



ARKANSAS FARM BUREAU FEDERATION
POULTRY DIVISION
Embassy Suites
Little Rock Ar
January 9, 2024

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|-----------|--|
| 1:00 p.m | Call to Order – Chris Meador, Chairman |
| | Invocation/Pledge of Allegiance |
| | Introductions |
| | Previous Meetings Minutes |
| | Policy Development Guidebook/ Policy |
| | Update on board recommendations (if necessary) |
| | Update on new policy |
| 1:30 p.m. | Jada Thompson- University of Arkansas |
| 2:15 p.m. | Discussion |
| | Board Recommendations |
| | Commodity Priorities |
| 3 p.m. | Adjourn |

**Arkansas Farm Bureau Poultry Policy
(New Policy in Blue)**

1. One position on the Arkansas Livestock & Poultry Commission (AL&PC) should be filled by a producer of broilers, turkeys, or eggs.
2. With poultry being the largest revenue-producing commodity in the state, we support poultry growers having more representatives on the Arkansas Department of Agriculture Board.
3. We should facilitate meetings between companies and producers at the local, state and national levels.
4. Special emphasis should be placed on the integrity of the present contractual relationship between the two, as well as exploring other basis for paying broiler growers besides the present weekly average cost basis.
5. We recommend poultry integrators establish, in all complexes, an unbiased grievance committee to settle problems between growers and integrators.
6. We support:
 - 6.1. An arbitration system as an option for poultry producers who are not able to resolve their problem with their integrator. This would not cause producers to lose the ability to sue the integrator.
 - 6.2. [The integrator fully compensating the grower anytime there is a forced change in operations that result in additional cost to the grower.](#)
 - 6.3. A poultry and livestock grower protection act that provides:
 - 6.3.1. When companies pull out of the area growers should be subsidized to recoup their investment and help pay for costs of shutting down the grower's operation;
 - 6.3.2. Improved grower contracts with longer terms, at least seven years, for all producers;
 - 6.3.3. A plan to compensate a producer's loss of income in cases of limited placements on pullet or breeder farms;
 - 6.3.4. Revenue protection for contract poultry growers, including egg-producing farms, not only for loss of birds but also future income losses; and
 - 6.3.5. Compensation when growers face long out times.
7. We recommend:
 - 7.1. Performance history being supplied with each new batch of poultry delivered to growers and that the poultry companies distribute birds in a manner that is fair to all producers.
 - 7.2. Poultry integrators find ways to increase the influence of poultry growers in establishing contract conditions and changes; demonstrate effects of changes to profit and loss. Poultry producers should have rights of contract rejection based on profit and loss projections.
 - 7.3. Poultry feed returned to the poultry company be weighed accurately. Also, the load cells on trucks be calibrated and certified the same as other scales.
 - 7.4. Pesticides, medication, and disease control costs be borne by poultry companies rather than producers.
 - 7.5. A consistent and equitable compensation process to growers when losses are occurred from the avian reovirus infected hen flocks.
8. We ask that poultry companies utilize existing buildings before expanding with new construction and to place full capacity in houses. We should work to incorporate

changes into poultry contracts that would protect growers from mandatory upgrades to houses and equipment within seven years of building and equipping houses to company specifications.

9. We support:
 - 9.1. Integrators maximizing bird capacity in a poultry house while still maintaining the necessary square foot space needed.
 - 9.2. Requiring integrators to define in the contract what is expected of producers and what producers should expect from integrators.
 - 9.3. Contract language should include such things, but not limited to, quality start, poultry health and quality feed.
 - 9.4. Poultry contracts reflecting maximum weigh-out through improved bird placement based on target weights.
 - 9.5. Poultry growers being able to transfer ownership of their operations, along with their grower contract, without requirements by the poultry company to upgrade the facility.
 - 9.6. Extending the time required for contract growers to humanely euthanize unmarketable/ cull birds (whose ownership was forced back onto the contract grower) to 24 hours at the end of the catch.
 - 9.7. Poultry contractors being responsible for the proper disposal of dead or culled birds at pickup and those counted as dead on arrival.
10. We recommend:
 - 10.1. That poultry companies accept responsibility and expense for disposal of dead birds.
 - 10.2. An expanded and well-funded Natural Resource Conservation Service (NRCS) program to assist with development of grower-directed dead-bird disposal projects.
11. We support Natural Resources Conservation Service (NRCS) making funds available for new growers allowing them to incorporate financing into initial loans for stacking sheds, composters, etc.
12. We support current Arkansas law concerning burial or composting of poultry carcasses after a catastrophic loss.
13. We encourage integrators to consider indexed gas and electric costs and to develop/continue an allowance program for heating and cooling.
14. We recommend poultry companies pay growers already in business the same per pound as growers with new houses, and pay bonuses in the same manner.
15. We oppose:
 - 15.1. Forced upgrades of facilities that are performing in the top 80 percent during the previous year.
 - 15.2. Integrators forcing more responsibility on growers with no additional compensation.
16. We support:
 - 16.1. A training program implemented by integrators, to educate and train poultry field servicemen concerning the care, operation of any upgrades and raising of poultry.
 - 16.2. Companies better educating their catchers to respect the property of the growers.

