

COMMONWEALTH OF PENNSYLVANIA  
HOUSE OF REPRESENTATIVES

HOUSE APPROPRIATIONS COMMITTEE  
BUDGET HEARING

MAIN CAPITOL  
HOUSE CHAMBER

WEDNESDAY, FEBRUARY 24, 2021  
10:00 A.M.

DEPARTMENT OF AGRICULTURE

BEFORE :

HONORABLE STANLEY SAYLOR, MAJORITY CHAIRMAN  
HONORABLE MATT BRADFORD, MINORITY CHAIRMAN  
HONORABLE ROSEMARY BROWN  
HONORABLE LYNDA SCHLEGEL-CULVER  
HONORABLE TORREN ECKER  
HONORABLE JONATHAN FRITZ  
HONORABLE KEITH GREINER  
HONORABLE DOYLE HEFFLEY  
HONORABLE JOHNATHAN HERSHEY  
HONORABLE LEE JAMES  
HONORABLE JOHN LAWRENCE  
HONORABLE ZACH MAKO  
HONORABLE NATALIE MIHALEK  
HONORABLE TIM O'NEAL  
HONORABLE CLINT OWLETT  
HONORABLE CHRIS QUINN  
HONORABLE GREG ROTHMAN  
HONORABLE MEGHAN SCHROEDER  
HONORABLE JAMES STRUZZI  
HONORABLE JESSE TOPPER  
HONORABLE RYAN WARNER  
HONORABLE JEFF WHEELAND  
HONORABLE DAVE ZIMMERMAN

Pennsylvania House of Representatives  
Commonwealth of Pennsylvania

BEFORE: (continued)

HONORABLE AMEN BROWN  
HONORABLE DONNA BULLOCK  
HONORABLE MORGAN CEPHAS  
HONORABLE AUSTIN DAVIS  
HONORABLE ELIZABETH FIEDLER  
HONORABLE MARTY FLYNN  
HONORABLE ED GAINNEY  
HONORABLE PATTY KIM  
HONORABLE EMILY KINKEAD  
HONORABLE STEPHEN KINSEY  
HONORABLE LEANNE KRUEGER  
HONORABLE BENJAMIN SANCHEZ  
HONORABLE PETER SCHWEYER  
HONORABLE JOE WEBSTER

NON-COMMITTEE MEMBERS

HONORABLE MARK GILLEN  
HONORABLE TIM TWARDZIK  
HONORABLE CURT SONNEY  
HONORABLE KATHY RAPP  
HONORABLE ERIC NELSON  
HONORABLE EDDIE DAY PASHINSKI  
HONORABLE DARISHA PARKER  
HONORABLE MARK LONGIETTI  
HONORABLE DANILO BURGOS  
HONORABLE NAPOLEON NELSON  
HONORABLE DAN FRANKEL  
HONORABLE BOB MERSKI  
HONORABLE PERRY WARREN

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COMMITTEE STAFF PRESENT:  
  
DAVID DONLEY  
REPUBLICAN EXECUTIVE DIRECTOR  
RITCHIE LAFAVER  
REPUBLICAN DEPUTY EXECUTIVE DIRECTOR  
  
ANN BALOGA  
DEMOCRATIC EXECUTIVE DIRECTOR  
TARA TREES  
DEMOCRATIC CHIEF COUNSEL

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TESTIFIERS

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EXECUTIVE DEPUTY SECRETARY,  
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SUBMITTED WRITTEN TESTIMONY

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(See submitted written testimony.  
and handouts online.)

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P R O C E E D I N G S

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MAJORITY CHAIRMAN SAYLOR: Mr. Secretary,  
are you there?

SECRETARY REDDING: Mr. Chairman, yes.  
Good morning.

MAJORITY CHAIRMAN SAYLOR: Good morning.  
My understanding is Michael Hanna and you are the  
two that are going to be testifying possibly  
today, right?

SECRETARY REDDING: That's correct.

MAJORITY CHAIRMAN SAYLOR: Okay. To get  
started, if you would both raise your right hand  
and I'll swear you in.

(Whereupon, testifiers were sworn en masse.)

MAJORITY CHAIRMAN SAYLOR: Thank you  
both. And with that, we'll go right into  
questioning.

Our first questioner today is  
Representative Meghan Schroeder.

REPRESENTATIVE SCHROEDER: Thank you,  
Chairman.

Good morning, Mr. Secretary. Great to  
see you.

SECRETARY REDDING: It is good to see

1 you. Thank you.

2 REPRESENTATIVE SCHROEDER: I notice that  
3 the Governor is still eliminating longstanding,  
4 bipartisan, and value-added programs, such as the  
5 Agriculture Research and Food Marketing and  
6 Research programs.

7 Do you agree that these programs should  
8 be eliminated, or is it just the typical budget  
9 dance that we do this time of year?

10 SECRETARY REDDING: Yeah,  
11 Representative, thank you. It's the latter.  
12 It's a dance. I mean, these are not issues that  
13 are less important. They are absolutely  
14 important to agriculture. But a longstanding  
15 tradition of, you know, administrations taking  
16 out legislative add-ons, and then we work to put  
17 them back. But they're certainly important, and  
18 we'll work with you to have them restored.

19 REPRESENTATIVE SCHROEDER: Okay. Well,  
20 thank you. That's the end of my questioning.

21 Thank you, Chairman.

22 MAJORITY CHAIRMAN SAYLOR: The next  
23 questioner is Representative Johnathan Hershey.

24 REPRESENTATIVE HERSHEY: Thank you,  
25 Chairman.

1           Good morning, Secretary.

2           SECRETARY REDDING: Hey, good morning.  
3           It's good to see you and hear you.

4           REPRESENTATIVE HERSHEY: Yeah, you too.  
5           Sorry to miss you at the Farm Show this year.

6           So I see we're doing the whole song and  
7           dance again where the administration eliminates  
8           programs, only for us to add them back in. And I  
9           have my own thoughts on that, but I want to ask  
10          specifically today about the agriculture research  
11          grants, which is one of the zeroed out programs  
12          that is in the administration's proposed budget.

13          I would like to know how exactly are  
14          these research grants evaluated? And how do you  
15          guys define research as you're awarding these  
16          grants?

17          SECRETARY REDDING: Yeah,  
18          Representative, thank you. And certainly, the Ag  
19          Research Program is important to the Department.  
20          You know, I'll answer it in a couple of ways.  
21          One is, you know, that line item is used to  
22          address both legislative priorities. So there  
23          are some research items that are identified by  
24          the legislature, such as, you know, the Ag Law  
25          center or the Ag Resource Center at Penn State

1 and Rodale in the -- in this current budget. And  
2 then, what the balance is, we divide that roughly  
3 one-third to the Animal Health Commission and  
4 two-thirds to not animal health.

5           The Animal Health Commission reviews the  
6 incoming proposals for consideration by Animal  
7 Health, and that works as a subcommittee of -- a  
8 research subcommittee, Dr. Pierdon from  
9 Pennsylvania chairs that. For the non-animal  
10 health proposals, we put out, you know, our press  
11 release. We publish in the Pennsylvania  
12 Bulletin. We set forth the priorities and define  
13 sort of who can access, meaning we notify all of  
14 the prior recipients of grants and, you know, put  
15 it out, you know, far and wide, I mean, to really  
16 garner as many contacts and good ideas.

17           The inbound then is reviewed by -- on  
18 the non-animal side, reviewed by staff. As an  
19 example, Dr. Ruth Welliver, if they are plant  
20 related. So the discipline-related experts  
21 within the Department do the review. Animal --  
22 in some cases that aren't part of animal health,  
23 Dr. Brightbill. We have the Deputies review it,  
24 but we try to parse it out and put them back  
25 together with an evaluation tool.

1           REPRESENTATIVE HERSHEY: Excuse me,  
2 Secretary. I'm sorry to interrupt. As you know,  
3 a lot of us only have about five minutes to  
4 answer questions.

5           SECRETARY REDDING: Yep.

6           REPRESENTATIVE HERSHEY: So I have  
7 further questions related to that.

8           You mentioned that staff are reviewing  
9 these applications. And I noticed that in a  
10 press release you had last year, for example,  
11 there's \$6,000.00 for refrigeration in  
12 Northampton County, \$4,500.00 for agritourism  
13 marketing. And I would really like to know what  
14 you guys define as research, if you'd be willing  
15 to send that to us.

16          SECRETARY REDDING: Yeah. Absolutely.  
17 I will send it over, Representative.

18          Thank you.

19          REPRESENTATIVE HERSHEY: And for a long  
20 time, the General Assembly was actually involved  
21 in this process. I know there was a bipartisan,  
22 bicameral committee that was involved in  
23 evaluating these research grants.

24          Do you have any intention of involving  
25 us in the process in the future?

1                   SECRETARY REDDING: Yeah. So when I  
2 returned to the Department in 2015, you know, the  
3 system that we have today is what was in place.  
4 We are always open to a conversation about how to  
5 improve what we do. I mean, at one point, there  
6 was, you know, an extensive committee as you  
7 note, but in the Corbett Administration, I think  
8 that went away. I simply picked that up and kept  
9 moving. But we'll pick up the conversation.

10                   REPRESENTATIVE HERSHEY: Respectfully, I  
11 believe that might have been the Wolf  
12 Administration where that went away, not the  
13 Corbett Administration. But I am curious, would  
14 you also be willing to provide us a list of who  
15 has applied for these grants and who has received  
16 these grants?

17                   Oftentimes, we get our information from  
18 press releases, rather than an actual finding of  
19 who has received them.

20                   SECRETARY REDDING: Yes.

21                   REPRESENTATIVE HERSHEY: Okay. I will  
22 look forward to seeing that.

23                   If I could offer one final comment here.  
24 I think that as we add this money back into the  
25 budget, and as we try to justify it to

1 taxpayers -- and as you mentioned, this is a  
2 longstanding bipartisan, bicameral priority for  
3 the legislature and the administration, I think  
4 that we need to have this process be a little bit  
5 clearer and a little bit more transparent, so  
6 that we can justify this line item and that we  
7 can justify spending this money to our taxpayers.  
8 We just need to make sure that these grants are  
9 not some kind of slush fund for the Governor's  
10 priorities or pet projects and that this money is  
11 actually going to research as it's intended.

12 So thank you for your time.

13 SECRETARY REDDING: Yeah, thank you.

14 MAJORITY CHAIRMAN SAYLOR: Our next  
15 questioner is Representative Peter Schweyer.

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

18 Mr. Secretary, good morning. Thank you  
19 for joining us today.

20 SECRETARY REDDING: Good morning.

21 REPRESENTATIVE SCHWEYER: And the guy  
22 who doesn't have a farm in his legislative  
23 district is leading off for the House Democrats  
24 today. But I had a question, sir, about the  
25 Animal Response Team and the funding priorities

1 for that, that it seems to be a constant source  
2 of frustration that doesn't always get the  
3 funding that it deserves. And I wanted to ask  
4 you, sir, where we're at with that.

5           Were we able to find a couple of  
6 additional dollars to make sure that the Animal  
7 Response Team is fully funded?

8           SECRETARY REDDING: Yeah,  
9 Representative, thank you. And I will just --  
10 I'll look to Mike, as well, just to say that the  
11 State Animal Response Teams is important and we  
12 were instrumental in standing those up. And when  
13 it sort of spun off the outside of agriculture,  
14 we supported it. I believe our current  
15 commitment is at \$50,000.00 for current year for  
16 the State Animal Response Team.

17           REPRESENTATIVE SCHWEYER: So just as a  
18 hypothetical and sort of spit balling here a  
19 little bit, if I could, Mr. Secretary. Is that  
20 -- is your Department the appropriate place for  
21 this or is this more of a PEMA sort of function?

22           SECRETARY REDDING: Yeah, that's a great  
23 question. I think it's like a lot of things, you  
24 know, I don't know whether there's a single  
25 owner. It certainly cuts across the Department

1 of Agriculture and PEMA and, you know, others,  
2 but certainly the two of us. So I would probably  
3 say more of a co-ownership than a single  
4 ownership.

5 REPRESENTATIVE SCHWEYER: Fair enough.  
6 And I would be more than happy, sir, to be part a  
7 of any conversations to make sure that it's  
8 funded not just at current levels, but at an  
9 appropriate level, whether, again, it's through  
10 your line item or another part of the budget. So  
11 that's all I have.

12 Thank you, Mr. Secretary.

13 Mr. Chairman, thank you.

14 SECRETARY REDDING: Welcome. Thank you.

15 MAJORITY CHAIRMAN SAYLOR: All right.

16 Next questioner is Representative Torren  
17 Ecker.

18 MR. ECKER: Thank you, Mr. Chairman.  
19 Good morning, Secretary. You get both Adams  
20 County guys today, so I get to lead off.

21 SECRETARY REDDING: Okay.

22 MR. ECKER: So I'm going to pick up  
23 where Representative Hershey left off. And you  
24 know, at the outset of this today, you kind of  
25 mentioned that this is the dance we do, you know,

1 every year, and that's just unfortunate. And two  
2 lines that I'm, you know, interested in  
3 discussing today deal with the Animal Health and  
4 Diagnostic Commission and the Livestock Consumer  
5 Health Commission, which are both part of the PA  
6 Farm Bill and really important -- really, really  
7 important lines, I think. And I think you've  
8 advocated for their continuance before, as well.

9 So I guess what I'm getting at here is,  
10 you know, is the Governor not prioritizing these  
11 large sectors, you know, especially when we speak  
12 about the Animal Health Diagnostic Commission,  
13 which really supports some of our larger  
14 livestock and poultry industries.

15 Is the administration just prioritizing  
16 other things, like organics and the urban  
17 agricultural initiatives?

18 SECRETARY REDDING: I can assure you  
19 that the administration is fire tasking animal  
20 health, for sure. I mean, the Animal Health  
21 Diagnostic Commission line is funded and -- as  
22 well as the PBL Lab and the University of  
23 Pennsylvania Vet School and Agricultural  
24 Sciences, all funded. The supplemental funding  
25 of \$2 million dollars is one of the legislative

1 add-on.

