

In This Edition:

Food Security – G-20 Agriculture Meeting	1
Marcellus Shale – Hydraulic Fracturing Study	1
Marcellus Shale – Clean and Green Legislation	2
Dairy Pricing – PA Milk Marketing Board	2
Rural Development – White House Rural Council	2



G20 Agriculture Ministers Agree on Action Plan to Address Global Food Price Volatility and Food Security

Jay N. Angle, Research Assistant

The Agriculture Ministers of the G20 nations met in Paris, France, on June 22 and 23, 2011, to address the issue of food price volatility and food security. As a result of this summit, the Ministers agreed on an Action Plan (Plan) to help manage world food prices and improve food security. Ministerial Declaration, Action Plan on Food Price Volatility and Agriculture. Within the Plan, the Ministers agreed to eliminate export restrictions on food purchased for “non-commercial humanitarian purposes.” In addition, the Plan proposes to launch the Agricultural Market Information System (AMIS) to facilitate timely and accurate information concerning food price developments. The AMIS would be housed within the United Nations’ Food and Agriculture Organization and would encourage major players in the agri-food markets and private sectors to share data and enhance existing information systems. Moreover, the



Ministers agreed to implement a Rapid Response Forum within the AMIS framework. The Rapid Response Forum is for senior agriculture policy officials “to share views and plans for immediate actions in order to prevent or mitigate world food price crises.” The Ministers did not address biofuels, but instead opted to further analyze the relationship between biofuels production and issues of food availability and sustainability. The Plan will be submitted to the leaders of the G20 nations at their November 2011 summit in Cannes, France. For more information on the Meeting of G20 Agriculture Ministers, please visit the [French Presidency of the G20](#) website.

Environmental Protection Agency Selects Seven Locations for Hydraulic Fracturing Study

by Michael A. Magee, Research Assistant

On June 23, 2011, the United States Environmental Protection Agency (EPA) announced the locations to be examined in its Hydraulic Fracturing Study. Among the seven selectees are sites in Pennsylvania’s Bradford, Susquehanna, and Washington Counties. EPA Press Release, June 23, 2011. The study locations were chosen following the nomination and prioritization process outlined in EPA’s February 7, 2011, draft study plan. Factors considered in the prioritization process included geographic and geologic diversity, at-risk populations, water source characteristics, and land uses. EPA’s study is the result of a Congressional Appropriations Conference Committee directive issued in 2010. The study’s goals are to determine whether hydraulic fracturing impacts drinking water resources, and if so, the nature of that impact. The case studies are divided into two groups: five retrospective examinations intended to determine if fracking has caused any local water contamination, and two prospective examinations of how water is used throughout the fracking process. Bradford and Susquehanna Counties will host one of the retrospective studies while Washington County will host both retrospective and prospective examinations. For more information on Marcellus Shale legal issues, please visit the [Agricultural Law Resource and Reference Center’s Marcellus Shale Resource Area](#).

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General Assembly Votes to Again Amend Clean and Green Rollback Requirements

by Brice T. McCoy, Research Assistant

For the second consecutive year, the Pennsylvania General Assembly has passed a bill amending the manner in which oil and gas extraction affects the status of land enrolled in the Clean and Green program. House Bill 144, which was passed unanimously by both chambers and presented to the Governor on June 27, 2011, changes the trigger mechanism for the imposition of rollback taxes on land developed for oil or gas production. On October 27, 2010, the Pennsylvania Farmland and Forest Land Assessment Act of 1974 was amended to allow oil and gas exploration and extraction on land enrolled in the Clean and Green program, with rollback taxes assessed only on those portions of the property “incapable of being immediately used for the agriculture use, agricultural reserve or forest reserve activities.” Act 88 of 2010. Under this year’s legislation, the rollback taxes are “due and payable in the tax year immediately following the year in which a well production report is provided to the county assessor.” 72 PA. STAT. §§ 5490.6(c.1)(3). Previously, these rollback taxes were based upon the approval of the well site restoration report. For more information on Clean and Green issues, please visit the [Agricultural Law Resource and Reference Center’s Clean and Green Resource Area](#).

Pennsylvania’s Milk Marketing Board Maintains Current Over-Order Premium

by Tanya J. Cramoy, Research Assistant

Under authority conferred by the Milk Marketing Law, 31 PA. STAT. §§ 700j-101 to 700j-1204, the Pennsylvania Milk Marketing Board (PMBB) has decided to maintain the current over-order premium on Class I milk (fluid milk) that is produced, processed, and sold in Pennsylvania. Pa. Milk Mktg. Bd. Order No. A-971 (June 15, 2011). PMMB is an independent administrative agency responsible for Pennsylvania’s comprehensive milk pricing program, aimed at enhancing farm milk prices while providing reasonably priced milk to consumers. Pursuant to the over-order premium, dealers pay \$2.15/hundredweight more than the federal minimum Class I milk price for qualified fluid milk. The PMMB’s decision came after hours of testimony highlighting the increasing input costs of dairying (animal feed, fuel, hauling, etc.) and the overhang of negative net margins from 2009. The PMMB has ordered the over-order premium, and its current fuel cost adjustment add-on, to hold steady through December 31, 2011. For more information on dairy pricing issues, please visit the [Agricultural Law Resource and Reference Center’s Dairy Pricing Resource Area](#).

White House Rural Council Established to Promote Investment in Rural America

by Brice T. McCoy, Research Assistant

On June 9, 2011, President Barack Obama signed an Executive Order establishing the White House Rural Council (Council). Exec. Order No. 13,575, 76 Fed. Reg. 34,841 (June 14, 2011). The Council, chaired by the Secretary of Agriculture, Tom Vilsack, is intended to promote economic prosperity and quality of life in rural communities nationwide. The establishment of the Council represents an effort on the Administration’s part to ensure that federal programs are coordinated so that federal investment in rural communities is maximized. The Council will be responsible for “providing recommendations for investment in rural areas and will coordinate Federal engagement with a variety of rural stakeholders, including agricultural organizations, small businesses, and state, local, and tribal governments.” Key factors for growth that the council will discuss include: job training; improving regional food systems; improving access to credit; renewable energy projects; improving access to health care; increasing post-secondary education enrollment; investment in infrastructure; and expanding opportunities for conservation. For more information on the White House Rural Council, please visit the [White House](#) website.

About The Agricultural Law Resource and Reference Center: The center has been established pursuant to Pennsylvania statute, 3 PA. STAT. §§ 2201-2209, as a collaborative enterprise between Penn State Law, the Penn State College of Agricultural Sciences, and the Pennsylvania Department of Agriculture. The Center provides information and educational programs on agricultural law and policy for producers and agribusinesses, attorneys, government officials, and the general public. The Center does not provide legal advice, nor is its work intended to be a substitute for such advice and counsel.