- 16.3. Company personnel being properly trained in biosecurity and animal welfare protocol.
- 16.4. The Attorney General creating a poultry hotline.
- 16.5. Voluntary Nutrient Management Plans (NMP) for poultry litter management.
17. Regulations for application of nutrients to agricultural lands should not be more stringent than regulations pertaining to municipal, residential or recreational applications.
18. We recommend dust, noise, and domestic animal matter be excluded from the definition of waste or nuisance.
19. We propose at least 50 percent of the membership on the State EQIP Technical Committee be those with active farm interest.
20. Cost-share funds should be made available to assist poultry producers to comply with federal or state regulations through the Environmental Quality Incentive Program (EQIP) or any other assistance programs. We want to emphasize primary funding if stacking sheds become mandatory for poultry growers.
21. We support:
 - 21.1. The income tax credit and it should stay at 30 percent;
 - 21.2. Non-repayable upfront grants to help cash flow and/or low-interest loans through electric co-ops, such as REA or Rural Energy for America Program (REAP) grants, making solar energy more practical for poultry houses; and
 - 21.3. Making grants and cost-share programs available for farmers to purchase on farm water storage or a water conservation project for poultry farms who utilize rural or municipal water supplies.
22. We recommend test results of farm animal by-products (solid or liquid) for nutrient value be available to farmers on a more timely basis.
23. We support:
 - 23.1. The Poultry Protection Act requiring that poultry companies weigh poultry within 12 hours of the time the birds are taken off feed. We recommend that egg producers receive the same trust and prompt pay provisions extended to other poultry producers under the Poultry Producers Protection Act of 1987. Conflicts under the Packers and Stockyards Act should be referred to an administrative judge rather than dealt with through civil suit. We support legislation to amend the Packers and Stockyards Act to provide the Secretary of Agriculture with administrative authority over complaints in the poultry industry.
 - 23.2. Contract growers being fairly compensated for any additional time the birds are on the farm due to processing or any integrator issues.
24. We recommend that the Arkansas Livestock and Poultry Contract Protection Act (Act 1253 of 2005) be amended to provide protection to primary breeders, those who raise pullets and poultry and provide the eggs used to hatch the poultry ultimately used for human consumption. This also includes table egg producers.
25. We support accreditation of associations of agricultural producers to bargain with poultry companies.
26. We recommend the Packers and Stockyards Act and the agricultural Fair Practices Act of 1967 be amended to provide the USDA with additional authority in the form of administrative enforcement and civil penalization for addressing increased

concentration in the poultry industries and to ensure that producers are treated fairly in the market.