2           And you know, not to say it isn't  
3 important, if you look at what both Penn and Penn  
4 State have been given as their spending plan,  
5 absolutely critical. All of those are important,  
6 but there shouldn't be any mistake that  
7 agriculture, and animal agriculture particularly,  
8 is important to the administration.

9           MR. ECKER: Well, Mr. Secretary, I mean,  
10 I got to ask, given this year was a year where  
11 food supply was challenged and, you know, we had  
12 a lot of issues with processing plants that had  
13 to shut down, and considering that food supply is  
14 something that we should really be mindful of, it  
15 seems to me this should be a line we should be  
16 bolstering, that we should be putting more money  
17 in for testing and research as it pertains to our  
18 food source. I mean, what's your response to  
19 that?

20           SECRETARY REDDING: Well, I think  
21 that's, you know, part of this public process, to  
22 talk about what's priority, where to invest, what  
23 to do. You're absolutely right, Representative,  
24 that this is a year that demonstrates the value  
25 of agriculture in so many ways, but also where we

1 need to make continued investments. I was just  
2 pleased to have Penn State funded and those core  
3 mission pieces covered. The additional  
4 supplemental dollars that we received in the  
5 legislative appropriation that you reference here  
6 are equally important to us. So we should talk  
7 about that.

8 REPRESENTATIVE ECKER: Sure. Let's  
9 shift gears here now to the Livestock and  
10 Consumer Health Protection appropriation, which  
11 was a \$1 million line item that was added last  
12 year.

13 Is any of the agricultural preparedness  
14 and response dedicated to data sharing and the  
15 coordinated responses between farms,  
16 veterinarians, and other agencies in a timely  
17 manner?

18 SECRETARY REDDING: So direct answer,  
19 no. That is funded out of the Animal Health  
20 Diagnostic Commission and GGO, but not for IT.  
21 But for the other important laboratory equipment  
22 that both animal health and food safety have  
23 requested.

24 REPRESENTATIVE ECKER: So isn't that  
25 funding then for that line, wasn't that to be

1 used for the IT issues and updates that you're  
2 kind of encountering with those programs?

3 SECRETARY REDDING: Yes, that's sort of  
4 an interesting history. And again, Mike, jump in  
5 here if you would like, but we laid out our case  
6 several years ago for the need for IT  
7 investments. That is true.

8 And as we looked at what we needed to  
9 do, and with the additional supplemental Animal  
10 Health Diagnostic Commission funded --  
11 understanding that that is a PADLS System.  
12 There's an S in there for a reason. It's Penn  
13 State, the University of Pennsylvania, and the  
14 vet lab at Harrisburg. That is a system. It  
15 needs to operate as a system.

16 So the belief was that the investment  
17 that each of those parties makes -- should make  
18 -- is to enhancing that. At the same time,  
19 honoring the commitment to the legislature to  
20 invest in animal health and food livestock items  
21 out of the \$1 million. So we tried to meet both  
22 goals, I guess, is what I'm saying.

23 REPRESENTATIVE ECKER: Yeah.

24 SECRETARY REDDING: Both the IT  
25 investments and the infrastructure investments.

1           REPRESENTATIVE ECKER: Mr. Secretary,  
2 I'm sorry. My time is running short here. I  
3 don't want to cut you off, but you know, if you  
4 could address -- yeah, if you could provide the  
5 specifics of how that money was used, we'd really  
6 appreciate it. I know staff has asked for  
7 that --

8           SECRETARY REDDING: Okay.

9           REPRESENTATIVE ECKER: -- and has not  
10 necessarily gotten it.

11          SECRETARY REDDING: Okay.

12          REPRESENTATIVE ECKER: So if you could,  
13 please provide that information as to it pertains  
14 to how that money has been used, so we can  
15 advocate -- so we can advocate as you kind of  
16 argued here today, as to why that money is  
17 important and how the Department has been using  
18 it, so that the Governor -- we can convince the  
19 Governor to put that back in his budget.

20                 I want to thank you for your time. My  
21 time has run out but, you know, I think when  
22 we're looking at how we need to help our  
23 agricultural community, you know, eliminating  
24 these lines for our Ag Department every year,  
25 it's just really frustrating. And I can tell

1 you're frustrated by it, as well. It would be  
2 nice not to do this dance every year and just  
3 support Pennsylvania's largest industry, which is  
4 agriculture.

5 Thank you, Secretary.

6 SECRETARY REDDING: Thank you.

7 MAJORITY CHAIRMAN SAYLOR:

8 Representative Steve Kinsey is next.

9 REPRESENTATIVE KINSEY: Thank you,  
10 Mr. Chairman.

11 Good morning, Mr. Secretary.

12 SECRETARY REDDING: Yeah. Good morning.

13 REPRESENTATIVE KINSEY: Mr. Secretary, I  
14 want to talk about food insecurities. So a great  
15 challenge that many Pennsylvanians face is food  
16 access and food security. Because of COVID, many  
17 folks turned to charitable food systems in record  
18 numbers. We've seen that all across the  
19 Commonwealth of Pennsylvania.

20 I want to first thank you and your staff  
21 and your Department for your innovative take on a  
22 successful program model -- and I'm talking about  
23 the \$10 million Fresh Food Financing Initiative  
24 COVID-19 relief fund. I understand that that was  
25 funded through the CARES Act, but can you speak,

1 in part, to the impact that that particular  
2 program had on Pennsylvanians?

3 SECRETARY REDDING: Yeah,  
4 Representative, thank you. And thank you for  
5 noting just the extraordinary measures of the  
6 Department. I want to thank them, as well. They  
7 just have done a wonderful job of finishing food  
8 assistance. Every day there has been a  
9 discussion about food access and food security.

10 Now, to your question on the Fresh Food  
11 Financing Initiative. It has a history which  
12 you're familiar with. We retooled that in  
13 response to the pandemic and \$15 million of the  
14 CARES Act funding -- of the \$50 that came to  
15 Agriculture and food -- was issued for the Fresh  
16 Food Financing Initiative. You know, it is  
17 critical because we identified all of these gaps.  
18 We still talk about them. There's still a lot of  
19 needs. But the Fresh Food Financing Initiative  
20 allowed us to go into a lot of communities,  
21 particularly communities of color and low income  
22 that have all kinds of, you know, systemic issues  
23 before the pandemic and just got magnified.

24 So I think we did 114 different  
25 projects. They are the full range. I mean, from

1 you know, the refrigerator needs to the urban  
2 gardens and so much more. But they were all, you  
3 know, to address the access, food access, and  
4 capacity issues of our communities. So important  
5 response.

6 REPRESENTATIVE KINSEY: And again, I  
7 want to thank you and your staff for that  
8 response. In addition, Mr. Secretary, when I  
9 review the budget, the budget calls for an  
10 additional \$1 million for the Pennsylvania  
11 Agricultural Surplus System. You know, as we  
12 recognize that -- the need and the food  
13 insecurities all across Pennsylvania, my question  
14 to you is, is the \$1 million really sufficient  
15 enough to address the, you know, the agriculture  
16 industry as well as supporting the charitable  
17 organizations.

18 SECRETARY REDDING: Well, it's a good  
19 start. And I think it's certainly an  
20 acknowledgement of value to the goal of  
21 insecurity, but also the goal of trying to  
22 support farmers and products that otherwise go to  
23 waste. It has allowed us -- and again, with the  
24 million dollars, that will provide us \$2 1/2  
25 million because you have a base of \$1.5. So we

1 can do a good job with the resources, but as you  
2 point out, I mean, the overwhelming needs that  
3 are out there continue to be for food access.

4 I certainly want to take full advantage  
5 here. Since the program was established, we've  
6 rescued 19 1/2 million pounds of food. So it  
7 demonstrates there's a need there on both sides.

8 REPRESENTATIVE KINSEY: And I appreciate  
9 you sharing that.

10 And last, I just want to make a comment.  
11 There is current legislation in the House that  
12 talks about a Fresh Food Financing Program  
13 similar to the one that Congressman Evans ran  
14 here some years ago. And I think that -- and  
15 this is really just to implore the members on  
16 both sides of the aisle to look at that  
17 legislation. We recognize that there is a great  
18 need. We talk about agriculture being the number  
19 one industry in the State of Pennsylvania. I  
20 think it's time that we not only talk about it,  
21 but also look at ways that we can support our  
22 communities and our farming businesses.

23 So thank you again, Mr. Secretary.

24 Thank you, Mr. Chairman.

25 SECRETARY REDDING: Thank you.

1 MAJORITY CHAIRMAN SAYLOR: Our next  
2 questioner is Representative Dave Zimmerman.

3 REPRESENTATIVE ZIMMERMAN: Thank you,  
4 Mr. Chairman. And thank you, Secretary, for  
5 being here this morning. Good to see you.

6 SECRETARY REDDING: Good morning.

7 REPRESENTATIVE ZIMMERMAN: So my  
8 question, the majority of the funding for the  
9 Animal Health and Diagnostic Commission has in  
10 the past decade or so been sourced from the  
11 Racehorse Development Trust Fund as you know.  
12 And since the Governor would rather spend that  
13 money on college student scholarships rather than  
14 for -- for the animal diagnostics labs that we  
15 have three of, three very important labs here in  
16 our State.

17 So just, you know, what can you say  
18 about that.

19 SECRETARY REDDING: Well, I would say  
20 several things, Representative. And good morning  
21 to you.

22 That the funding for the targeted  
23 investments into agriculture out of the Racehorse  
24 Development Fund continue. And they are the Farm  
25 Show, the Animal Health Commission, the vet lab,

1 and the fairs. That's approximately \$19 million  
2 and that will continue with, you know, as you  
3 note, the repurposing of the purse portion into  
4 the Nellie Bly Scholarships.

5 REPRESENTATIVE ZIMMERMAN: Yeah, but  
6 given the animal health and human health issues  
7 facing Pennsylvania, whether it's COVID or it's  
8 avian influenza or Asian swine flu or anything  
9 else that might come up, those are always --  
10 we're always at risk, especially in a county like  
11 mine, Lancaster County, where we have so many  
12 cattle and so many chickens and so forth.

13 Why are you not advocating for  
14 additional funding to address these issues rather  
15 than eliminating them?

16 For example, it's calving season for  
17 those of us that have some beef cattle. And you  
18 know, we have -- I have medications, I have, you  
19 know, things to bolster, newborn calves and  
20 stalls ready. And here in Pennsylvania, it seems  
21 like we're just eliminating this rather than  
22 being prepared for it.

23 SECRETARY REDDING: Well, I guess I just  
24 want to make sure I'm understanding the question.  
25 I mean, I think -- again, the base funding for

1 the Animal Health Diagnostic Commission  
2 continues. The general government operations for  
3 the Bureau of Animal Health will continue, Penn  
4 State continues, and the vet school funding  
5 continues. The only piece that's not -- because  
6 it was a legislative add-on -- is the \$2 million  
7 of supplemental money for the Animal Health  
8 Diagnostic Commission. I -- you mentioned high  
9 -- I will just say back several years ago, I  
10 mean, the Governor committed and we have  
11 continued to, you know, protect the \$2 million  
12 for the high path avian influenza in the event  
13 there was an outbreak. So I just want to assure  
14 you, we're not diminishing animal ag and not  
15 putting it at risk. There's work to do in this  
16 budget season, but it is protected.

17 REPRESENTATIVE ZIMMERMAN: Okay. Well,  
18 thanks. I just encourage you guys to do what you  
19 can to be prepared because we just -- we just  
20 don't know.

21 Another question. I just want to move  
22 into COVID-19 just briefly. So I'm proud of the  
23 work that the agriculture community has done  
24 through this difficult time. But when you look  
25 at the Federal CARES Act funding released last

1 year -- which was critical to compensate for meat  
2 and food processing industries; and I commend you  
3 guys for that -- I did review that list of  
4 businesses that were compensated with the hazard  
5 pay through the grant -- that grant program. And  
6 I'm still really baffled by some of the  
7 decisions. For example, there was a company that  
8 produces exotic pet food -- for exotic pet birds.  
9 It actually was given a grant and included with  
10 some of the food manufacturing categories and  
11 those poultry processors for human food.

12 So how was that kind of mixed up?

13 Can you explain how that happened and  
14 why?

15 SECRETARY REDDING: Well, I'm not sure  
16 that I'm the right person to explain it, to be  
17 honest. I mean, I think the Department of  
18 Community and Economic Development, of course,  
19 was the administrator on the Hazard Pay Program.  
20 I will certainly acknowledge that, like you, I'm  
21 sure, you're sort of overwhelmed with a lot of  
22 calls and inquiries, both on the front side and  
23 then expressions of concern.

24 I don't know whether I have the numbers  
25 right, but I think it was like \$50 million and

1 there was \$900 million in requests. So a lot of  
2 tough decisions there for DCED. But I'm aware of  
3 the issues you raise.

4 REPRESENTATIVE ZIMMERMAN: So if you're  
5 not the right person, who would have been the  
6 right person to ask that question?

7 SECRETARY REDDING: Well, all of that  
8 was going into the Department of the Community  
9 and Economic Development. I mean, they were the  
10 grant administrator for the hazard pay. It was  
11 not specific to agriculture. Certainly, a lot of  
12 our food companies and manufacturers were  
13 interested and eligible, but ultimately, that was  
14 a decision by DCED.

15 REPRESENTATIVE ZIMMERMAN: Yeah. So  
16 just to follow up to that, as well. You know,  
17 you have a number of experienced people over  
18 there in PDA, and yourself, so were you even  
19 consulted on something like this?

