



## 2017 Ag Day White Paper

The issues and bills listed below are priorities of the Massachusetts Farm Bureau Federation for the 2017/2018 Legislative Session.

### 2017/2018 Budget

- We support a budget amendment that is set to be filed by Representative Hogan, which would provide \$500,000 to UMass for Integrated Crop Management (ICM). This funding would allow for agricultural research and education on topics critical to the sustainability of Massachusetts farms including methods to deal with climate change, drought, pest management, food safety, nutrient management, etc.
- We support adequate funding for the Massachusetts Department of Agricultural Resources (DAR). Many DAR programs are crucial to the viability of Massachusetts farms.

### HB 3323 - An Act to establish estate tax valuation for farms - Representative Hogan

### SB 1584 - An Act to establish estate tax valuation for farms - Senator O'Connor-Ives

- Massachusetts has an estate tax that is levied when the value of an inherited estate exceeds \$1 million. The estate tax is based on the "highest and best use" of the land – typically the development value, rather than the agricultural value.
- This is a proven challenge for many farmers inheriting farmland, who want to continue to farm the land rather than develop it. Often, farmers do not have cash on hand to pay the estate tax and are forced to sell some or all the land to pay the tax. This is contrary to the intent of several state laws and programs intended to preserve farmland.
- This bill would value farmland at agricultural value for estate tax purposes. The land would need to remain in agriculture for at least 10 years to fully enjoy this benefit. If the land is developed within 10 years, back-taxes would need to be paid as well as an elevated capital gains tax.

### HB 181 - An Act relative to updating the plumbing code in order to accommodate agricultural uses - Representative Mirra

- While the state building code contains provisions for *agricultural buildings*, the State Plumbing Code categorizes farm structures as *commercial buildings*. Many farmers and farm organizations believe that the broad requirements for commercial buildings are not sufficiently tailored to the needs and activities of farms, resulting in inappropriate requirements and often unnecessary costs.
- This bill creates a Committee of representatives of the public health, plumbing and agricultural communities - from both the public and private sector. This committee will be tasked with making recommendations, specific to agriculture, to the State Plumbing Code.

### HB 441 - An Act to promote the care and well-being of livestock - Representative Kulik

- This bill creates a board within the Department of Agricultural Resources consisting of farmers, local humane organizations, veterinary organizations and relevant state agencies.
- The board will be charged with ensuring livestock is treated humanely, and will be given the ability to create relevant regulations, guidance, etc.
- The bill is intended to ensure that future policy regarding the humane treatment of livestock is based on science and broad consensus, rather than emotion.

### HB 2616 - An Act relative to the Dairy Farm Tax Credit - Representative Kulik

- Dairy farming in New England is challenging financially, with the cost of producing milk sometimes exceeding the price paid to dairy farmers. (The price paid to farmers is dictated by federal pricing programs.)
- Under Massachusetts law, dairy farmers can receive a refundable tax credit for periods of time when the cost of production exceeds the price of milk.
- The law currently limits the total amount allocated annually toward the credit to \$4 million. This bill would increase the limit to \$8 million.