 2012,  
7 were removed from the Department -- or the  
8 allowance of using certified examiners of weights  
9 and measures, it also took away the opportunity to  
10 charge a fee. So, it's not only -- you know, you  
11 get the responsibility. We can't even charge the  
12 fee if we do the work, where if you use a third  
13 party on the ride side, they charge the fee to the  
14 rides to have them inspected.

15           So, that whole -- if you're open to  
16 helping, I mean, that is a piece that we have  
17 really struggled with the last, you know, six,  
18 seven years. So, thank you. Yeah.

19           MAJORITY CHAIRMAN SAYLOR:  
20 Mr. Secretary, just a quick follow-up. If you  
21 would get us information, the committee, Chairman  
22 Markosek and myself, as to what other states are  
23 doing, what the fees are, I mean, I think that  
24 would be the key here is, what are the fees, when  
25 you're dealing with constituents, what that cost

1 would be. And then, we will take it under  
2 advisement as such.

3 SECRETARY REDDING: Okay.

4 MAJORITY CHAIRMAN SAYLOR: With that,  
5 we go to Representative Helm.

6 REPRESENTATIVE HELM: Thank you,  
7 Mr. Chairman.

8 Welcome, Secretary Redding.

9 SECRETARY REDDING: Oh, there. Thank  
10 you.

11 REPRESENTATIVE HELM: I have a question  
12 regarding the state food purchase program. The  
13 funding has essentially remained the same since  
14 2006, but the need among low-income Pennsylvanians  
15 has risen. And can you explain how this program  
16 supports low-income households, whether the current  
17 19 million appropriations is enough, and what you  
18 would do with extra funding?

19 SECRETARY REDDING: Yeah. Thank you.

20 Again, I think the -- let me say a  
21 couple things. One, you know, the safe food  
22 purchase program, credit to the folks who, years  
23 ago, recognized that there was a need for some  
24 supplemental nutrition assistance. Supplemental  
25 being both to the private giving that most of us do

1 and to the federal support that comes through,  
2 through our federal government. The supplemental  
3 piece of that was to really try to close a gap.  
4 And that has grown a little bit over the years.  
5 But it's not keeping pace as we need. And, you  
6 know, we can talk about a couple different numbers  
7 there in terms of the total need, and keeping in  
8 mind that the PASS program, which we mentioned  
9 earlier, is also now part of the appropriation, the  
10 carve out of 1 million, so it's 19-plus million  
11 it's total. One million of that is for the  
12 agriculture PASS program.

13           So, two approaches. I think the need  
14 on the PASS is somewhere in the neighborhood of 3  
15 million dollars. So, one way to address the issue  
16 of need is to actually add dollars to PASS, which,  
17 as I've shared earlier, you know, is a great way to  
18 connect both production agriculture to the  
19 charitable food system.

20           The other option is to add some dollars  
21 directly to the state food purchase in the  
22 traditional sense of using the formula which drives  
23 out dollars to counties to support.

24           So, I'd say, if you're looking at  
25 opportunity there, you're in the 3-million-dollar

1 need category, and whether you divide that, as  
2 we've done with -- excuse me -- the PASS program or  
3 put it all in the safe food purchase, that could be  
4 a conversation.

5 REPRESENTATIVE HELM: Going to switch  
6 subjects to talk about the spotted lantern fly, an  
7 insect that's threatening our grapes and ultimately  
8 our wineries and our hardwood industry.

9 Can you explain the 17.5 million in  
10 federal emergency funding the Commonwealth is  
11 receiving for the spotted lantern fly, and how will  
12 this be used, and is this one-year or recurring  
13 appropriation until the pest is eradicated?

14 SECRETARY REDDING: Yeah. Thank you.

15 So, as we have shared from the  
16 Department, you know, the spotted lantern fly,  
17 identified in Berks County in 2014, first time it  
18 was found in North America, and not a lot of  
19 research to guide us on this, so it's been a lot of  
20 developmental work of trying to figure out how do  
21 you control it, how do you eradicate it, how do you  
22 contain it.

23 So, that is sort of the dynamic, and,  
24 for the last couple of years, all of the money that  
25 we've had to work with has come primarily out of



1 the USDA. There's been some redirect within the  
2 Department of Ag.

3 To answer your question, I mean, the  
4 17.5 million that is made available through the  
5 USDA, it appears that the money is for one year.  
6 There was some confusion over that, or maybe it was  
7 just sort of our hope that the dollars would be  
8 sort of -- you know, could be extended or rolled  
9 over, but we now understand, in a meeting with the  
10 USDA last week, is that is one-year money. And the  
11 breakouts is not yet defined. And then that is  
12 because of the continued conversation with the US  
13 Department of Agriculture in terms of their  
14 strategy of the perimeter of the thirteen counties  
15 and the work at the core, which is sort of the  
16 inside-county work.

17 The only piece that's been sort of  
18 clarified is about 1.2 million that would go to  
19 Penn State University for outreach and education.  
20 That has been decided. The balance of the 17.5 is  
21 still negotiation, discussions occurring with our  
22 Department and the US Department of Agriculture.

23 REPRESENTATIVE HELM: I actually just  
24 learned today we have another insect, the emerald  
25 ash borer. What's the funding for that and how are

1 we handling that situation?

2 SECRETARY REDDING: Yeah. That is,  
3 again, another invasive pest, one that, you know,  
4 there's probably some important lessons learned of  
5 how to manage the emerald ash borer on the front  
6 side versus where we are with spotted lantern fly.

7 Again, there's no separate  
8 appropriation for that.

9 EXECUTIVE DEPUTY SECRETARY SMITH: We  
10 rely exclusively on federal funds to combat the  
11 emerald ash borer. And right now it's in the  
12 neighborhood of about 800,000 dollars a year that  
13 we receive.

14 REPRESENTATIVE HELM: So, there's no  
15 Pennsylvania money for it.

16 EXECUTIVE DEPUTY SECRETARY SMITH: No  
17 state money.

18 REPRESENTATIVE HELM: Okay. And is the  
19 Department of Ag taking the lead on addressing  
20 the -- like the spotted lantern fly and this borer?  
21 Are you working with other agencies?

22 SECRETARY REDDING: Yeah. So, it's --  
23 I would say we're lead, but that is a shared role  
24 between our larger government and DCNR, Department  
25 of General Services, DCED. PennDOT has been a

1 really critical part in that, the turnpike  
2 commission is part of that.

3 So, at the state level, yes. But as --  
4 you know, with these invasive pests, I mean, it's  
5 also shared between the state and federal  
6 government. And I think a point of pride is sort  
7 of the work at the county and local municipal level  
8 for Pennsylvania.

9 So -- but, at the point of that spear  
10 for Pennsylvania is Department of Agriculture.

11 REPRESENTATIVE HELM: All right. Thank  
12 you.

13 MAJORITY CHAIRMAN SAYLOR:  
14 Representative Flynn.

15 UNIDENTIFIED REPRESENTATIVE: Thank  
16 you, Mr. Chairman.

17 MAJORITY CHAIRMAN SAYLOR:  
18 Representative Flynn. Sorry about that.

19 REPRESENTATIVE FLYNN: Thank you,  
20 Mr. Chairman.

21 Thank you, Secretary, for your  
22 testimony.

23 One quick question I had, has there  
24 been any studies on the appropriation set-aside or  
25 study for the health of the honey bee in the state

1 of Pennsylvania? You know, in relation to our  
2 fruits and produce, as we know, the honey bee  
3 populations throughout our country have suffered  
4 major losses. And, you know, without the health  
5 honey bee, there will be no produce or fruits and  
6 vegetables. So --

7 SECRETARY REDDING: It's that simple.  
8 I mean, every third bite you take is thanks to a  
9 pollinator. Right? And I think that's an  
10 important reminder.

11 So, to your question, there have been  
12 research projects that we have funded in the  
13 Department, back -- those have been around a  
14 while -- you know, the Colony Collapse Disorder,  
15 with significant funding and priority within the  
16 Department of Agriculture as well as Penn State  
17 University and their research work.

18 We have no current dedicated research  
19 dollars for pollinator health. I will say that,  
20 we've just concluded the -- the Pollinator  
21 Protection Plan for Pennsylvania. Before that, we  
22 were sort of running from problem to problem. I  
23 think now we've got sort of a strategy around the  
24 pollinators, and that looks at, you know, a number  
25 of things, both research and decline of certain

1 pollinators, certain -- bees for sure, but also  
2 being aware that pollination is by both the  
3 traditional pollinators but also others, right,  
4 moths, butterflies, flies. And that's a really  
5 important reminder for all of us.