20 Or were you even part of that  
21 conversation at all?

22 SECRETARY REDDING: No. No, I mean,  
23 again, outside of, you know, pushing it out when  
24 it was announced to those companies that we knew  
25 qualified, or at least thought they'd have an

1 interest in it --

2 REPRESENTATIVE ZIMMERMAN: Yeah.

3 SECRETARY REDDING: -- front side  
4 advocacy, but no decision in terms of review of  
5 the applications and final decisions.

6 REPRESENTATIVE ZIMMERMAN: Okay. Just  
7 to kind of finish up -- and I see my time is up  
8 -- but you know, it feels like decisions like  
9 this seem to be coming out of DOH or else from  
10 the Governor's Office. And again, you have lots  
11 of experienced people there in PDA, and it just  
12 seems like we should be driving this rather than  
13 having it coming from other areas and agencies  
14 than from the Governor's Office. But thank you  
15 for your comments.

16 MAJORITY SECRETARY REDDING: Yep.

17 REPRESENTATIVE ZIMMERMAN: Thank you,  
18 Mr. Chairman.

19 REPRESENTATIVE TOPPER: The Chair thanks  
20 the gentleman and recognizes the gentleman from  
21 Allegheny, Mr. Davis,

22 REPRESENTATIVE DAVIS: Thank you,  
23 Mr. Chairman.

24 Mr. Secretary, it's great to see you. I  
25 hope you're doing well.

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

3                   MR. DAVIS:  You know, first, I have to  
4                   give a shout out.  The Greater Pittsburgh Food  
5                   Bank is headquartered in my Legislative District,  
6                   within the city of Duquesne.  Lisa Scales and her  
7                   team did absolutely a phenomenal job responding  
8                   to the needs of struggling Pennsylvanians during  
9                   the COVID-19 pandemic and really, really supplied  
10                  food at record levels.

11                  Can you talk a little bit about how your  
12                  Department supported their efforts and plans to  
13                  support them going forward, not just the Greater  
14                  Pittsburgh Food Bank, but all across the  
15                  Commonwealth?

16                  SECRETARY REDDING:  Yeah.  Well, thank  
17                  you, Representative, for acknowledging Lisa and  
18                  the whole team, the Greater Pittsburgh Community  
19                  Food Bank.  I mean, I think it was some of the  
20                  national news coverage that, you know, certainly  
21                  galvanized the national discussion and our own  
22                  discussions about the scale of food insecurity in  
23                  Pennsylvania, having watched them put it all  
24                  together.  But to your question, this has been an  
25                  everyday conversation since last March.  And I'm

1 pleased with the progress that we've made, the  
2 concerns the Governor has expressed about food  
3 security, partnerships that have been developed  
4 through, you know, Feeding Pennsylvania and  
5 Hunger Food Pennsylvania, the USDA, just a really  
6 good solid effort that included a lot, a lot of  
7 people.

8 Our budget has two main line items, the  
9 State Food Purchase Program, which has an  
10 apportioned amount of that goes to every  
11 community and lead agency, to include Allegheny.  
12 Then there's the PASS Program. In addition, you  
13 will see Federal items. Just to put that in  
14 context, this year that was -- it ends up being  
15 about \$136 million of food that has come into  
16 Pennsylvania that has gone out through the  
17 Emergency Food Assistance Program.

18 So just a lot of good effort on each of  
19 the stimulus packages that Congress has passed,  
20 including -- and of course we were fortunate to  
21 have \$50 million of CARES Act money for even more  
22 food purchase and PASS Program.

23 REPRESENTATIVE DAVIS: That's wonderful.  
24 Thank you, Mr. Secretary.

25 Just switching gears. I represent the

1 City of Clairton, which has been a food dessert  
2 for, I mean, I think upwards of 25 years now.  
3 And most recently, the City of Duquesne lost  
4 their only grocery store, categorizing them as a  
5 food dessert.

6 Can you speak a little bit to what your  
7 Department is doing to address -- to address  
8 communities that are categorized as food  
9 desserts, but overall connect folks with food  
10 resources? Both communities are roughly about  
11 5,000 people in terms of population, which makes  
12 it difficult in itself to sustain a full  
13 standalone grocery store, but can you talk a  
14 little bit about the work your Department is  
15 doing around those efforts?

16 SECRETARY REDDING: Yeah. Thank you.  
17 I'm sorry to hear that, just understanding how  
18 critical access to food and certainly grocery  
19 stores is for any of us.

20 To specific things that we're doing:  
21 one, certainly in our Urban Agriculture  
22 Initiative as part of the Pennsylvania Farm Bill,  
23 trying to identify those communities that have  
24 those types of needs. It's not going to open a  
25 grocery store, but trying to provide some food

1 access. We are certainly, to an earlier  
2 question, supportive of the Fresh Food Financing  
3 Initiative, both with what we did demonstrates a  
4 need, but also some need there. We're part of  
5 discussion across the cabinet and communities in  
6 the Blueprint to End Hunger, which has a lot of  
7 different components that go with the food  
8 dessert. But I also want to make sure that, you  
9 know, we're doing the right things in terms of  
10 finding good local partners that can, you know,  
11 develop that food system in those communities.  
12 Part of that is the Farm Bill. Part of that is  
13 just out of our food assistance and marketing  
14 efforts.

15 REPRESENTATIVE DAVIS: All right. Well,  
16 thank you, Mr. Secretary.

17 I just would like to offer myself as a  
18 partner with you in those efforts and the efforts  
19 of your Department. I really appreciate your  
20 responsiveness to these issues, not just today  
21 but in the past, and for your focus on  
22 particularly Mon Valley and the communities who  
23 have been struggling with food security. So  
24 thank you for that.

25 And with that, Mr. Chairman, I yield

1 back my time.

2 SECRETARY REDDING: Thank you.

3 REPRESENTATIVE TOPPER: The chair thanks  
4 the gentleman.

5 The Chair recognizes the gentleman from  
6 Tioga, Mr. Owlett.

7 REPRESENTATIVE OWLETT: Thank you,  
8 Mr. Chairman. And thank you, Secretary, for  
9 being here today. I'm going to start off with  
10 maybe a shocking statement. Representative  
11 Owlett doesn't dance. Okay. I don't -- I don't  
12 enjoy dancing. And I really don't enjoy dancing  
13 around budgets.

14 We've done this for the last three years  
15 that I've been on this Committee. I feel like in  
16 the past, in talking with staff, that agriculture  
17 was really sacred ground when it came to politics  
18 and just getting down to business and getting out  
19 there and working for our farmers. So to hear  
20 and see the last three budgets, and probably more  
21 before my time, it seems like politics, you know,  
22 has really infiltrated agriculture.

23 Would you commit to really advocating  
24 for Governor Wolf's final budget next year to  
25 stop the dance and start working for agriculture

1 and putting these line items in the budget? We  
2 all know they're going to be there. Can we make  
3 that commitment now that next year when I stand  
4 up here -- if I have the opportunity to serve on  
5 this Committee again -- that we can actually just  
6 get down to business and stop the dance?

7 Can you commit to that today?

8 SECRETARY REDDING: I will always commit  
9 to advocating and trying to further influence  
10 what we do in our budgeting and our priorities.

11 REPRESENTATIVE OWLETT: And you know,  
12 I'm a no nonsense kind of guy. I kind of just  
13 want to get that -- get that on the record.  
14 We've got to get back to business for these  
15 farmers. They need our help.

16 Talk a little bit -- switching gears a  
17 little bit, talking about the press release that  
18 goes out weekly. And really, some restaurant  
19 owners in my district, they feel like it's kind  
20 of like the Department of Ag bragging about how  
21 many citations and the enforcement mechanisms  
22 that are in place on our restaurants right now,  
23 which I think it's unfortunate that it's  
24 characterized as that. And it's unfortunate that  
25 the we put press releases out on this, but I'm

1 curious, what statute gives the Department of  
2 Agriculture the authority to enforce  
3 COVID-related requirements at restaurants and  
4 issue citations for violations for a public  
5 health order?

6 SECRETARY REDDING: Yeah, so there's  
7 several pieces to this. One is the PDA has the  
8 authority under the retail food Facility Act to  
9 enter and inspect any -- excuse me, any facility.  
10 Specific to COVID, we are sort of deputized by  
11 the Department of Health in using their authority  
12 for disease prevention and control law as the  
13 primary. And then further supported by the  
14 mitigation, of course, protections that are found  
15 in the Governor's Order.

16 REPRESENTATIVE OWLETT: So they were  
17 deputized? Like, did they -- I feel like I'm  
18 watching a western.

19 Did they raise their hand and like --

20 SECRETARY REDDING: No. That's a term I  
21 used.

22 REPRESENTATIVE OWLETT: Okay.

23 SECRETARY REDDING: I'm just saying that  
24 we took our resources and said, we're out there.  
25 We have that primary statutory to inspect those

1 facilities now, let's use them for furtherance of  
2 COVID mitigation.

3 REPRESENTATIVE OWLETT: So who developed  
4 the warning system and the fines and the  
5 citations revolving around this?

6 SECRETARY REDDING: Yeah, you know, the  
7 Department of Health lead for the enforcement  
8 actions that we've undertaken.

9 REPRESENTATIVE OWLETT: Okay. How many  
10 citations and fines have been issued as of to  
11 date?

12 SECRETARY REDDING: So let me provide  
13 some numbers. So we've done 28,226 total  
14 inspections; 11,925 of those have been  
15 complaints; and 9,762 have actually been  
16 COVID-related complaints. Of that group, 1,282  
17 were COVID inspections conducted. Eighty-two  
18 percent of the Complaints are Covid-inspections  
19 related. From there, 1,019 educational letters,  
20 written warnings. You work your way down the  
21 process.

22 And to your question, I think there are  
23 11 civil penalties; 149 closed by Order of  
24 Department of Health. I don't know if that's  
25 exactly today, but at least recent.

1           REPRESENTATIVE OWLETT: That gets us in  
2 the ballpark. What's the total revenue that's  
3 been generated by these citations?

4           SECRETARY REDDING: Sorry. I don't --  
5 I don't know that.

6           REPRESENTATIVE OWLETT: Could you look  
7 that up and get that to the Committee?

8           SECRETARY REDDING: Yeah, sure.  
9 Absolutely.

10          REPRESENTATIVE OWLETT: And if you don't  
11 know that total, you probably don't know where  
12 that money is being deposited -- or maybe you do;  
13 I'm not sure.

14          Where's that money being deposited?

15          SECRETARY REDDING: No. That's that --  
16 that's all in the Department of Health, given  
17 their legal, you know, legal authorities being  
18 used to enforce and then collect those. But  
19 we'll get you the answer.

20          REPRESENTATIVE OWLETT: So you guys are  
21 the deputies. You're out there enforcing it and  
22 then the money is going to the Department of  
23 Health and you're going to get us the total  
24 amount that's out there.

25          In closing -- and my time is up -- but

1       our restaurants are struggling. And they have  
2       not seen a plan or a vision of how to move  
3       forward from here. Other states are operating at  
4       a totally different capacity and our restaurants  
5       owners are struggling. They need help. They  
6       need a vision. Without vision and hope, the  
7       people perish.

8                       So these businesses need that.  
9       Hopefully the Governor and the Department of  
10      Health and the Department of Ag could work  
11      together to really produce that for our  
12      restaurant owners sooner than later, so that they  
13      can at least have some clarity as to where  
14      they're going to be in a week or a month from  
15      now.

16                     So thank you, Mr. Chairman. And thank  
17      you, Mr. Secretary, for your time.

18                     SECRETARY REDDING: Yeah. Thank you.

19                     REPRESENTATIVE TOPPER: The Chair thanks  
20      the gentleman and recognizes the lady from  
21      Allegheny, Miss Kinhead.

22                     REPRESENTATIVE KINKEAD: Thank you,  
23      Mr. Chairman.

24                     Thank you, Mr. Secretary.

25                     SECRETARY REDDING: Good morning.

1           REPRESENTATIVE KINKEAD: Yeah. So the  
2 2019 Pennsylvania Farm Bill, I kind of want to  
3 focus on that a little bit because I think it's  
4 very important legislation and really landmark  
5 legislation for our agricultural industry. The  
6 bill provided grants and a number of other  
7 investments for a couple of fiscal years. And  
8 this trend continues under the Governor's current  
9 budget proposal.

10           What impact have we seen from making  
11 such an investment?

12           SECRETARY REDDING: Well, I've -- thank  
13 you for the question. And as I've described the  
14 Farm Bill as yeast, right, it has -- you know, we  
15 have it invested and/or will invest about \$42  
16 million. And if you look at the grants that were  
17 issued, the work at getting a farm, the viability  
18 and transition plans and small meat processing  
19 and inspiring youth in school. It really has --  
20 I think it's been transformative in so many ways,  
21 both in terms of where we've invested and who  
22 we've been able to assist, but also what it's  
23 done to grow, particularly in the pre-pandemic,  
24 and we've had to reap the benefits of that during  
25 the pandemic.

1                   It has really been an incredibly  
2 important investment to agriculture. So it has  
3 taken us places that we've only been able to talk  
4 about previously. And now we have, you know, I  
5 think a whole new generation of people interested  
6 in rediscovering agriculture, so it's really been  
7 important.

8                   REPRESENTATIVE KINKEAD: You talked sort  
9 of just a moment about planning and so-called  
10 tangled title issues where the property is not  
11 clearly passed onto a designated heir -- really  
12 plague, in particular, our agriculture industry.  
13 What investment is the Department making to  
14 assist with agricultural estate planning?

15                  A. Yeah, great. That's a great question.  
16 Thank you for that.

17                  Several things. One, working through  
18 the Ag Business Development Center and the farm  
19 vitality grants really focus in on succession  
20 planning. We are supporting the Pennsylvania  
21 farm link organization, which as the name  
22 implies, it's linking folks for transition in or  
23 out. In addition, we have the Agricultural Law  
24 Center that we're supporting, which gets involved  
25 in any number of land or, you know, nuisance or

1 environmental issues and such. So a significant  
2 investment. And I share a concern about these  
3 farms in transition to begin with, but also being  
4 able to support them through some of the  
5 resources that we have at the Department.