27. Arkansas Division of Environmental Quality should recognize poultry litter as a valuable plant nutrient.
28. We support using “organic nutrients” in place of “animal waste” or “poultry waste” in all new state laws and regulations.
29. We support legislation requiring any lab testing birds from out of state be required to report any diseases to the state veterinarian of the state from which the birds came.
30. We recommend state agencies charged with running diagnostic or analytical tests be required to conduct tests for contract growers, official owners of feed, livestock or poultry.
31. We support:
 - 31.1. Continuation of the sales tax exemption for poultry feed, propane, natural gas and electricity.
 - 31.2. A universal sales tax exemption certificate to allow producers to purchase propane from any provider.
32. Priority should be given to the education of the state’s congressional delegation and the state legislature on grower economic realities in the poultry business.
33. We recommend alternative uses for poultry litter continue to be developed.
34. We recommend the regulation of litter distribution be under state control rather than federal.
35. We support a tournament system of broiler grower payment which could be by the pound or square foot of growing space.
36. We recommend that integrators develop consistent compensation for things such as out-time compensation and base pay contract rates.
37. We oppose the unfair practice of paying incentives to new growers as opposed to existing growers who have equally efficient houses.
38. We recommend:
 - 38.1. Growers in good standing be placed in approximately the same order.
 - 38.2. No more than two weeks be included in a settlement group as weather changes and other factors can cause serious problems and make it hard for growers to be compensated fairly.
 - 38.3. Integrators not combine growers receiving feed from different feed mills, except for emergency situations, in the same settlement group.
39. The registration fee in Act 1060 of the 84th General Assembly (subtitled: Arkansas Poultry Registration Act) should be changed to a permit fee.
40. We support changing the poultry farm registration permit from an annual permit to a three-year permit.
41. We favor legislation to publicly fund any publicly mandated obligations concerning environmental standards.
42. Because a disease outbreak is devastating to the poultry industry we encourage:
 - 42.1. Poultry operations practice basic biosecurity procedures.
 - 42.2. Implementing a mandatory vaccination program for all backyard poultry.
43. The AL&PC to implement additional, more strict regulations for the testing of poultry at swap meets and exhibitions.
44. We support:

- 44.1. The Arkansas Department of Agriculture's development of an energy-assessment program which will aid poultry producers in identifying and implementing energy-saving opportunities and technology.
- 44.2. Cooperative Extension Service educating poultry farmers on making their poultry houses more energy efficient.
- 44.3. Integrators providing a year-round utility allowance.
45. We urge FSA to include production history when applying for poultry house loans.
46. We strongly urge county poultry chairmen and their committees to become pro-active in the 'animal welfare' issue. It is important for them to begin working with their integrators to persuade them to include growers on any animal well-being program such as Tyson's Farm Check.
47. When it is necessary for the Laryngotracheitis (LT) vaccine to be given, we recommend signs showing the status of the vaccination be posted on the door of poultry houses.
48. We support that during an epidemic breakout of poultry diseases such as avian influenza and Laryngotracheitis (LT), dead and infected birds be disposed of on the affected farm and not transported to a central location.
49. Flocks vaccinated for Laryngotracheitis (LT) should not be in the same settlement with flocks not vaccinated.
50. We support having contract growers included in the indemnification from Animal Plant Health Inspection Service (APHIS) plans.
51. We recommend the Risk Management Agency (RMA) expand its insurance coverage to include protection for contract livestock producers which includes the poultry and swine industry. The coverage should include input costs as well as income losses due to integrator placement schedules.
 - 51.1. The coverage should include:
 - 51.1.1. Input cost losses due to mechanical failure.
 - 51.1.2. A loss of power causing a catastrophic loss caused by:
 - 51.1.2.1. Acts of God;
 - 51.1.2.2. Sabotage; and
 - 51.1.2.3. A power interruption not caused by contract grower. Contract grower should make every attempt to protect their operation in case of a power interruption with provisions for mechanical failure (example: generator).
 - 51.1.3. Infectious disease, quarantine, loss of processing, loss of processing and loss of feed availability.
52. Revenue protection - revenue mechanism for producers when producer's income is not enough to pay loan note due to market, production, plant closure, company relocation or natural disaster.
53. We support changes to APHIS plans to use normal mortality rates when determining compensation instead of using "remainder of the flock" for purposes of determining compensation.
54. We recommend if a poultry farm tests positive for an infectious disease, the integrator and/or a government organization be responsible for euthanizing the flock. The integrator and/or a government organization also needs to be responsible for the disposal of the dead birds and the sanitation process of the poultry houses and have

a clear and concise plan to make the sanitation process as smooth and quick as possible.