6           So, we have the plan. I think now we  
7 can have more of a strategy with Penn State  
8 University, the Center for Pollinator Research.

9           REPRESENTATIVE FLYNN: And also  
10 pesticides may affect that population or, you know,  
11 the use of GMOs, they can also be screwing up the  
12 food chain of some sort. So, I think that's  
13 something we should look into further and keep our  
14 eye on.

15           SECRETARY REDDING: Yeah. So, within  
16 this report -- I'll be glad to provide a copy to  
17 you just to see how comprehensive it is -- but it  
18 gets to the issue of habitat, looks at cropping  
19 practices, looks at our own sort of opportunities  
20 to add pollinators and, you know, both plants that  
21 are beneficial to pollinators in our gardens, and  
22 they're pretty comprehensive. So, glad to share  
23 that with you.

24           REPRESENTATIVE FLYNN: Thank you.

25           SECRETARY REDDING: But thank you.

1 MAJORITY CHAIRMAN SAYLOR:

2 Representative James.

3 REPRESENTATIVE JAMES: Thank you,  
4 Mr. Chairman.

5 Secretary Redding, how you doing?

6 SECRETARY REDDING: Good to see you.  
7 Thank you.

8 REPRESENTATIVE JAMES: Good.

9 Two questions for you today, and I  
10 think the first one may have some interest from  
11 some of these young people. I don't know where  
12 they all live. But in your organization, along the  
13 lines of economic development, are you either  
14 working with other departments or personally is  
15 there a part of your total budget dealing with  
16 broadband access?

17 SECRETARY REDDING: Yeah. Nothing in  
18 our budget. We are involved in the broadband  
19 conversation through the real development council  
20 and working with the governor's office on that as  
21 well.

22 REPRESENTATIVE JAMES: It seems we may  
23 be missing out on some potential federal matches  
24 there, too. So, I think that's important. I'd be  
25 encouraged to know that your group would get

1 involved. That would be great.

2 SECRETARY REDDING: Yeah. I will just  
3 say, we've been actively involved, and more so in  
4 the last sort of month, with the president's  
5 advancement about infrastructure, but also  
6 Secretary Perdue, USDA secretary, who was here  
7 several weeks ago. And we had a chance to talk  
8 briefly.

9 It is critical to rural development.  
10 Right? It's critical to Pennsylvania development,  
11 but particularly rural areas. At least our best  
12 guess is eight hundred thousand Pennsylvanians  
13 still have no access to broadband. And for a lot  
14 of reasons, that's a limitation on health and  
15 education and commerce and quality of life. So,  
16 very interested.

17 REPRESENTATIVE JAMES: Well, my office  
18 gets phone calls back in western PA about that  
19 issue. And some folks get pretty cranky about it.  
20 So, whatever you can do to help would be great.

21 Second question, looking at your  
22 budget -- this is, after all, a budget  
23 discussion -- one of the line items there that may  
24 be in danger of being zeroed out under the  
25 governor's proposal would be agricultural research,

1 about 1.7 million. Can you tell me who gets those  
2 1.7 million dollars and, in fact, what they do --  
3 how do they use it?

4 SECRETARY REDDING: Yeah. Thank you.

5 So, that is one of the painful pieces  
6 of the budget, is that that's a line that is not  
7 funded. Historically, the appropriation has been  
8 divided between the animal health commission -- and  
9 animal research -- and the animal health  
10 commission's had a role there -- and then  
11 non-animal research, about a 60/40 split,  
12 primarily, Penn State University and the University  
13 of Pennsylvania, but not exclusively. But I would  
14 say that's been the majority of the projects have  
15 been through those two institutions.

16 REPRESENTATIVE JAMES: What would we be  
17 missing in the commonwealth if those dollars were  
18 not, in fact, appropriated this year? What  
19 happens?

20 SECRETARY REDDING: Yeah. So -- I  
21 mean, you end up -- you know, half the issues  
22 raised have some research component, right, even  
23 during this hearing, where you could say the  
24 pollinators, it could be CWD, it could be health in  
25 some way. So, they're the issues that are not



1 going to be addressed in -- or at least through the  
2 Department's budget in that regard.

3 REPRESENTATIVE JAMES: Well, I'm for  
4 pollinators.

5 SECRETARY REDDING: Yeah. Okay.

6 REPRESENTATIVE JAMES: Thank you very  
7 much.

8 SECRETARY REDDING: Thank you.

9 MAJORITY CHAIRMAN SAYLOR:  
10 Representative Heffley.

11 REPRESENTATIVE HEFFLEY: I'm for  
12 pollinators, too.

13 Thank you, Mr. Secretary.

14 Thank you, Mr. Chairman.

15 Going back to some of the initial  
16 conversations, I know you just had a long hearing  
17 on this. And talking with some of my local dairy  
18 farmers, I'm blessed that I can still buy my milk  
19 in a glass jug, and it's the best milk out there.  
20 But, I mean, I remember when I was a kid, going to  
21 Hershey, and you toured the Hershey plant, and they  
22 said the reason that Hershey set up here is because  
23 we had so much dairy, had so much milk. We didn't  
24 have cocoa beans or anything else, but we had milk.

25 I remember as a kid, when looking at --

1 going down to Bethlehem and seeing the steel mills.  
2 I remember walking around town and all the garment  
3 industries. And all those industries left.  
4 Steel's gone, the garment industry's gone. And are  
5 we getting to the point that if we don't do  
6 something and -- to save these farms, we're going  
7 to be getting our milk at some point from China or  
8 Mexico.

9           And, you know, with the resources, the  
10 limited resources, but resource that DCED has, I  
11 mean, as far as milk processing or milk marketing,  
12 but what do we need to do? I mean, we're at a  
13 crisis point now. What do we need to do to save  
14 this industry and save these farms?

15           We can put all the money we want into  
16 farmland preservation, but nobody's going to  
17 preserve farmland if you can't farm on it. It will  
18 just be development.

19           So, what do we need to do now to really  
20 save this industry and not let it go? Because, in  
21 the past, nobody acted when the garment industry  
22 left. Nobody acted when the steel industry left.  
23 And I don't want that to happen to our dairy  
24 industry. What do we need to do?

25           SECRETARY REDDING: Yeah. Thank you.

1           And, again, maybe Chairman Causer wants  
2 to sort of weigh in here. But I would just say a  
3 couple things. This was one of the questions.

4           First, I think it's important for  
5 Pennsylvania, and particularly all of us, to  
6 recognize that the diversity of the dairy industry  
7 is our strength in Pennsylvania. Right? Diversity  
8 in the Amish and the English, the size, the  
9 geographic diversity, the processing diversity, all  
10 of that is a strength that we really ought to have  
11 in sight as we look at what do we do in terms of  
12 responding to the dairy study and moving forward.

13           And I say that just because, in other  
14 states, they cannot say that. Right? It has  
15 already sort of tipped to a size and a scale that  
16 is completely out of reach for where Pennsylvania  
17 can compete. So, I think that's number one.

18           Two, this is an economic development  
19 discussion. And making sure that, as farms, if  
20 they want to stay in the dairy, how do we help them  
21 transition to modern facilities and adopt the  
22 processing technologies that they want, either on  
23 the farm or collectively, what they need to do.  
24 So, economic development is critical.

25           I think conversations we've had over

1 the last two years around this topic have all been  
2 sort of economic development.

3 Farm level, what's now in view, I  
4 think, with the dairy study is, if we invest in  
5 Pennsylvania, where do we invest and who invests?  
6 And that's about money. Right? So, economic  
7 development programs, I think, are critical for us.

8 I would add to that a couple of other  
9 things. Seventeen percent of the total dairy  
10 production in the United States is exported. So,  
11 paying very close attention to what happens with  
12 China, what happens with NAFTA, and the discussions  
13 of this weekend, when people are at odds over  
14 whether we do something or don't do something on  
15 immigration, those things have major impacts on us.  
16 So, I think that is a piece that I would just add  
17 to the conversation, is that trade is such an  
18 important piece.

19 Final would be, you know, continue to  
20 build the infrastructure out at the Port of  
21 Philadelphia. And that is part of our study, and  
22 we're looking at that. But to finally have the  
23 port be dredged, you know, the major investments,  
24 that port and the linkage around the world, keep  
25 investing in that as well.