6 REPRESENTATIVE KINKEAD: Thank you.

7 So in my district, I actually have a  
8 pretty large Somali Bantu refuge community.  
9 These folks come from an area where they're --  
10 predominantly, they are farmers. And they've  
11 come to my district and they've really kind of  
12 driven an investment in sort of urban farming.

13 But there are few, if any farmers of  
14 color in Pennsylvania, and I was wondering if you  
15 could speak to how the Department is attempting  
16 to grow diversity in the agricultural industry?

17 SECRETARY REDDING: That's a great  
18 question. And I've been out to visit the  
19 community, the Somali community. It's been --  
20 it's amazing, right. So agriculture is their  
21 community. And their, you know, foods are grown  
22 and just seeing how the food and gardens sort of  
23 pull people together, it's really inspiring.

24 Agree that we need to do more to improve  
25 the diversity of Agriculture. We've got

1 initiative. We do it directly through, I think,  
2 some of our grant funding and support Fresh Food  
3 Financing. I think an example for, you know,  
4 urban agricultural centers, but just as a  
5 top-line theme of making sure that when we speak  
6 of diversity, it's not simply about crops, it's  
7 not about regions. It's about people. And  
8 having that sort of, you know, as a standing  
9 principle as we look at the work at the  
10 Department of Agriculture in food security, our  
11 grants and our investments, but also just in our  
12 narrative and representation of who is in this  
13 business, all of that is part of what we're  
14 trying to do.

15 I've got an initiative within the  
16 Department, Project Just, that picks up on the  
17 social unrest of the summer that we're working  
18 on, as well. I think it will be, again,  
19 important for us, but also we can help the  
20 agriculture community, and the larger community,  
21 talk about and navigate the difficult  
22 conversations of race and agriculture.

23 REPRESENTATIVE KINKEAD: Thank you.

24 My last question is regarding shelf  
25 stabilization. Shelf stabilization of farm

1 produce has been particularly important -- a  
2 particularly important issue for our farms, both  
3 before the pandemic and especially during the  
4 pandemic, especially now, where restaurants are  
5 buying less. Additionally, shelf stabilization  
6 helps to address issues of food waste and food  
7 insecurity.

8 I'm wondering how the Department is  
9 investing in shelf stabilization efforts.

10 SECRETARY REDDING: And I'm not sure  
11 that I've got a good answer for you directly. I  
12 mean, there are a lot of things that we're doing,  
13 you know, in support of and recognition of, you  
14 know, some of the changes in that food system.  
15 It would certainly be an appropriate topic for  
16 our discussions in the food markets, which we'll  
17 do. It would be a great research project if we  
18 have the funding restored to look at that issue  
19 specifically.

20 I know in the dairy industry, they are  
21 looking at shelf stabilization products. So if  
22 it's dairy-related, we can certainly look at  
23 that. There are some initiatives there and  
24 they're underway. But it's a good question.  
25 We'll pick up the thought of what we can do

1 further.

2 REPRESENTATIVE KINKEAD: Thank you.

3 REPRESENTATIVE TOPPER: The Chair thanks  
4 the lady and recognizes the gentleman from  
5 Washington County, Mr. O'Neal.

6 REPRESENTATIVE O'NEAL: Thank you,  
7 Mr. Chairman.

8 Thank you, Mr. Secretary, for being  
9 here.

10 SECRETARY REDDING: Yes.

11 REPRESENTATIVE O'NEAL: So yesterday,  
12 Secretary Topper indicated that there are no  
13 rental agreements or payments being made for the  
14 PPE that is being stored at the Farm Show.  
15 However, it was reported that a recent -- at a  
16 recent Farm Show Commission meeting that there's  
17 revenue coming into the Farm Show Fund for the  
18 use of the facility.

19 So can you confirm whether or not the  
20 Farm Show Fund is receiving revenue for the  
21 storage of PPE? And if so, what is the source?

22 SECRETARY REDDING: Yes, I can confirm  
23 that it is receiving support. It is not coming  
24 from DGS. So no surprise that Secretary Topper  
25 wouldn't have known that. However, the money is

1 coming from PEMA, the emergency management  
2 agency, out of federal funds being reimbursed to  
3 the State. That is about \$3.7 million.

4 Again, Mike, I'll look to you, but I  
5 think it's around \$3.7 million that's been  
6 received by the Farm Show for reimbursement of  
7 the use of the complex for the storage of PPE.

8 REPRESENTATIVE O'NEAL: Okay. So do you  
9 -- and additionally, do you know the funding  
10 source that's being used to purchase the PPE  
11 that's being stored at the Farm Show?

12 SECRETARY REDDING: I don't know. I  
13 mean, that's -- I don't know that source.

14 REPRESENTATIVE O'NEAL: Okay. How long  
15 do you believe the Farm Show Complex will be used  
16 to store the PPE?

17 SECRETARY REDDING: Yeah, so we are in  
18 those conversations right now. We are anxious to  
19 get the Farm Show opened. Again, maybe I should  
20 just halt and -- mike, if you want to talk about  
21 the timeline, please.

22 DEPUTY SECRETARY HANNA: Sure. Yeah, we  
23 have a tentative timeline that we're working  
24 through with DGS and the Department of Health and  
25 PEMA. Again, I want to emphasize it's tentative.

1 But as, you know, the vaccine rollout continues,  
2 our case counts continue to dwindle, we hope to  
3 get back to some normalcy sooner than later. And  
4 just to answer your question on who's paying for  
5 those PPE products, I think that would be an  
6 appropriate question for the Department of  
7 Health.

8 REPRESENTATIVE O'NEAL: Great. Well,  
9 thank you for that. You know, one of the things  
10 that I questioned -- as I'm sure you are aware,  
11 Mr. Secretary -- the COVID relief money that's  
12 come through various legislation that the federal  
13 government has passed through the CARES Act and  
14 what have you, it is intended to be paid -- to be  
15 used to pay for COVID-related expenses. And of  
16 course, you know, I think we would all agree that  
17 the PPE is indeed a related expense.

18 But you know, the thing that I would  
19 question is, essentially, what is happening is  
20 this COVID money is being paid and going into the  
21 Farm Show Fund, which will then be used to  
22 operate government facilities, specifically the  
23 Farm Show into the future. So I don't really  
24 know the answer to this, but is this an  
25 appropriate use of the COVID funds for the

1 Commonwealth?

2 SECRETARY REDDING: It's a good  
3 question. I would say, you know, it's not simply  
4 being compensated for real estate, right, because  
5 we were able to basically staff an entire  
6 warehouse. So we took the staff of the Farm Show  
7 Complex away from either laying them off or  
8 pulling them out of, excuse me, other things, and  
9 assigned them to basically being able to manage  
10 this.

11 So the total cost is both a, you know,  
12 square footage and then trying to recoup some of  
13 those costs of keeping lights on and people  
14 functioning. But it's also, I think, in part of  
15 the public mission, covering those public costs.  
16 So you know, I look at it -- there would have  
17 been costs that would have been incurred by DGS  
18 to lease a facility and staff it. And we brought  
19 this online, of course, within days. So I think  
20 it's appropriate, but it's a fair question.

21 REPRESENTATIVE O'NEAL: Thank you.  
22 Thank you, Mr. Secretary.

23 I'm going to switch gears a little bit  
24 here and let -- I want to talk about food safety  
25 inspections at facilities, specifically

1 manufacturing facilities. So what are the  
2 Department's obligations related to food safety  
3 inspections at manufacturing facilities for food  
4 and beverage products in the Commonwealth? And  
5 how does PDA's partnership with the FDA work to  
6 ensure consumers are not exposed to  
7 PA-manufactured food or beverage products that  
8 are harmful to their health?

9 SECRETARY REDDING: Yeah, thank you.  
10 And as you'll see throughout the Department, you  
11 know, much of what we do in so many bureaus is  
12 partnership with the Federal partner, in this  
13 case, the FDA, food safety. The Food Safety Act  
14 that we operate under the Department by  
15 reference, you know, all of the regulations and  
16 code of federal regulations related to food, the  
17 FDA under the Food Safety and Modernization Act  
18 has implemented these preventive controls for  
19 produce safety, sanitary food transportation,  
20 intentional adulteration of food rules.

21 The Bureau has a grant for maintaining a  
22 manufactured food program that meets the FDA  
23 national standards as well as, you know,  
24 contracts to conduct these inspections for the  
25 FDA. Those inspections are conducted using

1 authority, but all the information is shared with  
2 the FDA and the Bureau works cooperatively with  
3 the FDA in all cases when there are compliance  
4 issue, as you note, in any PA facility, whether  
5 part of the contract inspections or not.

6 REPRESENTATIVE O'NEAL: Great. It looks  
7 like my time is up, Mr. Secretary, but just a  
8 final point and I would ask if you are confident  
9 in that process of food inspections?

10 SECRETARY REDDING: Yeah, I feel very  
11 confident in it, but it's -- a footnote to that  
12 is the shifting sort of expectations of Federal  
13 government versus state and the clear lines of  
14 authority have -- will always be me and you for  
15 both parties, federal and State.

16 REPRESENTATIVE O'NEAL: Thank you.

17 REPRESENTATIVE TOPPER: The Chair thanks  
18 the gentleman and recognizes the lady from  
19 Philadelphia, Miss Bullock.

20 REPRESENTATIVE BULLOCK: Thank you,  
21 Mr. Chairman. And good morning, Mr. Secretary.  
22 I'm going to take this time --

23 SECRETARY REDDING: Good morning. Good  
24 to see you --

25 REPRESENTATIVE BULLOCK: Thank you.

1           I'm going to take this time to dig a  
2 little deeper into my colleague's question around  
3 and diversity in agriculture. Agriculture is  
4 perhaps the number one industry in our  
5 Commonwealth. We also know, and you mentioned,  
6 that there are a lot of issues around diversity  
7 and equity, even within farming and food access  
8 and food apartheid. The reality is that our  
9 history in this country, particularly around  
10 agriculture, is that the food ecosystem was built  
11 around and rooted in stolen land and stolen  
12 labor. But as we move through our country's  
13 history, we've also seen fiscal policies that  
14 continue to perpetuate these inequities in the  
15 agricultural business in our country.

16           What efforts, specifically, are you  
17 using to encourage and support young farmers of  
18 color, from black and Latino communities across  
19 the Commonwealth, so that they maybe able to  
20 reconnect with the land and with this very  
21 prosperous industry in our Commonwealth?

22           SECRETARY REDDING: Representative,  
23 thank you.

24           And in terms of what resources, first,  
25 my voice. I think absolutely the Department of

1       Agriculture and the Secretary recognize the  
2       history that you note. We acknowledge that and  
3       we've seen, you know, progress, but so much more  
4       to do. It was the reason that, you know, back in  
5       the summer with the social unrest that I felt  
6       compelled to express our views as myself and as  
7       the Department head.

8                 We have to speak equality to the future  
9       and making sure that they -- they aren't just  
10      sort of nice words, but follow through, making  
11      sure that we work with, you know, community  
12      organizations, invest -- intentionally invest and  
13      make sure that the words in our grant programs,  
14      like the Fresh Food Financing reflect that, you  
15      know, support the MANRRS chapter, which is the  
16      minorities in agriculture and natural  
17      resources-related sciences, support (temporary  
18      loss of audio) -- you know, young people, what  
19      you've noted here, that there is a history and we  
20      shouldn't simply perpetuate that those inequities  
21      by acknowledging, just acknowledging -- let's do  
22      something with that. That's what we try to do.

23                REPRESENTATIVE BULLOCK: And I lost you  
24      a little bit there, but I did want to ask you,  
25      are there any specific programs to assist farmers

1 who want to get out of the business and perhaps  
2 new farmers who want to, you know -- how can we  
3 help them finance and purchase land and purchase  
4 businesses from outgoing farmers so that we can  
5 transition to a new generation of farmers that  
6 may be more diverse?

7 SECRETARY REDDING: Yes, there are. The  
8 ag business development center, which is part of  
9 the Farm Bill, would be a great place to start.  
10 We have the farm link organization, which is, you  
11 know, linking farms, moving into agriculture and  
12 those that are moving out of agriculture. There  
13 are grants initiatives within the Farm Bill, but  
14 also financing within DCED that we use.

15 So I'd be glad to pick up the  
16 conversation and talk about what more we can do,  
17 but thank you.

18 REPRESENTATIVE BULLOCK: Thank you.

19 And within your own Department, can you  
20 share your own -- sort of your workforce  
21 complement, how diverse that workforce looks as  
22 you're working with individuals across the  
23 Commonwealth and businesses across the  
24 Commonwealth?

25 SECRETARY REDDING: Yeah. So we're --

1 that's a work in progress. The Office of  
2 Administration has the Department down at 51  
3 percent white -- white male. And Mike, do you  
4 want to -- something else that I'm missing there?

5 DEPUTY SECRETARY HANNA: Yeah, I would  
6 just jump in and say that our minority  
7 percentages is 9 percent, as the Secretary said.  
8 It's something that we're continually working on.  
9 One number to point out is our female and  
10 minority number together, especially in  
11 leadership positions is 52 percent.

12 REPRESENTATIVE BULLOCK: Great. Thank  
13 you. That's very helpful. And lastly, are there  
14 any specific programs or initiatives that you  
15 have to support either urban and gardens and  
16 farms.

17 SECRETARY REDDING: Yes. We have the  
18 urban -- the Urban Garden Grant Program within  
19 the Pennsylvania Farm Bill. So that is a direct  
20 -- and then there's several, again, through  
21 planning assistance, through the Ag Business  
22 Development Center. The Ag and Youth Grant  
23 Program would be available, as well, to help.