- 54.1. We recommend in the event of large poultry mortality event, integrators make an effort to protect the surrounding community from odors.
55. We encourage the poultry industry to consider using hydrogen peroxide for sanitizing and reducing bacteria on eggs in order to prevent losses on farms due to the pressure to raise chickens without antibiotics.
56. We favor when a poultry integrator requires certain biosecurity measures that a cost-share program should be provided by the integrator.
57. We recommend out-time for meat birds should not be greater than three weeks (21 days) and calculated, first-day birds caught and last-day birds are placed back in houses. The grower should receive payment after 21 days.
58. If integrators cut density, we support growers be reimbursed for the difference in cost based on price per pound to offset the change in density.
59. We recommend integrators provide a cash flow plan to show projected farm income for new producers.
60. We support poultry grower's associations in their efforts to promote their segment of the agricultural industry.
61. Integrators should not be allowed to prevent growers from installing photo or video surveillance equipment on their farms. It is essential to prevent theft, agri-terrorism, discrepancies with integrators about feed delivery, birds caught or damages caused by deliveries.
62. We oppose retaliation of integrators against contract growers for following and reporting issues as requested by integrators such as reporting animal welfare concerns.
63. We encourage integrators to allow alternative types of poultry bedding as long as they are not detrimental to the health of the chickens.
64. We encourage poultry integrators to review contracts, communication and contract grower relationships to ensure compliance with the Arkansas Division of Workforce Services definition for contract labor. The U.S. Department of Labor (DOL) and Arkansas (ADWS) should both have initiatives to identify misclassification of employee vs. independent contractor.
65. We recommend:
 - 65.1. If the Assessment Coordination Department (ACD) imposes a rate increase that old houses be treated the same as at present. During phase-in period for new houses, we encourage ACD to establish a work group to determine the appropriate tax rate that would include all facets of the poultry industry (growers, companies and financial institutions).
 - 65.2. Looking at remaining economic life, the age of the poultry houses and the type of structure when doing the tax assessment of poultry houses.
 - 65.3. A property tax calculation formulation on new and used poultry houses have an incremental rate and take economic feasibility and location into account.
 - 65.4. Any increase in poultry house tax assessments be done on an incremental value of no more than 10 percent of the assessment rate in any given year; not 10 percent of value.

65.5. That poultry houses not in production should not be assessed at the same rate as poultry houses that are in production. Removal of outdated equipment should not be a requirement for tax assessor to change or reduce tax value of empty poultry facilities.

65.6. Poultry house property tax assessment increases go through the appropriate legislative committee for approval before implementation.

66. We support:

66.1. Reducing the maximum percent increase of property taxes from the current 10 percent increase to 5 percent increase.

66.2. The expansion of poultry and swine farms in the state of Arkansas.

66.3. Integrators adding property tax increases into the grower's contract.

66.4. American Farm Bureau Federation working with the USDA to ensure payments to contract and non-contract growers are equitable and processed in similar time frames.

66.5. Efforts to keep toxins below tolerance levels in feed grains.

RECOMMENDATIONS TO THE BOARD
DEVELOPED BY THE
ARKANSAS FARM BUREAU FEDERATION
POULTRY DIVISION
MARCH 1, 2022

Poultry RMA Insurance

Background: The last two years have shown the vulnerability of Arkansas' agricultural supply chain. Longer than normal out times due to COVID and in more recent weeks potential flock losses due to Avian Influenza (AI). These issues have our farmers and ranchers searching out affordable insurance products to ensure their farms remain sustainable during trying times.

Recommendation: ARFB put together a poultry working group to identify how an RMA poultry insurance product should look under the new farm bill.

Policy: (S117:58)

58. We recommend the Risk Management Agency (RMA) expand its insurance coverage to include protection for contract livestock producers which includes the poultry and swine industry. The coverage should include input costs as well as income losses due to integrator placement schedules.

58.1. The coverage should include:

58.1.1. Input cost losses due to mechanical failure.

58.1.2. A loss of power causing a catastrophic loss caused by:

58.1.2.1. Acts of God;

58.1.2.2. Sabotage; and

58.1.2.3. A power interruption not caused by contract grower. Contract grower should make every attempt to protect their operation in case of a power interruption with provisions for mechanical failure (example: generator).

58.1.3. Infectious disease, quarantine, loss of processing, loss of processing and loss of feed availability.

Possible Poultry Division Priorities:

These are recommendations and intended for conversation purposes only.

1. Work with Livestock and Poultry to have one board member be involved with swine production.
2. Include Poultry working group proposed polices be implemented in the Farm Bill
3. Poultry be more involved with AI practices.
4. More outreach to membership on regulatory issues
5. Stop being so stinking awesome.