1                   Final would be -- and this comes out of  
2 both the economic development study as well as the  
3 dairy study, is that I think, in Pennsylvania, we  
4 have to make sure that, if all of that diversity is  
5 a strength, is making sure that consumers make a  
6 connection between the dairy product that they're  
7 purchasing and Pennsylvania agriculture. And that  
8 may mean branding differently. It's the  
9 transparency conversation. It's Pennsylvania  
10 Preferred. So, supporting PA Preferred and the  
11 identity of PA product I think is critical in this  
12 conversation.

13                   A homogenized product, it's hard to  
14 find anybody who loves it. Right? If we love our  
15 dairy, we need to have that identity with it. So,  
16 let's try to do that with the dairy. I think  
17 that's all part of this conversation that needs to  
18 play out.

19                   REPRESENTATIVE HEFFLEY: In exporting,  
20 I mean, it's hard to tell my dairy farms to wait  
21 until they dredge the Delaware River.

22                   But, I mean, what about opportunities  
23 in other states? I mean, we have major  
24 metropolitan areas in New York and New Jersey, and  
25 there's all kinds of produce and everything from PA

1 going into there. I mean, infrastructure-wise, I  
2 think we passed laws for -- to allow for extra  
3 weight on those tankers carrying milk and things  
4 like that. So, those short-term things in the  
5 immediate, as we wait for the other things to take  
6 place. But I would say we need kind of  
7 all-hands-on-deck approach to save these farms.

8 Thank you.

9 SECRETARY REDDING: I would add just  
10 the organic opportunity, it's the fastest growing  
11 segment. I think there's -- right now, there's  
12 probably more organic milk than we can consume in  
13 the marketplace. But, long term, we see that as an  
14 opportunity for us.

15 And, importantly, I think, for  
16 Pennsylvania -- not that this would work for  
17 everybody, but the raw milk, we do have that. It's  
18 legal in Pennsylvania. We like it. We have to  
19 regulate it, be very careful with it. Right? But  
20 it's an opportunity that other states around us  
21 don't have. They come to PA to buy that product.  
22 And we've got 40 million people in the neighborhood  
23 that like to eat.

24 Dairy, interestingly, that doesn't have  
25 the same sort of local food identity as other

1 products, and I think that's something we also have  
2 to work on.

3 But, yeah, thank you.

4 MAJORITY CHAIRMAN SAYLOR: Maybe that  
5 should be our new slogan in Pennsylvania, rather  
6 than Pursue Happiness: Drink Milk.

7 I think we've gotten away from that.  
8 I'm just going to put my editorial two cents in  
9 here, is that, you know, for a while, there were a  
10 lot of people putting down milk. And, I think, you  
11 know, President Obama was very clear about obesity  
12 and everything else. But we have to remember, in  
13 nutrition, I think, Mr. Secretary, one of the  
14 things that's missing, I think -- and this goes to  
15 some of the other questions that were asked  
16 earlier -- is I think a lot of the people that are  
17 on the food stamp program, the SNAP, program have  
18 no understanding, based upon what I'm finding in  
19 our community in York County. It's not that they  
20 don't want to eat nutritional vegetables at the  
21 farmers market or buy meats or so on and so forth.  
22 They don't -- today, many of them, have not grown  
23 up learning how to cook. You know, peppers, what  
24 do I do with peppers? Or what do I do with onions?  
25 How do I incorporate that in a meal?

1                   So, giving out all of the -- I'll say,  
2 giving out all of the different nutritional stamps  
3 or -- not stamps, but I lost the words here, I  
4 apologize, thank you -- is not going to work if we  
5 don't do a better job of teaching people how to use  
6 nutritional foods in our schools.

7                   And also, I think, too, as people  
8 signed up for some of these food programs, we have  
9 to sit down and look at offering programs  
10 throughout the state to teach people how to cook  
11 and use those things. I think that would go a long  
12 way to helping our agriculture industry.

13                   I know Penn State Extension has done  
14 some of that. But there's only so much they can  
15 do. And I think we have to look -- there's a lot  
16 of community organizations who can offer those  
17 programs. But if we want agricultural to work in  
18 Pennsylvania, when it's our number one industry, we  
19 have to do more, I think, as a state, to promote it  
20 within our own state.

21                   And I think our own younger generation  
22 is forgetting how to cook. I hate to say it. Fast  
23 food restaurants, all the franchises, it's just  
24 easier to go out and -- can't get a dollar burger  
25 anymore at McDonald's, but -- as when I was growing



1 up, but it is something that we need to, I think,  
2 focus on. We can't just talk about it.

3           You know, these young men and women who  
4 are our future farmers are going to be in the  
5 process at some point in time. I had a bumper  
6 sticker I had on -- I don't have it on anymore --  
7 but it says, you know, we can preserve -- somebody  
8 said here earlier -- we can preserve all the farms  
9 we want, but if don't have farmers, if we aren't  
10 helping young people -- you know, a John Deere  
11 tractor costs a lot of money. And buying farms is  
12 very expensive for a young couple.

13           So, we have to find, I think, a real  
14 balance. When we give out tax credits -- I'm  
15 getting on my soapbox here, Joe -- when we give out  
16 tax credits for a lot of other businesses, we need  
17 to find a way to make this work for young farmers.  
18 I mean, we have the best agricultural colleges in  
19 the whole country here. Okay?

20           So, I don't know the answer. I'm not  
21 sitting here being a farm boy growing up. I don't  
22 know the answer to it. But we can't wait much  
23 longer or we are going to truly sacrifice our  
24 number one industry and a lot of jobs.

25           So, I ask, you know, again, for those

1 that are listening, but, more importantly,  
2 Mr. Secretary, the Department of Ag to come up with  
3 some ideas on how we actually grow this industry,  
4 because we have such great resources here.

5 And our farmers, when you look at the  
6 amount of money they make on an annual basis, it's  
7 not a lot of money. And the only way they can have  
8 their retirement, because they make so little  
9 money, is to sell their farms for development. So,  
10 if -- for these young farmers in Pennsylvania or  
11 for us to continue that farming process, we have  
12 got to find a way to keep those farms farming, not  
13 just preserving them, but how do we make sure that  
14 these young couples can get into it and purchasing  
15 farms and also by the equipment it takes to do  
16 that?

17 So, I'll get off my soapbox now and  
18 turn it over to the next questioner, who is  
19 Representative Quinn.

20 And if you have a response to that,  
21 that's fine.

22 SECRETARY REDDING: Well, no, I think,  
23 I mean, you're spot on. Having that very  
24 intentional act -- I mean, we make a lot of  
25 assumptions about some business, they'll figure it

1 out, but I think, what we've seen is that  
2 agriculture's a business without walls but every  
3 bit a business. Right? So, when we think about  
4 the economic development programs that we make  
5 available to main street, we also have to be  
6 thinking about those available to the farms as  
7 well.

8           And the public policy piece of that, a  
9 critical component. Making sure that we're also  
10 educating in the community about the use of product  
11 is important.

12           I would say, some of that sort of came  
13 out pretty strong in our economic development, the  
14 strategic plan. And if you looked at those sort of  
15 strategic recommendations, at this point about  
16 identity, about investment, about infrastructure is  
17 part of that.

18           I think that point you make,  
19 Mr. Chairman, that you really have to say: Ag is  
20 important. How do we support it?

21           Right. So, thank you.

22           MAJORITY CHAIRMAN SAYLOR:  
23 Representative Quinn, my apologies.

24           REPRESENTATIVE QUINN: Thank you.  
25 Apology's accepted.

1                   Great to see you here, Secretary.

2                   And I appreciate you came to my  
3 district a couple weeks ago. You've been there a  
4 number of times.

5                   Annually, I pull some of our farmers  
6 together, and we have a great forum. And it's  
7 interesting that the same issues that we're hearing  
8 today from other counties are what's popping up in  
9 my county, too.

10                  I do have say, though, Mr. Chairman,  
11 what I've learned in hosting these over the years  
12 is that, while the number of the large farms has  
13 declined and the dairy herds, for example, we have  
14 seen an increase in farms but smaller and more  
15 specialized, be it microgreens, be it farms  
16 focusing on some hydroponics, so all different  
17 things. So, that's been exciting to watch and, you  
18 know, even people bringing chickens to their own  
19 home. It's the quest for local food and  
20 understanding of farm-to-table has really taken  
21 off, and, gosh, it's about time.

22                  So, before I get into my other  
23 question, I've got a very basic question regarding  
24 these horrific spotted lantern flies. What do you  
25 do if you see one? Do you kill it? Do you call

1 and report it? Do you try and catch it? What do  
2 you do?