24 REPRESENTATIVE BULLOCK: Great. Thank  
25 you very much, Mr. Secretary. I appreciate your

1 time --

2 SECRETARY REDDING: You're welcome.

3 REPRESENTATIVE BULLOCK: Look forward to  
4 working with your Department on those diversity  
5 initiatives.

6 SECRETARY REDDING: Thank you.

7 REPRESENTATIVE TOPPER: The Chair thanks  
8 the lady. Mr. Secretary, this is Jesse Topper.  
9 I've stepped in -- as you might have seen; I'm  
10 not sure exactly what you can see on the screen  
11 -- for Chairman Saylor as he stepped out to  
12 attend to another matter. I'm going to be next  
13 on the question list, if that's okay.

14 SECRETARY REDDING: Yeah, please.

15 REPRESENTATIVE TOPPER: I want to talk a  
16 little bit about our agro-business community and  
17 the work that was done, specifically at the  
18 beginning and throughout much of the COVID-19  
19 pandemic. And you know, I know this is a  
20 difficult issue. I know there are those in the  
21 administration and those on the other side of the  
22 aisle that think that every time one of these  
23 issues is brought up that we're Monday morning  
24 quarterbacking everything that went on, but I  
25 think if we're intellectually honest with

1 ourselves, we have to acknowledge that there was  
2 a problem with the process.

3 And I don't think that this is the last  
4 time this Commonwealth will encounter either a  
5 pandemic or any other kind of emergency where we  
6 might need to make these decisions again or  
7 decisions that will affect these businesses. And  
8 I think it definitely behooves us as elected  
9 officials to look at that process and understand  
10 why it happened, and if there were mistakes, to  
11 make sure we would not have those happen again.

12 And I think there's particular interest  
13 from those of us in the legislature because early  
14 on, we were the source of information. Our  
15 constituents couldn't get ahold of any select  
16 committee that was making these decision. They  
17 couldn't get ahold of DCED. They couldn't get  
18 ahold of the Governor. We were the people who  
19 were trying to answer questions as to why  
20 businesses were shut down in a certain way, and  
21 why other ones, including some competitors, were  
22 not.

23 And specifically, in the realm of  
24 agritourism, we'd like to talk about the garden  
25 centers. This was something, in fact, this body

1 even had a bill that was specifically targeted at  
2 the garden centers when we realized that big box  
3 stores were allowed to continue to operate their  
4 garden centers. And in fact, surrounding states,  
5 even those with similar to birth health results  
6 that were out there, were still operating those  
7 garden centers.

8 So my question would be, in terms  
9 specifically of the garden centers or any other  
10 businesses directed to agri-business in that  
11 community, the conversations that you have had  
12 with the administration since or that you  
13 yourself had with the Governor during that time  
14 or DCED about why those specific businesses were  
15 not considered life-sustaining, and if that  
16 correction was made, how we can make sure that  
17 they would be considered life sustaining in the  
18 future. If you could talk about the process,  
19 maybe what we've learned from it and what we can  
20 do moving forward, that would be appreciated.

21 SECRETARY REDDING: Yeah,  
22 Representative, thank you. And to your point, I  
23 mean, listen, there was no playbook on the front  
24 side of this. We were all trying to figure out,  
25 you know, our way through it. It's been a

1 complete free fall in so many ways, so I feel  
2 for, you know, the business community. And you  
3 know, what -- you know, the uncertainties that  
4 came with this. In terms of, you know, the  
5 decision of what was essential, at the end of the  
6 day, it was a decision by the Department of  
7 Community and Economic Development. There was a  
8 whole lot of discussion and advocacy of trying  
9 to, you know, make sure that we were, you know,  
10 at least raising up the issues that we were  
11 receiving, much like you.

12 All of the folks in agriculture had a  
13 way of finding us to try to figure out what to  
14 do. But at the end, it was a decision of DCED.  
15 Inside of that, I think to the teaching point, is  
16 that inside of that decision is that we  
17 identified a lot of people who ended up being  
18 critical to agriculture, which may not be in the  
19 particular code that was used. And you know,  
20 there are other examples besides garden centers.

21 So I think the teaching point is that  
22 let's be careful about how we define what we've  
23 described and what parameters we place on garden  
24 centers. And as an example, to make sure that  
25 we're not disadvantaging them if they're, in

1 fact, you know, what we're trying to achieve in  
2 terms of life-sustaining and critical.

3 REPRESENTATIVE TOPPER: Mr. Secretary,  
4 you use the word advocating. So I will ask you  
5 directly, were you able to advocate to Secretary  
6 Davin and the Governor that these garden centers  
7 were life-sustaining?

8 SECRETARY REDDING: There were many,  
9 many conversations. I will say many  
10 conversations of trying to figure out what to do  
11 in those early days with greenhouses and garden  
12 centers and farm markets and nurseries. Yes.

13 REPRESENTATIVE TOPPER: Is it a fair  
14 assessment to say that those decisions were made  
15 kind of as a response to what was going on and  
16 then conversations took place with you afterwards  
17 or were you at the forefront?

18 When you say many conversations took  
19 place, were they before the list was created,  
20 after the list or a little bit of both?

21 SECRETARY REDDING: I'm not sure where I  
22 fall on the list, to be honest. It was front  
23 side trying to identify those things that were,  
24 you know, which were, you know, very clearly  
25 needed, like food and food access and

1 distribution. And then, if you recall, that  
2 process played out over some time. So I don't  
3 know where I sat in the conversation of making  
4 that case, but there were many conversations  
5 about what we could do, should do, the problems,  
6 the variables, frustrations of the big boxes that  
7 were, you know, being provided a benefit that the  
8 small operators were not. We were in all of  
9 those conversations.

10 REPRESENTATIVE TOPPER: And do you feel  
11 comfortable moving forward, that should we find  
12 ourselves in this situation again, that the  
13 lessons that we learned would be implemented the  
14 next time that we were forced into situations  
15 like this?

16 In other words, do you feel that there  
17 has been a sufficient post mortem of that process  
18 so that we can determine how not to make those  
19 mistakes again?

20 SECRETARY REDDING: Yeah, repetition is  
21 an important element of learning, right? So I  
22 think we have learned a lot about who was in  
23 agriculture. And while, again, they may not have  
24 ag in their title or by the SIC codes, they are  
25 critical to the operations. A lot of them were

1 identified in construction trades, but on this  
2 one, as well. Just being fine tuned to what the  
3 businesses are doing really was important --  
4 will be important as we do this again.

5 REPRESENTATIVE TOPPER: Thank you,  
6 Mr. Secretary. And hopefully that will not be  
7 necessary, but like I said, we need to plan for  
8 future contingencies.

9 But with that, we'll move on to the lady  
10 from Philadelphia, Miss Cephas.

11 REPRESENTATIVE CEPHAS: Thank you,  
12 Mr. Chairman.

13 Good morning, Secretary. How are you?

14 SECRETARY REDDING: Yeah, good. Good to  
15 see you. Thank you.

16 REPRESENTATIVE CEPHAS: Good to see you.

17 So today at 12:00, although I'm here in  
18 Appropriations, my team in the Winfield section  
19 of my district, alongside some local city council  
20 members, our local State Senator, will be  
21 distributing over 200 boxes of fresh food that  
22 has come from both the Shared Food Program as  
23 well as Fill Abundance in the city of  
24 Philadelphia. We've been doing that for some  
25 time. I would say time is just getting away from

1 us. I'd say about six months now, so we do that  
2 every Wednesday.

3 And on Thursdays, we go to the Overbrook  
4 section of my community as well as the Carroll  
5 Park section to do the same thing, to distribute  
6 over 200 pounds of food. And it doesn't seem as  
7 if these lines will be slowing down any time  
8 soon. So with that said, I really just want to  
9 truly just thank you for strengthening our food  
10 supply chain here in the Commonwealth of  
11 Pennsylvania, whether that be with protecting our  
12 farmers and our producers and also ensuring that  
13 organizations like the Shared Food Program and  
14 Fill Abundance had the resources needed in order  
15 to meet the demand. I really just want to thank  
16 you for that, but I do have a quick question.

17 Is there any growing concern or any  
18 anticipation with farmers or our food processing  
19 plants, with their ability to keep up with the  
20 demand?

21 Again, we don't see the end of this  
22 pandemic happening any time soon, so I'm getting  
23 concerned and wanting to know, just from your  
24 perspective, how are you feeling about our food  
25 supply chain, again, to be able to meet the

1 demand that doesn't seem to be slowing down?

2 SECRETARY REDDING: Yeah,  
3 Representative, thank you. And again, thanks for  
4 your work advocating, but also in the warehouse  
5 and in the parking lots and wherever you're  
6 distributing, thank you for that.

7 I think in terms of food supply, we're  
8 okay. I mean, that's not to say that there  
9 aren't some, you know, pockets of pain out there  
10 as far as, you know, distribution and logistics.  
11 But in terms of raw product, process and  
12 capacity, and availability and food access, as a  
13 food system, we're okay. We're doing fine. I  
14 always put a footnote to that because of the  
15 workforce issues we've confronted and plants  
16 being able to stay in operation, but top line, I  
17 think we're safe and we're secure and so is the  
18 food system.

19 REPRESENTATIVE CEPHAS: Fantastic. If I  
20 can shift a little bit. Each year, I want to  
21 bring up -- I always bring up the issue around  
22 the fruits and vegetable voucher program. Given  
23 that the pandemic hit, you know, we aren't able  
24 to host tradition events to distribution these  
25 vouchers both to our seniors and our WIC

1 recipients.

2 So can you talk about what the impact of  
3 the pandemic has had on the program?

4 Do you still see the high redemption  
5 rates on the senior side as well as the low  
6 redemption rates on the WIC side?

7 Has there been a change? How has that  
8 -- how did that process go this past year?

9 SECRETARY REDDING: Again, thank you for  
10 the question. I wish I could give you good news.  
11 I think it's like a lot of things with COVID, it  
12 was disrupted. It was interrupted in so many  
13 ways. We've had strong farmer interest. But in  
14 terms of redemption, the seniors did okay, not  
15 great, but okay. Where we really saw the  
16 fall-off is on the WIC farmer market redemption.  
17 That fell to about 32 percent.

18 REPRESENTATIVE CEPHAS: Wow.

19 SECRETARY REDDING: So there's a lot of  
20 work to do. We all understand sort of what  
21 happened because of Offices on Aging and WIC  
22 access, but still -- I think we said it last year  
23 -- want to pick up on the conversation about how  
24 we do this better in terms of getting that  
25 redemption rate on the WIC program up where it

1 needs to be.

2 REPRESENTATIVE CEPHAS: Now, is there  
3 any consideration to just make direct payments to  
4 those that have already participated in the  
5 program so they just don't have to go through the  
6 logistics and the bureaucracy of going to sign up  
7 for the program and then waiting for their check?

8 Is there any way to just directly  
9 distribute it to them?

10 SECRETARY REDDING: You can't do a  
11 direct distribution. We have tried this year to  
12 through waivers and not having them -- sort of a  
13 touchless program, if you will -- but we can't do  
14 a direct pay to recipients, eligible recipients.  
15 We have to issue those vouchers.

16 REPRESENTATIVE CEPHAS: Fantastic.  
17 Well, again, thank you for all the work that  
18 you've done during this pandemic. Again, you  
19 have truly been a lifeline. And understanding  
20 and knowing agriculture in the Commonwealth of  
21 Pennsylvania, we recognize that you have saved so  
22 many lives during this period. So thank you  
23 again.

24 SECRETARY REDDING: Honored to do it.  
25 Thank you.

1 MAJORITY CHAIRMAN SAYLOR: Next is  
2 Representative Keith Greiner.

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

5 Thank you, Mr. Secretary, for being here  
6 today.

7 I -- the last couple few days, I've kind  
8 of hit on a point with several of the Secretaries  
9 concerning this increase in the State personal  
10 income tax. And obviously, I think it's a  
11 concern for retail food services. And you know,  
12 we're talking an increase from 3.07 percent to  
13 4.09. That's over a 46-percent tax increase for  
14 most people. And I guess what I'm wondering,  
15 when you look at agriculture as the -- have you  
16 and your staff been involved in addressing how  
17 this would adversely affect farmers and, in  
18 particular, small business, which is statewide  
19 and there's -- we're number one agriculture?

20 Agriculture is number one here in the  
21 State. I just was wondering whether you were  
22 consulted about that because the increase is  
23 significant. We've talked about this. We don't  
24 really -- when you look at the revenue in the  
25 State, C corporations only provide a small

1 amount. It's small business that's going to --  
2 that's going to get hit by this tax. And I was  
3 wondering whether you've been contacted and  
4 whether you have given any thought to how this is  
5 going to impact the agricultural business?

6 SECRETARY REDDING: Representative, to  
7 your question, honestly, no. I was not consulted  
8 on the front side. I have not really been in  
9 those conversations outside of the top line  
10 briefings that we have received. And you know,  
11 following, you know, just the, you know, some of  
12 what has been issued by farm organizations and  
13 others on the tax, we try to understand its  
14 implication on the industry, but that's the  
15 extent of it.

16 REPRESENTATIVE GREINER: Because I was  
17 going to follow up -- and maybe, you know, hey,  
18 you're the Secretary so maybe you have thoughts  
19 on this. You know, obviously we talk about  
20 getting people -- we often talk about hiring  
21 people to come in, whether it's the mushroom  
22 industry or whatever, you know, we need to try to  
23 hire people and what have you. And what I was  
24 wondering is, have you given any -- because  
25 obviously, I think you probably thought about it

1 or staff has, with how that might impact hiring  
2 to maintain salaries and the benefits that people  
3 have. And then, like I said, it gets even more  
4 challenging as we've been speaking about all day  
5 because of the pandemic. You know, the pandemic  
6 just exasperates -- the pandemic alone, this is a  
7 fairly large tax increase. I'd say it's a very  
8 large tax increase in my mind, but yet we have  
9 the pandemic. I didn't know whether there was  
10 any thought to, obviously, you think about those  
11 issues, about getting people working, whether you  
12 give any aspect to the hiring aspects of it.

13 SECRETARY REDDING: I think about that  
14 all the time. I mean, I think that, you know,  
15 we're all vested in getting to that better day  
16 and you can't, you know, be in this position, or  
17 yours or any other, I think, without  
18 understanding, you know, how interconnected all  
19 of these conversations are. I think what the  
20 Governor has laid out is this vision and  
21 understanding that you've got to get folks back  
22 to work, you've got to address the pain in so  
23 many ways.

24 So yes, we've thought about it, but not  
25 in the granular sense of the tax question, what

1 that translates to necessarily in direct  
2 implications. But obviously, we'll continue to  
3 think about it and look harder at what the issue  
4 would be specific to agriculture.

5 REPRESENTATIVE GREINER: And we've  
6 talked about this in prior hearings. And  
7 obviously, being from Lancaster County, and me  
8 being from a very large agricultural district, as  
9 well as my colleague, Mr. Zimmerman, who spoke  
10 earlier, I was just wondering about recruitment.  
11 Are we making any efforts -- and of course right  
12 now it's challenging -- but are we making efforts  
13 to try to get, you know, agricultural-type  
14 businesses here to Pennsylvania?

15 And like I said, I think this, by  
16 raising the taxes like this, I think it makes the  
17 problem even more challenging. But what efforts  
18 are you making to try to get businesses here and  
19 attracted to Pennsylvania? Because we are a --  
20 we definitely are a, like I said, we're a very  
21 top agriculture state in the entire country, let  
22 alone Lancaster County.

23 SECRETARY REDDING: Yeah, sort of two  
24 parts. One is making sure that those who are  
25 here stay and supporting them, right. Because we

1 certainly don't want to lose the agricultural  
2 infrastructure, and I don't need to tell you just  
3 how many of those conversations have played out  
4 over the last 10 or 11 months. So let's hang on  
5 to what we have and support them. We're trying  
6 to do that through any number of initiatives  
7 here.

8 In addition to that, I know that Dennis  
9 Davin has been working hard through the  
10 Governor's action team on several -- recruiting  
11 of several agriculturally-related companies into  
12 Pennsylvania. It's been successful. We have  
13 continued our work on the dairy industry of  
14 looking at additional dairy processing, as well.  
15 So yeah, it's been an active conversation --  
16 interrupted a bit by COVID, but not losing sight  
17 of what we have laid out in the Dairy Futures  
18 Commission Report, but also just our need to  
19 continue to recruit in new companies, new  
20 farmers.

21 REPRESENTATIVE GREINER: I want to thank  
22 you for your commitment to maintaining and  
23 keeping these businesses in Pennsylvania and in  
24 Lancaster County. There's obviously tons of  
25 pressure on our farmers. You have the Chesapeake

1 Bay Initiative -- they have a lot on them. So  
2 I'm glad to hear that you are supportive, that we  
3 do want to support and maintain and keep  
4 agriculture as the key business here in Lancaster  
5 County and in Pennsylvania. So thank you for  
6 your answers.

7 Thank you, Mr. Chairman.

8 SECRETARY REDDING: Thank you.

9 MAJORITY CHAIRMAN SAYLOR: Next is  
10 Representative Webster.

11 REPRESENTATIVE WEBSTER: Thanks again,  
12 Mr. Chairman.

13 And I think it's still morning. Good  
14 morning, Mr. Secretary.

15 SECRETARY REDDING: Good morning.

16 REPRESENTATIVE WEBSTER: I'm going to  
17 take the discussion a little bit different  
18 direction, but I think it's valuable for us today  
19 and I want to recognize that your testimony spoke  
20 elegantly about, you know, climate change and the  
21 impact of this new environment, whether it's  
22 flooding or drought on our agriculture industry  
23 in Pennsylvania. You also, you know, talked  
24 about sustainable agriculture and best practices  
25 and the Chesapeake Bay Initiative that was just

1 mentioned. I can't help but think, you know,  
2 very big complex issue, small programs.

3 Can you address that a little bit? You  
4 know, how do we solve big issues with small  
5 programs?

6 SECRETARY REDDING: Well, I think on the  
7 -- specific to climate, you know, there's --  
8 there's a big issue, but I think that, you know,  
9 the key is the everyday good management practices  
10 that we apply in agriculture are the cornerstone  
11 of our work in addressing climate and the  
12 greenhouse gas concerns. So you know,  
13 agriculture, you know, it just sort of -- it's  
14 part and parcel to what we do and it's really  
15 difficult to, you know, believe that our work in  
16 agriculture isn't a major solution to the  
17 conversations we're having.

18 So I don't know if that does justice,  
19 necessarily, to your question, but trying to look  
20 at --

21 REPRESENTATIVE WEBSTER: Right. Right.

22 SECRETARY REDDING: -- you know what I  
23 mean? Because I don't know if it's about an  
24 appropriation, per se, and trying to match that  
25 against the task.

1 REPRESENTATIVE WEBSTER: Yeah.

2 SECRETARY REDDING: But trying to do the  
3 right thing and making sure we leverage that for  
4 climate benefits of course.

5 REPRESENTATIVE WEBSTER: Maybe a  
6 specific question, if I recall correctly, when we  
7 had a supplemental appropriation back in the  
8 November time frame, I think some of the  
9 environmental funds in the Agriculture Department  
10 were moved to other things.

11 Does this budget sort of get us back on  
12 that track?

13 SECRETARY REDDING: So I think the  
14 change in the environmental stewardship funds  
15 were out of DEP, but there was no reduction to  
16 the conservation programs or the preservation  
17 programs at the Department for that purpose.

18 REPRESENTATIVE WEBSTER: Okay. Great.

19 So a little bit of a switch then on my  
20 second question, related because the impact of  
21 climate change and we have invasive species and  
22 other things going on. Prior to the coronavirus  
23 pandemic, I had the opportunity to do a little  
24 travel with Penn State Extension Programs and see  
25 the impacts of the spotted lantern fly on

1 Pennsylvania agriculture. We've kind of lost the  
2 thread on that. I know it's part of your program  
3 -- can you -- and I live in Montgomery County,  
4 which has a large outbreak.

5 I'm even curious that we finally have a  
6 cold winter, if that helps us at all, in  
7 combatting the spotted lantern fly. And maybe --

8 SECRETARY REDDING: Yeah.

9 REPRESENTATIVE WEBSTER: Yeah.

10 SECRETARY REDDING: Sorry. Great  
11 question. We continue to make progress against  
12 the spotted lantern fly. I do believe that there  
13 are relationships between climate and the changes  
14 and the invasive species that we're seeing,  
15 spotted lantern fly being one. I mean, the  
16 concern about nuisance flies and mushroom  
17 industry with the phorid fly, but specific to  
18 Spotted Lantern Fly, again, partnership Penn  
19 State, full credit to Dean Roush and his team and  
20 our USDA team and the Department of Agriculture.

21 We're still at 26 counties. We've got a  
22 number of research projects underway. We don't  
23 have that, you know, broad-based control method  
24 yet, but we are making some great progress in  
25 that. So continued vigilance, continuing to get

1 the community, and the business community to  
2 permit -- unfortunately, this is now in seven  
3 states. It is along our rail lines. We've got a  
4 real focus in 2021 on that corridor. But  
5 important here to contain, suppress the spotted  
6 lantern fly until we have that broad-based  
7 control that we're in search of.

8 REPRESENTATIVE WEBSTER: It looks like I  
9 still have the green light, so real briefly, tell  
10 me about our pollinators. How are we doing?  
11 Because we read articles across the country that  
12 are really impacting that and obviously that  
13 affects our agriculture community greatly.

14 SECRETARY REDDING: Yeah, every third  
15 bite that we take is because of a pollinator,  
16 right. So essential to our existence. We --  
17 again mentioning Penn State University and  
18 wanting to say thank you to Dean Roush and his  
19 team for the Center for Pollinator Research,  
20 leading the efforts on the Pollinator Protection  
21 Plan that we developed in 2017, you know, and  
22 just making sure that we take care of those 4,000  
23 apiaries, you know, that we have responsibility  
24 for in Pennsylvania.

25 We do that every year and inspect them.

1 We're doing okay, but I think, to your point, is  
2 it can never be far from our mind to protect  
3 them. So we'll keep at it.

4 REPRESENTATIVE WEBSTER: Thank you, sir.  
5 Have a great afternoon.

6 SECRETARY REDDING: Thank you.

7 MAJORITY CHAIRMAN SAYLOR: Next is  
8 Representative Jim Struzzi.

9 REPRESENTATIVE STRUZZI: Thank you,  
10 Mr. Chairman.

11 And good morning, Secretary Redding.

12 SECRETARY REDDING: Good morning.

13 REPRESENTATIVE STRUZZI: I have a couple  
14 of questions related to county fairs,  
15 agricultural fairs. In your previous testimony  
16 with one of my colleagues, you mentioned that the  
17 funding for the grants that fairs receive, the  
18 reimbursement grants to cover their operating  
19 costs and capital improvements, which comes from  
20 the Racehorse Development Fund in the amount of  
21 \$4 million, you had mentioned that with the  
22 Governor's proposal to take \$199 million out of  
23 that Racehorse Development Trust Fund, that those  
24 grant funds for county fairs, agricultural fairs  
25 would still be there; is that true?

1 SECRETARY REDDING: That is true.

2 REPRESENTATIVE STRUZZI: Okay. That's  
3 good news. That was my main concern.

4 But building on county fairs,  
5 agricultural fairs, you and I both know how  
6 important they are to our local county economies,  
7 how important it is to tourism, you know, and  
8 more importantly though, how important it is to  
9 the 4-H kids, to ag education, to dairy, to all  
10 of those things that come together at the county  
11 fair to sort of reward youth for all their  
12 efforts, you know, on the farm to raise  
13 livestock, to do the auction and things like  
14 that.

15 And unfortunately, last year, with the  
16 Governor's and the Department of Health's  
17 gathering restrictions, we obviously could not  
18 have county fairs. That was a big loss. And we  
19 understood with the pandemic and everything, but  
20 now, we're in a different place. The vaccine is  
21 out there, and I think there's more  
22 predictability when it comes to planning. So  
23 with that said, will we have county fairs this  
24 year? Will we have agricultural fairs?

25 SECRETARY REDDING: We are as hopeful as

1 you are, Representative, that we can resume the  
2 county fair circuit, if you will, in  
3 Pennsylvania. They're so important to our  
4 culture, to our community, to the youth, as you  
5 know, but we are hopeful that we can get to a  
6 place where, you know, the progress of vaccine  
7 will have a lot to do with that and deployment,  
8 but just sort of the comfort level and confidence  
9 level that the communities have about regathering  
10 again.

11 But we're with you. I mean, we really  
12 want to see the fairs resume. Let's hope that we  
13 can find that sort of sweet spot between sort of  
14 public protection and health at the same time  
15 resumption of some of these activities.

16 REPRESENTATIVE STRUZZI: So you know  
17 that I represent Indiana County and I recently  
18 met with the Indiana County Fair Board. And they  
19 had indicated, you know, they're trying to plan  
20 to have a fair -- and they really need to plan  
21 now to book entertainment and food vendors and  
22 things like that -- and they had said that they  
23 had not received any guidance from the Department  
24 of Agriculture.

25 Do you plan to issue any guidance or

1 give them any sort of an indication on how they  
2 should plan moving forward?

3 SECRETARY REDDING: Yeah, we do. Now,  
4 we are meeting with the statewide associations  
5 who represent those fairs and trying to get, you  
6 know, do this at a statewide level and then let  
7 that communicate out because that was one of the  
8 lessons learned of last year. So short answer is  
9 yes, but we're going to do it through the State  
10 associations.

11 REPRESENTATIVE STRUZZI: Okay. Well,  
12 thank you. I encourage you to get that as soon  
13 as possible because it does take a lot of work to  
14 plan for these fairs, and they are so vitally  
15 important.

16 And I truly hope that we can see the  
17 county fairs, agricultural fairs return this  
18 summer, and give these ag kids something to look  
19 forward to because, you know, agriculture is so  
20 vitally important. And I'm worried that if we  
21 can't reward them in some form or fashion for the  
22 hard work that they put in, you know, day and  
23 night on the farm, that we're going to lose kids  
24 that want to go into the agricultural field.

25 So thank you for your efforts.

1                   SECRETARY REDDING: Absolutely. Thank  
2 you.

3                   MAJORITY CHAIRMAN SAYLOR: Our next  
4 questioner is Representative Zach Mako.

5                   REPRESENTATIVE MAKO: Thank you,  
6 Mr. Chairman.

7                   And Mr. Secretary, thank you for being  
8 here.

9                   SECRETARY REDDING: Thank you.

10                  REPRESENTATIVE MAKO: Too bad we didn't  
11 get to meet up in person today -- or I'm sorry,  
12 this year for the Farm Show. That was  
13 disappointing. Hopefully next year we'll get to  
14 do that in person.

15                  Sir, my question for you is I was just  
16 going over the testimony and everything, and I  
17 had a question about the PA Preferred Program.  
18 And it was level funded this year, as it has been  
19 the last two years, as well. And there's two new  
20 initiatives in that program, the PA Preferred  
21 Organic Initiative \$1.6 million allocated to it,  
22 and then the Homegrown by Heroes Program with a  
23 million dollars allocated to that.

24                  So my first question is the -- for the  
25 PA Preferred Organics. And how many of these

1 projects have been considered and approved, and  
2 how much of this, I guess \$1.6 million has been  
3 used of that? And how exactly is that money  
4 being spent?