3 SECRETARY REDDING: Well, it depends.  
4 If you are seeing them now, if you see the egg  
5 masses now, scrape them, bag, them, dispose of  
6 them. All right?

7 REPRESENTATIVE QUINN: Okay.

8 SECRETARY REDDING: Okay? We can give  
9 you a card. I think I have an extra one here.

10 REPRESENTATIVE QUINN: I'm on it.

11 SECRETARY REDDING: But that's -- if  
12 you see -- if you see it otherwise, what we ask is  
13 to notify the Department of Agriculture. Don't  
14 send it to us, but notify us, particularly --  
15 you're in the thirteen-county quarantine --

16 REPRESENTATIVE QUINN: I am.

17 SECRETARY REDDING: We're particularly  
18 concerned about it spreading outside of those  
19 thirteen counties.

20 REPRESENTATIVE QUINN: And is this the  
21 time of year where we'd be seeing these --

22 SECRETARY REDDING: You're going to  
23 start seeing -- there's four sort of stages to  
24 this. The first --

25 REPRESENTATIVE QUINN: Okay. Okay.

1 So, I will definitely advertise that to my  
2 constituents. Thanks.

3 Since it's a budget hearing, I'm going  
4 to get back down to numbers. How's that?

5 SECRETARY REDDING: Good.

6 REPRESENTATIVE QUINN: Pennsylvania  
7 state fairs receive approximately 4 million dollars  
8 from the Race Horse Development trust fund. What  
9 portion of that money received by the fairs goes --  
10 is dedicated to standardbred racing?

11 SECRETARY REDDING: I will have to  
12 check the number.

13 REPRESENTATIVE QUINN: Aha. Stumping  
14 you.

15 SECRETARY REDDING: Yeah. I don't --  
16 out of that --

17 REPRESENTATIVE QUINN: Does it go to  
18 any other type of racing at the fairs? Or what  
19 other --

20 SECRETARY REDDING: Yeah.

21 REPRESENTATIVE QUINN: So, it's just  
22 the standardbred racing.

23 SECRETARY REDDING: So, I think the --  
24 I think the pause in here is, I don't think any of  
25 4 million actually goes to -- goes to the -- to the

1 standardbred racing. I think that comes out of a  
2 separate fund within racing.

3 REPRESENTATIVE QUINN: You could get  
4 back to me on that. Okay?

5 SECRETARY REDDING: Yeah. We'll have  
6 to double-check.

7 REPRESENTATIVE QUINN: For the record,  
8 I think I stumped him. And I don't know if anyone  
9 else did today. So --

10 I'm also -- I'm looking at, there's an  
11 increase of about 207,000 dollars from this same  
12 fund for the fair administration. That's a newer  
13 addition. And I'm just curious about the  
14 justification of it. I actually thought some of  
15 this 4 million dollars went straight in the fairs  
16 to support the racing, and now that I'm hearing  
17 that it doesn't really.

18 I'm just looking, that other 207, was  
19 there a justification for that?

20 EXECUTIVE DEPUTY SECRETARY SMITH:  
21 Yeah. So, the payments to PA fairs or the fair  
22 fund administration line you cite is part of an  
23 ongoing corrective action taken by the Department  
24 following a report by the auditor general a few  
25 years back. It had faulted the Department for the

1 way it allocated personnel costs among certain  
2 special funds. So, the shift to the fair fund  
3 administration line represents the cost of  
4 personnel who are performing fair work, as opposed  
5 to some other type of work within the Department.

6 REPRESENTATIVE QUINN: Is the entire  
7 cost of -- the 207,000 dollars, the entire cost of  
8 it's coming from the horse -- the Race Horse  
9 Development trust fund? Or are there additional  
10 dollars for this remedy?

11 EXECUTIVE DEPUTY SECRETARY SMITH: I  
12 believe they're all coming from the Race Horse  
13 Development Fund, but we'll get back to you with  
14 the correct answer.

15 REPRESENTATIVE QUINN: And if so, is  
16 there a tie that ties it directly to the Race Horse  
17 Development trust fund, or was it just a fund  
18 that's, like, hey, we can get it from there?

19 EXECUTIVE DEPUTY SECRETARY SMITH: We  
20 can provide you with that answer.

21 REPRESENTATIVE QUINN: Do you -- you  
22 don't know it then?

23 SECRETARY REDDING: Not off my head.

24 REPRESENTATIVE QUINN: Okay. On the  
25 same stuff, I see that you've got additional drug



1 testing money. You're increasing it by 2.3  
2 million. However, on another page in there, you've  
3 proposed increased transfer of nearly 4 million  
4 dollars from the Race Horse Development trust fund  
5 to the racing fund.

6           Could you tell me what the additional  
7 funds are being -- what additional dollars from the  
8 trust fund are being utilized -- or for what are  
9 they being utilized? Sorry about that.

10           EXECUTIVE DEPUTY SECRETARY SMITH: So,  
11 the drug testing costs are part of the racing  
12 reforms that we instituted back in 2016. Sorry if  
13 you can't hear me. They're part of reforms we  
14 instituted back in 2016 through Act 114. And the  
15 drug testing portion, in particular, was about  
16 keeping the racing fund afloat. If you recall, it  
17 was operating at a deficit in 2015. So, we, as  
18 part of the negotiated deal, had the Race Horse  
19 Development Fund bear the cost of those -- that  
20 drug testing work.

21           The change now represents a more  
22 accurate reflection and just annual year over year  
23 increase in drug testing costs. You'll also notice  
24 that the state racing fund appropriation drops --  
25 or rather -- yeah, drops somewhat from 2017-'18.

1 And that represents the findings of a time study we  
2 conducted within the commission to see how much of  
3 the commission staff time was dedicated to racing  
4 work versus drug testing work. So, that is just a  
5 shift in the expense of those lines.

6 REPRESENTATIVE QUINN: Is this a line  
7 item that you're going to -- that you anticipate  
8 seeing it increase year after year?

9 EXECUTIVE DEPUTY SECRETARY SMITH:  
10 Typically, there is a modest increase. I will also  
11 note that what we propose is in line with what the  
12 racing commission, that is largely represented by  
13 the industry, has approved.

14 REPRESENTATIVE QUINN: Okay. Thank  
15 you.

16 EXECUTIVE DEPUTY SECRETARY SMITH:  
17 You're welcome.

18 MAJORITY CHAIRMAN SAYLOR:  
19 Representative Keller. Or -- I'm sorry,  
20 Representative Greiner.

21 REPRESENTATIVE GREINER: Thank you,  
22 Mr. Chairman.

23 Mr. Secretary, good seeing you.

24 SECRETARY REDDING: Good to see you.

25 REPRESENTATIVE GREINER: Everybody else

1 kind of was beating the horse that I wanted to  
2 beat, I guess you can say that, and that's the  
3 dairy industry and try -- the marketing, being from  
4 Lancaster County, I've worked with Representative  
5 Zimmerman, trying to figure out how we can actually  
6 get business to come to Lancaster County, you know,  
7 with everything.

8           One issue, though, that I do want to  
9 talk -- there's actually a couple, but the  
10 concentrated animal feeding operation, and I think  
11 maybe Representative Keller -- it's interesting he  
12 mentioned his name -- I think might have brought  
13 this up, but increasing the CAFO permits and the  
14 price of that. I mean, isn't that kind of  
15 counter -- I mean, here we are, with a  
16 struggling -- we have some struggling agricultural  
17 industries, and now increasing the permits, and  
18 it's actually creating, I would say, additional  
19 burden for them, and, you know, they're trying to  
20 find ways to save costs, and this is just -- you  
21 know, this just kind of -- I hate to say piles on,  
22 but it kind of does.

23           I mean, what's your thought process  
24 there with that? Is there something that we could  
25 look at or we could curtail or maybe you say, no,

1 we need to do this? So, I just wanted to maybe,  
2 first question, get your input on that.

3 SECRETARY REDDING: Yeah. I would say  
4 a couple things.

5 One, my understanding from the -- at  
6 least from one of the farm organizations is that  
7 they are okay with the fee increase if it actually  
8 gets the permit time turned faster. Time is money.  
9 Right? They recognize -- they've been frustrated  
10 by the difficulty of getting the permits approved  
11 on a timely basis through DEP. I think they  
12 recognize that as a part of it. So, that's not a  
13 great answer, but it is at least saying that they  
14 recognize the correlation between, "I'll do it, may  
15 not like it," if it means a quicker turn on the  
16 permit.