5 SECRETARY REDDING: Yeah, thank you.  
6 And I appreciate the question on PA Preferred and  
7 you know the back story here on just how  
8 important it is to have a State brand. The PA  
9 Preferred is our signature brand for Pennsylvania  
10 foods and agriculture. And specific to organic,  
11 the -- and I'll have to get you the exact number,  
12 but it is a combination of a statewide promotion  
13 and marketing effort that we've undertaken and  
14 worked with Rodale Institute, as well as some  
15 other -- and again, Mike, if you can, you know,  
16 jump in on the exact -- but I think, you know,  
17 the primary focus has been on growing that  
18 program. And pleased to say that we've made some  
19 real progress there, the number of acres and  
20 farms, and of course, continued market sales on  
21 organics.

22 The Homegrown by Heroes, just to say, I  
23 guess, that we continue to work on that, as well.  
24 And we've got a veterans coordinator now, who is  
25 working with us, Dr. Josh Scheinberg in the

1 eastern part of PA as our director, but also with  
2 the veterans work, which will help us in moving  
3 that Homegrown by Heroes initiative along.

4 REPRESENTATIVE MAKO: Yeah. And just --  
5 and I don't know the answer to this, so I'm  
6 legitimately asking you. Are the organics  
7 profitable? Are you seeing a profit?

8 And because I know you mentioned the  
9 Rodale Institute, I was just looking at their  
10 website, as well, prior. And being a Golden  
11 Bear, they're kind of in my backyard. They were  
12 saying that organic sales were up 70 percent and  
13 we're using less than 1 percent of our farmland  
14 for it. You said you're using the money for  
15 marketing and all of that.

16 Are we see a profit with the organics?

17 SECRETARY REDDING: A short answer is  
18 yes. I mean, I think they are profitable. You  
19 know, everybody understands that there's a  
20 three-year transition, so there are costs, you  
21 know, to that program that are outside of the  
22 conventional costs so they require some higher  
23 market values. I think a good sort of reminder  
24 is what happened last week with Bell and Evans  
25 poultry in Lebanon County with their \$500 million

1 initiative to, you know, to drive some of the  
2 change in market -- the market change that's  
3 needed as a good sort of statement of value is  
4 that what they see, but obviously, that goes out  
5 to the poultry farmers and the great farmers of  
6 Pennsylvania and across the nation. So yeah,  
7 it's a -- it is profitable, but, you know, in  
8 this business it's also all about margins.

9 REPRESENTATIVE MAKO: So you were saying  
10 that most of that \$1.6 is going towards  
11 marketing. Do you foresee in the future this to  
12 potentially be self-sustaining as organics catch  
13 on more?

14 SECRETARY REDDING: I don't know. I'm  
15 not sure about that. I think part of this is,  
16 you know, just trying to keep converting, working  
17 to convert the farms. And we've got relatively  
18 few, you know, sized up against the demands. So  
19 I think there's going to be a need for some time  
20 to invest in that training and support and  
21 transition for them. So I don't see it in the  
22 short run being self-sustaining.

23 REPRESENTATIVE MAKO: Got you. And then  
24 the \$1 million for the Homegrown by Heroes, how  
25 is that money being used?

1           I know you've mentioned the veterans  
2 outreach individual, Josh.

3           SECRETARY REDDING: Yeah.

4           REPRESENTATIVE MAKO: How are those  
5 moneys being spent?

6           SECRETARY REDDING: Yeah. So we are --  
7 again, part of that is contracts that are working  
8 with folks who are supportive and supporting the  
9 veteran community. There is some promotion work  
10 being done there.

11           Mike, on other details for the Homegrown  
12 by Heroes?

13           DEPUTY SECRETARY HANNA: Yeah, I would  
14 jump in and say that building out some of the  
15 infrastructure, such as the website, things to  
16 help drive, you know, folks to a website and  
17 making sure that we have the necessary  
18 information there. So it's been an ongoing --  
19 it's been ongoing work more on the infrastructure  
20 side of things.

21           REPRESENTATIVE MAKO: Got ya. Yeah, I  
22 mean, I'm out of time, but just my last point.

23           I just, in these trying times, just make  
24 sure that we're using the funds correctly and  
25 transparently. And for those that want to get

1 involved -- I'm out of time -- but for those that  
2 would like to get involved, how would they go  
3 about signing up for this program? And I believe  
4 it's through the Farmer Veterans Coalition, the  
5 FVC; is that correct?

6 SECRETARY REDDING: Correct.

7 REPRESENTATIVE MAKO: Okay.

8 SECRETARY REDDING: Yeah.

9 REPRESENTATIVE MAKO: Thank you,  
10 gentlemen. I appreciate it. Thank you for your  
11 time.

12 SECRETARY REDDING: Thank you.

13 MAJORITY CHAIRMAN SAYLOR: Next is  
14 Representative Lee James.

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

17 Good morning, Secretary Redding. How  
18 are you doing?

19 SECRETARY REDDING: Doing well. Good to  
20 see you. Thank you.

21 REPRESENTATIVE JAMES: Nice to see you,  
22 sir.

23 So sticking with operations on the farm,  
24 I would like to turn to a discussion on the  
25 Pennsylvania Industrial Hemp Program, please.

1 Has it changed in any significant way since the  
2 number of permits and the amount of acreage, the  
3 caps, have been removed?

4 SECRETARY REDDING: Yes. We have moved  
5 from a research program four years ago to now a  
6 very active, you know, commercial enterprise. It  
7 still has a lot of growth pains, but we're now --  
8 it's 581 permits and 3,000 acres this past year.

9 REPRESENTATIVE JAMES: Okay. Well, that  
10 was going to be my next question.

11 Are there fees associated with the  
12 permits when you issue them.

13 SECRETARY REDDING: There are. And I'm  
14 not sure that I know the exact -- Mike, maybe you  
15 do?

16 DEPUTY SECRETARY HANNA: We can get that  
17 answer for you. I don't know it off the top of  
18 my head either.

19 REPRESENTATIVE JAMES: Okay. Whatever  
20 the fee amount is, do you know how the fees are  
21 being used?

22 Are they retained by your Department or  
23 what?

24 SECRETARY REDDING: Yes, there are fees.  
25 They have dropped considerably and they're

1 retained by the Department.

2 REPRESENTATIVE JAMES: Okay. In your  
3 daily operations, what is the Department of  
4 Agriculture doing to assist farmers who wish to  
5 go down that path to grow industrial hemp and the  
6 thousands of products that can be made from it?

7 SECRETARY REDDING: Yeah. Thank you.  
8 It is a -- you know, it's an industry with a lot  
9 of potential -- I've said it many times, but  
10 having been out of the industrial hemp business  
11 for 80 years, it shows up in terms of innovation,  
12 supply chains, genetics, and markets and products  
13 and so forth. So there's a lot of opportunity  
14 there. So we have a regulatory role with our  
15 Bureau of Planned Industry. There is a marketing  
16 component to this within our Bureau of Markets  
17 and the business development center, you know, a  
18 lot of efforts being put forth through the Team  
19 Pennsylvania Foundation and our partnership with  
20 them on the market side of hemp.

21 And importantly, the work that Deputy  
22 Strathmeyer is doing with the industrial hemp  
23 steering committee. So it is showing up a lot of  
24 different places. Four years ago it was  
25 contained to plant industry and now you'll find

1       it sort of in the Department, just because there  
2       are so many dimensions of this industry that we  
3       need to be involved, from policy to pledge to  
4       legal to markets.

5                REPRESENTATIVE JAMES: I think you  
6       mentioned processing capabilities in your  
7       explanation there. I may have missed that.

8                Where are we on developing adequate  
9       facilities for processing?

10               SECRETARY REDDING: Yeah, you're  
11       touching on the key point, building that  
12       infrastructure in Pennsylvania. So there is a  
13       separate -- was a separate in 2020 application  
14       for processors. We broke them out from the  
15       general permits, but that work is continuing in  
16       terms of developing that process and capacity in  
17       the State. And really has been an effort of the  
18       Team PA foundation and the hemp steering  
19       committee to do that. Because, ultimately, this  
20       is about having both product of all products, but  
21       also all processing and of course a viable  
22       profitable market for these products.

23               REPRESENTATIVE JAMES: Now, out of our  
24       control, unfortunately, are there any Federal  
25       regulations which the Department knows about that

1 makes growing the hemp program any more  
2 difficult? You know, my Congressman, Glenn  
3 Thompson, is now the ranking member of the  
4 Department of Agriculture, so I would be --

5 SECRETARY REDDING: Yeah, and good for  
6 Pennsylvania, I mean, to have the ranking member.  
7 I was listening to him yesterday, in a different  
8 setting, but just lucky to have him there and his  
9 understanding and appreciation of agriculture in  
10 the State. So the short answer is yes, there is  
11 a significant influence here. Part of it is with  
12 the USDA, and we're hopeful that they will, you  
13 know, address -- there was a final rule for hemp,  
14 which we are anxious to see, and some good  
15 changes there, for sure, for us. But we also  
16 need the FDA to address the issues around food  
17 and CBDs, and ultimately need Congress in the  
18 next Farm Bill to address some of the, I think  
19 fundamental issues in the hemp program, which  
20 have completely evolved in the last four or five  
21 years from experience. So yes, a lot of federal  
22 activity here.

23 REPRESENTATIVE JAMES: Okay. Well, if I  
24 can be of service, let me know.

25 SECRETARY REDDING: Okay.

1

2

REPRESENTATIVE JAMES: Thank you,  
Mr. Chairman.

3

4

Thank you, Mr. Secretary.

5

SECRETARY REDDING: Thank you.

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REPRESENTATIVE TOPPER: All right. Next  
up will be Representative Warner.

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REPRESENTATIVE WARNER: Thank you very  
much, Mr. Chairman.

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Thank you, Mr. Secretary, for joining us  
today. I want to talk about the logging industry  
briefly. I know, Mr. Secretary, that you're  
aware that we are the number one  
hardwood-producing State in the country and that  
logging is extremely important to the  
agricultural community here in the State. In  
fact, without logging, I believe that agriculture  
is not our number one industry. It plays that  
important of a role.

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One issue that I'm aware of -- and I  
know we discussed this last year -- is that in  
the logging industry, worker compensation rates  
are extraordinarily high for the employers. I  
know at times, on average, it's historically been  
over 50 cents on the dollar. So Mr. Secretary,

1 if you could maybe briefly discuss -- I  
2 understand there may have been some movement in  
3 the right direction on this, but I'm looking at  
4 other states that, say, I know that New York's  
5 worker comp rate was over 50 cents on the dollar  
6 and they're all the way down to 17 cents.

7 So maybe you can tell us what movement  
8 that we have made and what we can do to get where  
9 New York is currently at.

10 SECRETARY REDDING: Yeah, thank you.  
11 And it's a good discussion. You're absolutely  
12 right that there's been some positive  
13 developments in Pennsylvania, you know, working  
14 with our Insurance Department, working with DCNR,  
15 and the Council of Hardwood Development, of  
16 course. I don't know whether I can give the  
17 specifics of reduction in the rates, but I do  
18 know that they have trended in the more positive  
19 way, but some miles to go, I think, to get to the  
20 New York model that has been looked at by our  
21 council and by the State. I don't know the  
22 differences of whether it's simply transferable  
23 out of one state to another. I don't know that.  
24 But I do know that there's a standing concern,  
25 but also progress being made in that effort.

1           REPRESENTATIVE WARNER:  And I thank you.  
2           And I also do know that the Department of Labor &  
3           Industry obviously plays a big role in this too.  
4           And I thank you for that.

5                   And if there's anything that you can do  
6           to help advocate and move us to a rate, like New  
7           York, I think it would be extraordinarily  
8           beneficial.  I would just express one of my big  
9           fears.  I do know that logging in my district is  
10          a top industry.  It's very important in our  
11          industry as many others parts across the State.  
12          And I know that the Governor has expressed the  
13          want to raise the minimum wage.  And I just -- I  
14          want to throw this out here because we often  
15          think of the minimum wage increase as a direct  
16          salary increase, right.  So you think you go  
17          \$7.50 to \$15.00 an hour.

18                   The employer only pays that initial  
19          bump.  But let's look at somebody in the logging  
20          industry, right.  They -- if they're paying  
21          someone \$15.00 an hour, they're now paying that  
22          person, based on whatever the rate is, you know,  
23          historical average is \$15.00 an hour, that's  
24          \$2.00 an hour on top of payroll taxes.  You're  
25          getting close to \$30.00 an hour for a logging

1 employee.

2           And I do know that, I mean that you're  
3 aware that there is an issue with it just because  
4 of the worker compensation rate. It's also a  
5 safety thing because you have a lot of -- you  
6 have a lot of loggers opting into sole  
7 proprietors so they don't have to pay the rate  
8 right and I think that, you know, that's more  
9 dangerous because they're out there alone. So I  
10 just want to note, you know, this is one of  
11 Pennsylvania's most important industries. And  
12 without work on the worker compensation rate, you  
13 know, a huge spike in the minimum wage, I think  
14 is something that needs to be noted.

15           But that being said, Mr. Secretary, I do  
16 want to thank you for your work and effort in  
17 Pennsylvania's agricultural community and for  
18 taking your time to join us here today. Thank  
19 you Mr. Chairman.

20           SECRETARY REDDING: Thank you. An honor  
21 to do it.

22           Thank you.

23           REPRESENTATIVE TOPPER: Thank you,  
24 Representative Warner.

25           Next up will be Representative

1 Pashinski, Minority Chairman.

2 REPRESENTATIVE PASHINSKI: Thank you  
3 very much.

4 Thank you very much, Mr. Secretary, also  
5 to Michael Hanna.

6 Heck of a year, huh? Who could have  
7 ever imagined.

8 SECRETARY REDDING: Amazing, yeah.

9 REPRESENTATIVE PASHINSKI: Are we good?  
10 We're good now. Okay. Can I start over.

11 Mr. Secretary, welcome. Thank you very  
12 much for being here, along with Mike Hanna. And  
13 as I earlier said, this has been a heck of a  
14 year, something none of us could have ever  
15 imagined, a pandemic that's cost 500,000 lives.  
16 I can't even imagine the loss and I can't even  
17 imagine what it was like for you in your position  
18 relative to your charge, your job, in order to  
19 make sure that the food got out to the people of  
20 Pennsylvania.

21 I was wondering if you could, for just a  
22 few minutes, give us an idea of what it was like,  
23 the decisions that you and your staff had to make  
24 in order to make sure that we were able to get  
25 the food to our grocery stores and make those

1 changes necessary in order to comply with the  
2 pandemic.

3 SECRETARY REDDING: Mr. Chairman, thank  
4 you.

5 And listen, we all arrive at this point,  
6 you know, with so many experiences, life and  
7 professional experiences, that will forever sort  
8 of change, you know, what we do as individuals  
9 and citizens, but also inside this Department of  
10 Agriculture. Clearly, you know, getting our  
11 workforce, you know, protected and, you know,  
12 being able to telework and keep the permits  
13 flowing and the lab systems operating and  
14 inspections, you know, all of that stuff that you  
15 expect us to do as one of the administrative  
16 departments, that had to be done.

17 We had so many decisions to make about,  
18 you know, what to do with, you know, farms and  
19 farm products that, you know, all of a sudden got  
20 caught in this overnight shift between, you know,  
21 being able to eat out to consuming 100 percent of  
22 our food in the home. The number of people who  
23 were food insecure spiked immediately and is  
24 sustained. And then, of course, worrying about  
25 just retail workers and food supply, the shift

1 and change in education systems, making sure that  
2 folks still got school lunches, and working with  
3 the Department of Education, you know, issuing 16  
4 -- I'm sorry about 33 dozen different guidance  
5 documents that covered everything from  
6 veterinarians to, you know, farm markets and  
7 farmers themselves.

8           So a lot has happened, but proud of the  
9 response that we've had from the agricultural  
10 community, the farmers who never took a day off,  
11 and the entire system of business, of government,  
12 and the partnerships that were demonstrated time  
13 and again, tested but demonstrated to be  
14 invaluable, very much appreciated.

15           REPRESENTATIVE PASHINSKI: Well, I  
16 appreciate your response on that. And you know,  
17 from a personal point, I know that everybody in  
18 this hall, their entire office operation changed  
19 dramatically. And you know, we talked about the  
20 making the correct decisions at the right times,  
21 et cetera. I don't know that the word perfect  
22 could possibly exist in that kind of pandemic  
23 situation. I know that we all tried to do our  
24 best to comply with the necessary needs and we  
25 made every attempt. Certainly, my office changed

1 dramatically during that time frame.

2 I would like to spend just a little bit  
3 of time because we've talked about so many  
4 different issues, which are important, and I want  
5 to emphasize the fact that, you know,  
6 Pennsylvania ag is the number one industry in  
7 Pennsylvania. We're talking about \$135 billion  
8 dollar industry. We're talking over 570,000  
9 jobs. It's absolutely integral.

10 And just two years ago, we had something  
11 which was extraordinarily historic, and that of  
12 course was the Farm Bill; \$23 million was  
13 delegated. I had the great appreciation to  
14 Governor Wolf for presenting that and all your  
15 good work and your staff.

16 Could you give us a little idea of how  
17 the Farm Bill affected our ag industry, even  
18 during this pandemic? Because there were aspects  
19 of it that definitely affected the outcomes in a  
20 positive way. Could you expand on that, please?

21 SECRETARY REDDING: Yeah. Thank you.  
22 Absolutely, it had an impact. You know, just a  
23 couple of highlights. Number one, you know, when  
24 I think about the small meat processing plants  
25 that were done -- we did 15 of them across the

1 State of \$500,000. And you know, that was even  
2 before meat processing became part of our  
3 conversation and, you know, it's made a huge  
4 different of just building that capacity. It's  
5 one great example of being able to supply, you  
6 know, meat and meat products, and particularly  
7 these local smaller processors.

8 The Farm Vitality Grants, you know, that  
9 were down. We did 133 of those. For each one of  
10 those farms, they're in a better position of  
11 planning. And part of the planning, of course,  
12 is what, you know, we're talking about and  
13 experiencing now, just all of this pivot that had  
14 to occur. That is one. The other -- we talked  
15 about it previously, but urban agriculture. I  
16 think those food access questions are important  
17 as food production questions. And having that be  
18 part of the Farm Bill and those urban ag grants  
19 out there. And I'll just cap it off to say that  
20 the urban processing grants that we did, 46 of  
21 them at \$5 million.

22 I mean, I just look at all of those  
23 local food processors, dairy processors and how  
24 critical it was. But go through the list. Each  
25 one will take you to someone in a community who

1 was either better positioned to plan or doing a  
2 better job of conservation or engaged in food  
3 production and processing as never before. And  
4 so many are, you know, creating jobs and  
5 opportunities locally. So really important.

6 REPRESENTATIVE PASHINSKI: And I  
7 appreciate your response on that. I'd just  
8 expound one bit. We talked about, you know the  
9 Farm Bill in the sense that we're talking about  
10 education, we're talking about the cost of  
11 education. I was astonished to find out some  
12 years ago that in the ag business, we're going to  
13 be missing, we're going to need 75,000 jobs.  
14 That's in 10 years. In 10 years, 75,000 job  
15 openings.

16 And in that Farm Bill, there's a process  
17 by which we'd begin to help train and educate  
18 people. And now, you're trying to get some  
19 dollars in there as incentives to get folks in  
20 school and try to take up some kind of a vocation  
21 within the ag industry, and that's something very  
22 important. We can talk about -- and I know my  
23 time is running out here, but we talked about  
24 spotted lantern fly. We talked about our fairs.  
25 We talked about dairy. We talked about the food

1 supply, the food change. We talked about, of  
2 course, our Farm Bill. We talked about our  
3 beekeepers and hemp.

4 And finally, PA Preferred. And I'm so  
5 pleased that within the Farm Bill, we are  
6 promoting our very own homegrown quality food,  
7 and that's PA preferred. Remember grown in PA,  
8 by PA, PA preferred. Mr. Secretary, I want to  
9 thank you very much and Mike Hanna. You and your  
10 staff have always been available. I really  
11 appreciate that and the good hard work that  
12 you've done, of course the Governor with the Farm  
13 Bill and that support.

14 And I'm ready to stand with you as we  
15 continue on to meet the challenges. And  
16 hopefully this pandemic will be past and we can  
17 enjoy the fairs, the Farm Show, and I'm  
18 challenging you in that wagon race.

19 Thank you, Mr. Secretary.

20 SECRETARY REDDING: Okay. Thank you.  
21 Thank you.

22 MAJORITY CHAIRMAN SAYLOR: I'm betting  
23 on the Secretary.

24 Our next questioner is Representative  
25 Greg Rothman.

1           REPRESENTATIVE ROTHMAN: Good morning.  
2 I think it's still morning. Good morning,  
3 Mr. Secretary.

4           In addition to some questions I have,  
5 I'm going to be asking some questions on behalf  
6 of our Agricultural Chairman, Dan Moul, who is  
7 unable to be here.

8           A year ago, we first learned about --  
9 or first learned about the Governor's program to  
10 transfer money from the Racehorse Development  
11 Program. So I wanted to ask you some questions  
12 about the Nellie Bly Tuition Program. My  
13 colleagues will tell you I'm a little obsessed  
14 about Nellie Bly. I actually went out to  
15 Armstrong County, where Chairman Pyle represents  
16 in Burrell Township, I found the Nellie Bly  
17 Memorial that was subject to a 2011 West Wing  
18 episode.

19           But for those of you who don't know,  
20 Elizabeth Cochrane Seaman was born in 1864 in  
21 Burrell Township. She, at age 15, enrolled at  
22 the Indiana University of Pennsylvania. I should  
23 note that her father was a judge and a local  
24 businessman. She only lasted one term at IUP -  
25 well, then the Normal School, now IUP, but went

1 on to live a fascinating life. She was a  
2 successful journalist, author, inventor, traveled  
3 the world in 72 1/2 days, became a world-renowned  
4 investigative journalist, and ended up as an  
5 industrialist with a company that made her  
6 millions. And she actually helped to invent a  
7 milk can, and they produced a 55-gallon oil drum.

8 So I'm not sure -- she wrote a book, by  
9 the way, called 10 Days in a Mad House, where she  
10 pretended to be insane and got admitted to show  
11 the abuses in insane asylums, but it's a little  
12 ironic that that would be the person we would  
13 choose to try to get people to stay in schools in  
14 Pennsylvanians, where she was less than  
15 determined at college, but ended up to become --  
16 had a pretty fascinating, successful life.

17 Do you find that ironic that we would  
18 name a scholarship after Nellie Bly, who didn't  
19 finish college? It's like naming a scholarship  
20 after Bill Gates.

21 SECRETARY REDDING: I think it's an  
22 inspiring story. I think -- yeah, I didn't know  
23 all of that history. But I think it speaks to  
24 opportunity.

25 REPRESENTATIVE Rothman: So the proposal

1 is to transfer \$199 million out of the  
2 approximately \$244 million into a trust fund for  
3 PASSHE schools.

4 Are there any specific ag programs at  
5 any of these PASSHE schools?

6 SECRETARY REDDING: So, that's a great  
7 question. And certainly, there are PASSHE majors  
8 with agricultural career opportunities. I mean,  
9 from accounting and marketing, supply chain  
10 management, molecular biology and biotechnology,  
11 you know, the communications and plant biology.  
12 You look at just the number of students who enter  
13 the University of Pennsylvania Vet School, you  
14 know, over half are in biology fields or nearly.

15 So there's not an ag education or ag  
16 economics, but certainly environmental studies in  
17 all of these related fields that we need in  
18 agriculture to Representative Pashinski's point  
19 earlier about the number of jobs and number of  
20 opportunities. So there are -- yes.

21 REPRESENTATIVE Rothman: And you would  
22 know about Delaware Valley, as a former Dean  
23 there, and of course Penn State has a great ag  
24 program there.

25 SECRETARY REDDING: Yes.

1                   REPRESENTATIVE Rothman: And the  
2 University of Pennsylvania has a great vet  
3 school, but this money would specifically be  
4 going to PASSHE schools. So if you take the \$244  
5 million that is in the fund now, or your  
6 projection -- I think we're less than \$100  
7 million right now, but it should get up to \$200  
8 million. We'll use your \$244. You subtract \$199  
9 million and that leaves you a balance of \$45  
10 million.

11                   The law, the Act requires that we spend  
12 a percentage on medication costs, which works out  
13 to about \$10 million; requires that we spend one  
14 percent on racing promotion, which is about  
15 \$2 million; 19.6 million on ag farm shows. It  
16 leaves us, your estimates show, about \$8.3  
17 million for pensions and benefits, health  
18 pensions and benefits. By my calculation, if you  
19 use the 4 percent of what's left over -- and I  
20 can give you all of these numbers, you end up  
21 with \$517,000.

22                   How are we going to provide health and  
23 pension benefits for the horsemen at less than  
24 10 percent what's left over?

25                   The Act specifically says these things

1 have to come out of -- in percentages. How does  
2 the administration propose doing that?

3 SECRETARY REDDING: Right. So I think  
4 to your point, the law is going to require that  
5 those obligations be met. So the health and  
6 pensions, the drug testing, the marketing and  
7 operations, and the direct ag investments are  
8 going to be -- have to be obligation-satisfied  
9 before there's a transfer of purse money into the  
10 scholarship program.

11 REPRESENTATIVE Rothman: Last year --  
12 last year, we talked about this and I asked you  
13 to go to the Governor -- and I figured I knew  
14 where your heart was -- and tell him this was a  
15 bad idea, that this would hurt our horse  
16 industry, the farms, the feed, the vet, the hay,  
17 the horse feed. I think it was 1200 families  
18 would be hurt by this. Yesterday, I believe it  
19 was yesterday, the State Racehorse -- the State  
20 Horse Racing Commission voted unanimously to  
21 oppose this project.

22 I understand you're the chairman of  
23 that. Am I -- did I get the correct information  
24 on that? And why did they oppose it?

25 SECRETARY REDDING: Yeah. You're

1 correct.

2           So within that commission, I serve the  
3 role as chairman, as a non-voting member. Each  
4 of those commissioned members are there as  
5 champions of horse racing and their view, you  
6 know, in serving that role, they really felt like  
7 this transfer would not be, in their view, in the  
8 best interest of racing.

9           In that conversation, as they did last  
10 year -- and I appreciate this -- is that they do  
11 acknowledge the need for scholarships and  
12 addressing the concerns of student debt. Now, I  
13 don't get a vote there, but that was the outcome  
14 of those who had the votes, of unanimous support  
15 for that resolution.

16           REPRESENTATIVE Rothman: Thank you, Mr.  
17 Chairman. Thank you for being here today.

18           And I would implore you, on behalf of  
19 Chairman Moul, to go back to the Governor and  
20 tell him this is a bad idea again. It feels like  
21 10 days in a mad house, so -- thank you.

22           SECRETARY REDDING: Thank you.  
23 Appreciate it.

24           MAJORITY CHAIRMAN SAYLOR: So we have  
25 come to the end of questioning.

1                   Mr. Secretary, I thank you for being  
2 here and taking our questions, and Mr. Hanna, as  
3 well. We are going to adjourn. We will be back  
4 here at 1:00 with the State-related University  
5 presidents.

6                   So again, thank you very much. See you.

7                   SECRETARY REDDING: Thank you.

8                   DEPUTY SECRETARY HANNA: Thank you.

9                   MAJORITY CHAIRMAN SAYLOR: Yep.

10                  (Whereupon, the hearing concluded.)

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## C E R T I F I C A T E

I hereby certify that the proceedings are contained fully and accurately in the notes taken by me from audio of the within proceedings and that this is a correct transcript of the same.

*Tracy L. Powell*

Tracy L. Powell

Court Reporter