17 REPRESENTATIVE GREINER: Kind of  
18 segueing then, I mean, the secretary was in this  
19 morning. One that -- I do think that's critical,  
20 and we quizzed him on that, too. That's a problem  
21 in our area. And I know the chairman had brought  
22 up this morning how long it takes to somehow, you  
23 know, get a permit approved and be able to get work  
24 done.

25 And sitting here and just while the

1 chairman was discussing agriculture and buying John  
2 Deere tractors, it made me think about the revenue  
3 ruling here recently that I talked to the DCED  
4 secretary and Revenue secretary is -- and I think  
5 you would agree -- I mean, farmers really do  
6 struggle a lot, you know, to try to make a living.  
7 I mean, they aren't making a killing, and when they  
8 can go out and buy a piece of equipment or buy a  
9 tractor, first of all, it'd be nice to get that 100  
10 percent depreciation. And I know that they're  
11 not -- you know, but that being said, if we don't  
12 get that, we at least need to be able to depreciate  
13 our equipment. And there's House bill out there  
14 that we are looking at. And I just think, for  
15 economic development and moving forward, that's  
16 something that has to be addressed.

17 I don't know what your thoughts are on  
18 that. Maybe you don't want to comment. But,  
19 particularly this industry, from what I see and my  
20 background as an accountant, I mean, I think it's  
21 going to be important for us to get this bill  
22 through.

23 SECRETARY REDDING: Yeah. Let us take  
24 a look at it. I'm not familiar with it. I mean, I  
25 do farm and understand depreciation and schedules

1 and where investments are made. So --

2 REPRESENTATIVE GREINER: I was going to  
3 say, with all your years in farming, I think you  
4 know that that's a very key area for farmers and  
5 something that really does need to be looked at.  
6 And I would encourage that, moving forward, because  
7 I think it helps our industry.

8 And then, maybe just coming full  
9 circle, though, I would encourage -- you know, like  
10 I said, I know quite a few colleagues said this,  
11 but I do think, as with tourism in our state,  
12 agriculture's our number one industry. I think we  
13 need to do -- be more astute in maybe how we market  
14 things. And I know that there's been a campaign  
15 about milk and getting away from milk, and kids  
16 don't know how to cook today and what-have-you, but  
17 I think, when you look at Lancaster County and we  
18 lost that yogurt plant to New York the other year,  
19 I think we have great opportunities in certain  
20 parts of the state to be able to develop yogurt  
21 plants, cheese, and those type of plants, and  
22 hopefully we can work together with you, DCED  
23 secretary, to maybe -- you know, we're interested  
24 in the Amazons, but, you know, that -- I tell you  
25 what, I think we have a better opportunity in this

1 state to attract agriculture-type industries with  
2 the hard work ethic of our people here and the  
3 quality of land we have and those type of things.

4           So, hopefully, we can work together.  
5 And these -- like I said, this is our future  
6 sitting right here in front of me, too. And, like  
7 I said, I just wanted to -- I don't want to pile  
8 on, but I do think we need to think about -- we  
9 need to think about this dairy situation pretty  
10 carefully. And we're fortunate we have a  
11 diverse -- you know, we have a lot of diversity in  
12 the commonwealth, which is great, agriculturally  
13 so.

14           Thank you.

15           SECRETARY REDDING: Again, a good  
16 reminder, just the importance of ag, you know, as  
17 an economic engine. I mean, the economic impact  
18 study, 18 percent of the state's gross economy is  
19 in agriculture. And that's a good reminder for all  
20 us. Right? It's not just about, you know, the  
21 single farm. It's the processor. It's the  
22 agribusiness. It's the extension of all of that  
23 that makes up that 18 percent.

24           You know, just to DCED, there's been  
25 things we're proud of, but that relationship with

1 DCED and having access to financing streams that  
2 treat it as another business, any other business,  
3 has been one of the most successful efforts of the  
4 administration and goes back to Tom Ridge and on.  
5 But, just in three years, I mean, that's been 50  
6 million dollars of investment in agriculture  
7 through DCED programs just on the agricultural  
8 production side. Right?

9 So, a really important statement for  
10 all of us here is you're not going to solve this  
11 without investment.

12 REPRESENTATIVE GREINER: Thank you,  
13 Mr. Secretary.

14 Thanks, Mr. Chairman.

15 MAJORITY CHAIRMAN SAYLOR:  
16 Representative Greiner, I'm only aware, John  
17 Deere's the only farming tractor manufacturer, I  
18 thought, but I could be wrong.

19 REPRESENTATIVE GREINER: Be careful  
20 there. With living so close to New Holland, I  
21 think we need to be careful there. So --

22 MAJORITY CHAIRMAN SAYLOR: I  
23 understand.

24 With that, Representative Dunbar.

25 REPRESENTATIVE DUNBAR: Thank you,



1 Mr. Chairman.

2 And I must admit today, I teared up a  
3 little bit when I heard Representative James, our  
4 newest member of the Appropriations Committee, say,  
5 "It is an appropriation hearing," so -- because  
6 that's my favorite line. And Representative Quinn  
7 said the same thing. So, I will follow suit, it is  
8 an appropriation hearing, so I will ask  
9 appropriations questions.

10 Specifically, where Representative  
11 James had gone about ag research, not only did the  
12 governor zero out ag research, he zeroed out ag  
13 promotion, education experts. He zeroed out  
14 hardwoods research and promotion. He zeroed out  
15 livestock show. He zeroed out the open dairy show.  
16 And I believe he's done that each of the last four  
17 years. And we have always added them back in.

18 From your response to Representative  
19 James about pollinators, am I to believe that you  
20 believe it would adversely impact your organization  
21 by having these zeroed out?

22 SECRETARY REDDING: Well, I think each  
23 of those lines are important lines to the  
24 Department. I mean, I'd just say that there's --  
25 that's not a -- you know, a value statement. It's

1 a budget statement. And --

2 REPRESENTATIVE DUNBAR: And I  
3 understand that. But -- so, do you really believe  
4 that the governor really, truly wants to eliminate  
5 those programs?

6 SECRETARY REDDING: I think the -- as  
7 has been sort of the history, you know, they're  
8 negotiated with the legislature as part of the  
9 process, the legislative add-ons, and dating back  
10 to Tom Ridge and through the last several  
11 governors. So, know that he doesn't want to  
12 support them, it is part of this process that we're  
13 engaged in.

14 REPRESENTATIVE DUNBAR: And I  
15 appreciate consistency. I think consistency's  
16 always important. So, he's consistently listed  
17 them at zero, and we consistently put them back in.

18 At the same time, Penn Vet, last year,  
19 he zeroed out. This year, he has an  
20 appropriation -- suggested appropriation of 30  
21 million, so that's not consistent. So, I'm  
22 being -- starting to get a little confused as to  
23 what exactly we're doing here. And did he change  
24 his mind, or what's going on there?

25 SECRETARY REDDING: I think, again, a

1 year ago we were in a very different place  
2 financially as a commonwealth. As everyone here's  
3 aware, you know, you pick the number, anywhere from  
4 1 and a half to 3 billion dollars, and -- but it  
5 was a big number. And how do you solve that?  
6 We've had to make some decision last year about  
7 where to invest, and very painful because it  
8 included, you know, the -- New Bolton Center and  
9 vet school. Very difficult decision. But, please,  
10 it's back and it's part of his proposed budget.

11 So, you know, I think we have to make  
12 decisions along the way. There are some individual  
13 line items here that, again, they've been  
14 legislative add-ons and priorities for the  
15 legislature. We're at work to try to bring them  
16 back with you.

17 REPRESENTATIVE DUNBAR: And I  
18 appreciate that. And I think your answer is a fair  
19 one, but, at the same time last year, I think we  
20 had increases to other line items. And it just  
21 seems like there's not a whole lot of consistency  
22 there. It makes it very difficult to go through a  
23 budget process with inconsistencies.

24 So, you know, my ask would be is that,  
25 you know, if we truly want to get this done and get

1 the budget done, let's be real with each other and  
2 say, Hey, look -- especially these lines items, the  
3 ones that are zeroed out, because if we're -- it's  
4 not a huge dollar figure either that we're talking  
5 about there. I think, in total, it is 4 million  
6 dollars. So, I think it's time we stop playing the  
7 games and just put out a proposal that's realistic,  
8 that we all know we're going to end up with.

9 Thank you.

10 SECRETARY REDDING: Understood. Thank  
11 you.

12 MAJORITY CHAIRMAN SAYLOR:

13 Representative Roae.

14 REPRESENTATIVE ROAE: Thank you,  
15 Mr. Chairman.

16 And thank you, Mr. Secretary, for your  
17 testimony.

18 My question is going to be about the  
19 SNAP program, the Supplemental Nutrition Assistance  
20 Program, more commonly referred to as food stamps.  
21 And as we all know, the federal government funds  
22 that program, the US Department of Agriculture.  
23 It's my understanding that they make the rules  
24 about what you're allowed to buy on food stamps,  
25 and the states, you know, administer the program.

1                   And I guess my question is, a lot of  
2 households make really good decisions, you know,  
3 with their SNAP benefits, their food stamp  
4 benefits. They buy fresh fruits and vegetables and  
5 whole grain bread and milk and, you know, healthy  
6 food like that. But there's other households that  
7 buy a lot of pop and potato chips and candy and  
8 things that don't really meet the goal of the  
9 program, which is to provide good nutrition to  
10 low-income people who otherwise couldn't afford  
11 healthy food.

12                   So, my question is, I have often  
13 thought that we should pass legislation or a  
14 resolution or something to urge the US Department  
15 of Agriculture to allow states to make rules on  
16 what can and cannot be purchased with the SNAP  
17 benefits. And I was wondering if the Department  
18 has ever explored that issue and if you would  
19 support us on that.

20                   SECRETARY REDDING: Sort of an  
21 interesting question. So, when Secretary Perdue  
22 was here several weeks ago, this question was  
23 raised about the limitations on -- forgive the  
24 description -- they were high sugar, high calorie.  
25 You know, he made an interesting observation that

1 he felt like there are ways to sort of address the  
2 issue of the federal support for nutrition, but he  
3 avoided this issue of being in a position where the  
4 US Department of Agriculture deciding what product  
5 was in or out, because he didn't want it to become  
6 a discussion about whether the 1 percent milk is  
7 allowable versus 2 percent versus flavored. He  
8 didn't want the issue to be, is a GMO product a  
9 fair product --

10 REPRESENTATIVE ROAE: I'm talking more  
11 basic than that. Like you wouldn't be allowed to  
12 buy pop, you know, because pop is basically sugar,  
13 carbonated water, caffeine and artificial, you  
14 know, food coloring. You know, we'd encourage  
15 people to drink -- yeah, like this. I think  
16 Mrs. Quinn already had her question, thank you.

17 No, but I'm talking -- I'm not talking  
18 about a list with thousands of items on it. I'm  
19 just saying just basic things, like you can't buy  
20 pop with food stamps. You know, you can't buy, you  
21 know, things like potato chips and cheese puffs  
22 and, you know, that junk food kind of stuff.

23 Would the Department support, if we  
24 could get the federal government to change the law,  
25 if we passed a state law to basically say you can't

1 buy pop with food stamps, you can't buy potato  
2 chips, you can't buy things like that? Would you  
3 be supportive of that?

4 SECRETARY REDDING: Well, I mean, I  
5 would want to understand, you know, since the  
6 federal government is 100 percent funding SNAP,  
7 right, what is their goal, what are they trying to  
8 achieve.

9 REPRESENTATIVE ROAE: I think their  
10 goal is so low-income families can afford healthy  
11 food. And potato chips aren't that healthy. Pop  
12 isn't that healthy.

13 Would the Department support us, you  
14 know, making a limited list of what you cannot buy,  
15 in order to have households buying healthier stuff  
16 that has better nutrition outcomes?

17 SECRETARY REDDING: You know, the goal  
18 should always be to put your limited dollars in  
19 whatever nutrition -- higher nutrition that you  
20 could -- you can afford.

21 I would be reluctant to sort of say  
22 that Pennsylvania sort of has this, you know,  
23 acceptable list and non-acceptable list. And I go  
24 back, again, to the secretary and the concern about  
25 fat. That was a direct question from the media to

1 him about fat content. Well, as soon as you have a  
2 fat content question in agriculture, you begin to  
3 say certain things are healthy, certain things are  
4 not. So, at least at this point, we would not be  
5 supportive of that.

6 REPRESENTATIVE ROAE: Okay. That's  
7 actually kind of disappointing, I think, because a  
8 lot of us feel that low-income children and  
9 households where they don't make a lot of money  
10 should have access to healthy, nutritious food.  
11 And there's always going to be debate among doctors  
12 and stuff should kids drink whole milk, 2 percent  
13 milk, 1 percent milk, or skim milk, but probably  
14 99.99 percent of physicians probably would agree  
15 that, you know, little kids shouldn't have pop in  
16 their sippy cup, you know, putting Coke and Pepsi  
17 and stuff like that in their sippy cups. I think  
18 99.99 percent of doctors would agree that's  
19 probably not a good situation, you know, probably  
20 added medical costs on medical assistance, probably  
21 added dental costs. And I would hope that the  
22 Department of Agriculture would want to promote  
23 healthy things, especially for low-income families,  
24 where kids maybe could have better health outcomes,  
25 better success in schools, things like that.



1 I'll talk to you later about that,  
2 because I think it is something that we should ask  
3 the federal government to do.

4 Thank you.

5 SECRETARY REDDING: Okay. Thank you.

6 MAJORITY CHAIRMAN SAYLOR:

7 Representative DeLozier.

8 REPRESENTATIVE DELOZIER: Thank you,  
9 Mr. Chairman.

10 Secretary, thanks for being here.  
11 Thank you both for the information that you shared.

12 One of the questions that I had just  
13 came up when I was at a Rotary meeting actually.  
14 One of the local farmers came in and was talking  
15 about the issue of these large farms being the only  
16 ones that can sustain themselves, the beef and the  
17 cattle he was talking about. He was talking that  
18 he was going to chickens, and he gave us a whole  
19 rundown of what that entailed, which was  
20 educational as well as entertaining, that came  
21 along with where he was going because of being able  
22 to keep his farm really just breaking even, not  
23 even making a lot of money with it. But his term  
24 was anybody that has less than one hundred fifty  
25 head are not sustainable and really can't make.

1 It's the big guys that have hundreds and hundreds  
2 of head of cattle in order -- or needed to make it.

3 So, my question kind of goes from that  
4 as to what is your experience with so many of the  
5 farms? Are the little farms being pushed out by  
6 the need to have so many in order to be successful?

7 And my second question is -- and we've  
8 talked about this before, the diversification of  
9 the family farm, the agribusiness. And we want to  
10 support agribusiness, obviously, as well, and it  
11 opens up many avenues for people with employment.  
12 We talked about how many -- you know, the sciences  
13 and how much is needed on our farms. But the two  
14 farms in my particular district -- and we're  
15 suburban, right here, the Paulus farm and the Straw  
16 farm, they both diversified and gone into other  
17 parts of agribusiness just to sustain the farm and  
18 actually gotten out of the actual farming of the  
19 land.

20 So, if you could kind of comment on  
21 both of those issues, because I think they're  
22 really important to the family farm as to  
23 sustaining it and maintaining one of our -- our  
24 leading industry. So --

25 SECRETARY REDDING: Yeah. Thank you.

1           To the point, I think it's not always  
2 just about the size. Right? I mean, we have --  
3 again, just reaching back to the dairy, we saw a  
4 chart and looked at profitability across a large  
5 spectrum of dairy farms in Pennsylvania, and, you  
6 know, there were very efficient small farms and  
7 profitable. There were very efficient large farms  
8 and profitable, but you had others. Right? But it  
9 was about diversification and having both crop  
10 diversity, market diversity, you know, specie  
11 diversity was a key part of success.

12           And I think that is, again, for all of  
13 us here, diversity's important, but, I think,  
14 looking at those options for the farms. We have  
15 them. We're lucky to have them here in  
16 Pennsylvania around, both in terms of markets.  
17 Poultry industry's a good example of that.

18           But, yeah, it's general -- if you look  
19 at the ag statistics over the years, the small  
20 farms are doing okay. The larger farms are doing  
21 okay. The ones in the middle, right, that  
22 aren't -- they're too big or, you know, too small,  
23 they're just in a very difficult spot financially.

24           That's a broad statement, just because  
25 every commodity is different there. But

1 encouraging diversity, I think, is the key for us  
2 in Pennsylvania.

3 REPRESENTATIVE DELOZIER: One of the  
4 biggest issues that -- like I said, we love to hear  
5 about -- you know, and the farms will have the hay  
6 rides and -- October, that's a thriving month with  
7 Halloween, and all of the other avenues as well as  
8 the stores on premises and having their own little,  
9 you know, farm -- but it's more -- it's grown  
10 tremendously. It's not just a little, you know,  
11 side-of-the-road type of thing that you'll see.  
12 It's actually a complete store with fresh produce  
13 and fresh -- and more and more of the supermarkets  
14 have leaned that way. I notice when I walk in, it  
15 says "fresh produce from our local farms" and  
16 pushing that.

17 So, I guess, you know, I just -- the  
18 foundation of the agricultural community and  
19 everything else, A, I'm astounded by how many  
20 industries and how many professions can come out of  
21 that. You know, you think of just the family farm,  
22 but there's so much more that students, obviously,  
23 can be involved in. But also it's just I fear that  
24 so many of them are diversifying that we're losing  
25 out on what we also need, which is healthy,

1 sustainable family farms that will continue and for  
2 the next generation.

3 So, thank you.

4 SECRETARY REDDING: Thank you.

5 MAJORITY CHAIRMAN SAYLOR: With that,  
6 we'll move to the committee chairman, the chairman  
7 of the Agriculture Committee, Marty Causer.

8 REPRESENTATIVE CAUSER: Thank you,  
9 Mr. Chairman.

10 Mr. Secretary, welcome.

11 SECRETARY REDDING: Good to see you.

12 REPRESENTATIVE CAUSER: After three  
13 hours of hearing this afternoon on dairy issues,  
14 I'm not going to ask any questions about dairy  
15 issues. But I will say that I think we agree more  
16 than we disagree on a lot of issues, and you and  
17 your staff are good to work with, so I appreciate  
18 that.

19 SECRETARY REDDING: It's mutual. Thank  
20 you.

21 REPRESENTATIVE CAUSER: Thank you.

22 And in looking, many of the  
23 questions -- I kept some notes here on questions I  
24 was going to bring up, but they've been addressed,  
25 so -- but one thing that I did want to mention is

1 the farm show lease, lease back leverage, whatever  
2 it is. And I was here for the conversation with  
3 Representative Kampf, and it's concerning to me as  
4 to how that's being structured and the legality of  
5 what's been done by the administration and the DGS.  
6 And I'm not going to rehash that with you, but, you  
7 know, the question comes to mind, what would stop  
8 the administration and DGS from doing a lease  
9 leverage of the east wing of the capitol? I mean,  
10 the administration has just gone and leased or  
11 leveraged the farm show building for 200 million  
12 that we're going to have to pay back over  
13 twenty-nine years, but there seems to be very  
14 little legal authority to do that. And information  
15 forthcoming has been, you know, very sporadic.

16 And I think that whole situation is  
17 concerning, you know. I don't know if you want to  
18 make any comments on that. I know it's a broader  
19 issue than just the Department of Agriculture.

20 SECRETARY REDDING: Yeah. I can only  
21 speak to what the Department and our involvement  
22 with the farm show complex. I mean, I don't know  
23 what -- the criteria for what facilities or assets  
24 would fit the description of -- you know, to  
25 monetize. I think the farm show complex was unique

1 in that, you know, it has a public access. It's  
2 got, you know, all of the revenue side of it.  
3 It's, you know, gone through. It has to have some  
4 public appeal for somebody who actually wants to  
5 invest in those facilities, and that was a question  
6 on the front side. And I think, after we went  
7 through the process, multiple parties -- but you  
8 end up with a fairly transparent process in terms  
9 of who -- what was out there, what you're bidding  
10 on, what the valuation is, and what the expectation  
11 is.

12 So, again, that's a long answer to say,  
13 I don't know how that would -- model would fit  
14 other -- you know, other assets.

15 REPRESENTATIVE CAUSER: But it seems  
16 like a questionable borrowing process, whereby, you  
17 know, it's borrowing and putting the Commonwealth  
18 in debt for something that the legislature never  
19 had any involvement in. And that's -- that's  
20 questionable, in my mind.

21 I'll switch gears and talk about ag  
22 education, something that I think we -- we would  
23 agree is very important. And last year we created  
24 the Commission for Agricultural Education  
25 Excellence, something that I think is very

1 important, and it's got concurrent authority with  
2 your department and also with the Department of  
3 Education.

4 SECRETARY REDDING: Right.

5 REPRESENTATIVE CAUSER: And requiring  
6 both state agencies to have staff or identify staff  
7 to work on this commission. And I know that  
8 250,000 was earmarked in the 2017-'18 budget for  
9 this purpose.

10 Have you and Secretary Rivera  
11 identified the employees in your departments that  
12 will serve on this commission and staff this  
13 commission?

14 SECRETARY REDDING: Yeah. So, there's  
15 a couple pieces. First of all, I mean, thank you  
16 for the support on the ag education, and you know  
17 some of the history here of having the ag education  
18 advisory committee, and that became the model for  
19 the basis of the work, but really modeled after  
20 what we did at the state conservation commission,  
21 when we had a rotating chair of, in that case DEP  
22 and Ag, this case Education and Ag. It's the right  
23 model. It's the right structure.

24 We have, between the secretary of  
25 Education and I, many conversations about it. We



1 have identified, at least on paper, the positions  
2 that would fit into what was prescribed in -- in  
3 the school code. And we have identified, you know,  
4 within our own respective departments, the -- what  
5 positions, because there are positions required  
6 that there wasn't existing vacancy for, we had to  
7 create one. So --

8 REPRESENTATIVE CAUSER: Is there an  
9 executive director?

10 SECRETARY REDDING: Yes. So, the  
11 Department is taking a vacancy out of the vacancy  
12 pool, so it means an inspector or something won't  
13 be filled to create the position of executive  
14 director of the Ag Education commission. Now,  
15 we're working our way through that with the  
16 justification for that.

17 The other piece is on the Ag Ed  
18 commission and the appointments, and we're waiting  
19 on names, I think, to come over to the  
20 department -- departments on that. But --

21 REPRESENTATIVE CAUSER: And what about  
22 funding? Is that included in your GGO line, or  
23 where do you propose funding for the commission,  
24 your portion of the funding?

25 SECRETARY REDDING: Yeah. So, an open

1 question at this point. You know, the 250 that was  
2 earmarked was 250 sort of already committed to  
3 other issues. Right? And that's before we had the  
4 spotted lantern fly and such. So, you know, from  
5 the Department's standpoint, we are committed to  
6 it. I'll just reassure you of that. Right? We  
7 have one of the positions in the Workforce  
8 Development, Dr. Scott Sheely, who's part of the  
9 mix. And there's another new position that we're  
10 committed to and still working our way through,  
11 like -- and, you know, the justification to get  
12 that done.

13                   How that, you know, presents itself in  
14 term of a separate line item within the Department  
15 or to do that part GGO, I'm not -- Mr. Chairman,  
16 I'm not sure.

17                   REPRESENTATIVE CAUSER: Also, the  
18 governor had proposed 50 million for career and  
19 tech ed.

20                   SECRETARY REDDING: Yes.

21                   REPRESENTATIVE CAUSER: And that sort  
22 of flows along with this, although this is an  
23 agriculture component, but they flow together.  
24 Would any of that 50 million, to your knowledge,  
25 should that be approved, be used for this purpose?

1                   SECRETARY REDDING: Yeah. That's not  
2 the way it's designed, but that's a great point,  
3 because that is exactly what we're trying to  
4 achieve with the investments in career tech ed.  
5 So, you know, with the ag science programs and FFAs  
6 around the state, that's exactly what we're trying  
7 to achieve with -- part of the 50 million, plus the  
8 apprenticeships and industry partnerships. But  
9 hadn't thought about that as a potential piece of  
10 the ag education. It's a great idea. Yeah. Thank  
11 you.

12                   REPRESENTATIVE CAUSER: Thank you,  
13 Mr. Secretary.

14                   Thank you, Mr. Chairman.

15                   MAJORITY CHAIRMAN SAYLOR:  
16 Representative Pashinski.

17                   REPRESENTATIVE PASHINSKI: Thank you  
18 very much, Mr. Chairman.

19                   Thank you, Mr. Secretary.

20                   SECRETARY REDDING: You're welcome.

21                   REPRESENTATIVE PASHINSKI: Haven't seen  
22 you in a long time.

23                   I enjoyed today tremendously. Started  
24 off this morning with Dean Hendricks from Penn Vet  
25 and Hugh and Andy. We had a great conversation

1 about a tremendous asset in Pennsylvania. And  
2 then, of course, we had our hearing about dairy.

3 I think it's safe to say that there is  
4 just never enough money for all the things that we  
5 want to do. And I just want to thank you, and I  
6 echo the words of Chairman Causer, I've enjoyed  
7 working with the chairman myself. And we're always  
8 trying to find ways that we can fix things and  
9 improve things, but we are always coming up short  
10 on money.

11 One of the concerns I did have, and  
12 last time we met, you were talking about the dog  
13 licensing, the restricted account, and that was  
14 going to go broke sometime '17, '18. Where are we  
15 on that now?

16 SECRETARY REDDING: Yeah. So, that's  
17 what we had shared with the committee, Ag  
18 Committee, back last September, the special  
19 hearing, remains true. We may be able to just get  
20 out of this fiscal year, but it -- maybe. But the  
21 point is, it's either going to be late this fiscal  
22 year or very early the next and you're in the  
23 negative territory. So --

24 REPRESENTATIVE PASHINSKI: So, the  
25 point is, we do have a -- we have a companion bill.

1 SECRETARY REDDING: Yeah.

2 REPRESENTATIVE PASHINSKI: Senator  
3 Schwank has her bill, and I have a bill, 1463, to  
4 increase the dog license fee. And it's just not an  
5 increase in the fee for the sake of that. It's  
6 also to streamline and improve the data and do  
7 online licensing, and that was one of the ways that  
8 was determined we would also be able to maintain a  
9 tracking system --

10 SECRETARY REDDING: That's correct.

11 REPRESENTATIVE PASHINSKI: -- whereby,  
12 you can then continue on licensing folks. And as  
13 you pointed out earlier, 2.3 million license  
14 potential, which could bring in your 14 million.

15 So, I would encourage my colleagues to  
16 try to see whether we can move this forward. And  
17 we are going to need new sources of dollars. And  
18 that's one of the points that, you know, I wanted  
19 to make here.

20 The other thing is, I have always  
21 believed in Aristotle's golden mean: Everything in  
22 moderation is good. You know, too many aspirins  
23 isn't too good, too many sodas isn't too good. But  
24 a little bit of chips, especially if they're made  
25 here in Pennsylvania, Wise and Herr, or a little

1 bit of Hershey ice cream and Hershey candy, that's  
2 good for business, too. It's a matter of  
3 moderation. And I want somebody to save one of my  
4 colleague down there who's sipping on that soda.

5 But, seriously, I want to thank you  
6 very much for being here today. And I mean very  
7 sincerely, every time that I've ever reached out to  
8 you, you and your team has been there doing  
9 everything we can to try to improve this  
10 incredible, incredible industry we have in  
11 agriculture, five hundred eighty thousand jobs, 135  
12 billion dollars. It's amazing.

13 So -- and by the way, drink PA milk.

14 SECRETARY REDDING: Right. That's the  
15 key for the day. Drink more milk.

16 Just to say thanks on the dog law and  
17 your leadership, you know, to help fix that. I  
18 mean, we've talked about it for a couple of years,  
19 and now it's -- you know, it's evident that we're  
20 going to need the fee increase. The modernization  
21 piece is critical, too, as you know. Right?  
22 You've got this fractured system. It's worked to  
23 date with our county treasurers, great partners,  
24 but you have no unified system and ability to sort  
25 of engage the person who's actually licensed by the

1 Department without some modernization.

2 So, thank you.

3 MAJORITY CHAIRMAN SAYLOR:

4 Mr. Secretary, before I turn it over to  
5 Representative Markosek for any final comments and  
6 questions, I want to follow up on Chairman Causer's  
7 questions and concerns.

8 You know, one of the things that's so  
9 important that I think we have forgotten here and  
10 that is that it's about trust between the  
11 administration and the general assembly. And I  
12 think the commission that was funded by the general  
13 assembly of 250,000 dollars needs to be filled.  
14 When you ask for more money and you don't fill the  
15 legislative requirements already that was put in  
16 last year's budget, doesn't go a long way to  
17 getting you what you want this year.

18 And I would suggest that that executive  
19 director and the members of your different teams,  
20 Secretary Rivera and yours, be done rather quickly,  
21 because it has been time to do that. It's been a  
22 vacant position for a long time. This general  
23 assembly last year appropriated 250,000 dollars  
24 specifically.

25 If the general assembly has to start

1 putting new line items in to make sure that those  
2 things are carried out and not spent in other  
3 areas, that's going to be a problem. There's got  
4 to be a trust here, that when the general assembly  
5 says they want something done, it's done. And, of  
6 course, then there's a trust. And we can go  
7 forward and say, okay, the governor wants this or  
8 the budget secretary, whoever, but we have got to  
9 have a trust here that the administration will  
10 carry out those things that we put in the budget as  
11 well.

12           And this is one of those things that I  
13 think we have -- I've talked to Secretary Rivera  
14 when I was chairman of Education about the  
15 position, and now it's been delayed being filled,  
16 even though we allocated 250,000 dollars to create  
17 the position and to help pay staff. And we didn't  
18 look for new staff other than the executive  
19 director. We're saying, you can do this commission  
20 with existing staff, because they're only going to  
21 be acting in an advisory capacity.

22           And so, when you're looking at the  
23 number one industry, you would think we'd do more,  
24 especially when I heard last year's testimony from  
25 DCNR, who says they're out recruiting from the



1 state of Alabama for minorities. And I'm thinking,  
2 why are we not hiring minorities from Pennsylvania?  
3 We're making sure young people in the minority  
4 community is going into forestry and things like  
5 that.

6 We have got to do better for our  
7 students in Pennsylvania, and we're not doing it if  
8 we're going and recruiting people for jobs in  
9 Pennsylvania from other states.

10 So, it goes a long way to -- I think  
11 this has to be done. It was asked by the  
12 legislature. It was appropriated by the  
13 legislature. And before we get into this final  
14 budget, if the Department and other departments  
15 want a trust and the programs that the governor  
16 wants, these positions have to be taken care of. I  
17 don't believe it's that difficult to find somebody  
18 to be the executive director nor to identify  
19 employees who would be an asset to that executive  
20 director in getting this job done. So --

21 SECRETARY REDDING: Understood. Well,  
22 I think, my background is in ag ed. I think the  
23 work that we've done the last couple of years to  
24 set it up and the timing of this is right. I mean,  
25 that's part of the conversation, the work of the

1 advisory committee, you know, all of this I think  
2 is in the right spot.

3           It's that decision now of let's get the  
4 final approval on the position. We've committed to  
5 the dollars, it's just now getting the search  
6 underway and, importantly, I think, getting the  
7 names for the commission members so we can get them  
8 appointed, too. But understood. Okay.

9           MAJORITY CHAIRMAN SAYLOR: I mean, it  
10 just needs to get done.

11           SECRETARY REDDING: Yeah.

12           MAJORITY CHAIRMAN SAYLOR: We're  
13 failing our kids if we don't do it.

14           Representative Markosek.

15           MINORITY CHAIRMAN MARKOSEK: Thank you.

16           You know, a lot of good stuff here  
17 today from both sides of the aisle, members, good  
18 questions, great. I though you handled yourself  
19 very well today, Secretary.

20           And agriculture is such an important  
21 part of everything we do in Pennsylvania in our  
22 economy and such a fabric of our commonwealth.

23           And I think just the most important  
24 thing perhaps we heard all day today was that chips  
25 and ice cream aren't bad as long as they're made in

1 Pennsylvania. We do a lot of that here. So, you  
2 know, eat Pennsylvania and drink milk. See you.

3 SECRETARY REDDING: Thank you.

4 MAJORITY CHAIRMAN SAYLOR:

5 Mr. Secretary, again, I want to thank you for your  
6 time and your efforts to promote agriculture. I  
7 know you have a real love for agriculture and have  
8 done a very good job as secretary.

9 So, with that, I thank you for  
10 appearing.

11 And Mr. Deputy Secretary, appreciate  
12 your time as well.

13 With that, the committee will reconvene  
14 tomorrow morning at 10 o'clock with corrections,  
15 probation, and parole.

16 This meeting's adjourned.

17 (Whereupon, the hearing concluded at  
18 5:13 p.m.)

19

20 \* \* \* \* \*

21

22

23

24

25

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

REPORTER'S CERTIFICATE

I HEREBY CERTIFY that the foregoing is  
a true and accurate transcript, to the best of my  
ability, produced from audio on the said  
proceedings.

\_\_\_\_\_  
BRENDA J. PARDUN, RPR  
Court Reporter  
Notary Public