Government & Industry Relations Committee (GIRCom) MINUTES May 13, 2019

Committee Members: Bonnie Potter, Chair
Joan Clappier
Mary-Margaret Lannon
Dr. Pat Long
Tom Petersen
Brion Smoker

Board Liaison: Andy Merriwether [absent]

Staff Representative: Dan Huntley [absent]

The meeting was called to order at 7:35 pm ET.

Meeting Opening

1.1 Welcome Mary-Margaret and Tom — All

- We welcome Mary-Margaret Lannon and Tom Petersen to the Committee. They both bring enthusiasm and relevant experience and we look forward to working with them.

1.2 AOA News of Importance — Merriwether/Huntley

- Voting. Online voting opens May 15 and runs through the May 31..
- National Alpaca Halter Show is completed. We don't have further details yet because neither Dan nor Andy were able to attend this meeting.
- The AOA Natural Fiber Extravaganza will be held in Nashville July 19-21. In addition to an international fleece show, there will be workshops and seminars available. Online registration is open.

2.0 Health/Government Related

2.1 USAHA Alerts — Long / Potter

- Antibiotic resistance problem is still in the news.
- There was a discussion of zoonotic diseases which are diseases that pass from animals to people. Diseases affecting alpacas include rabies, WNV, corona viruses like MERS and leptospirosis.
- There has been flooding in many states. We don't know how many alpaca farms may have been affected.
- Newcastle Disease still being reported chickens in California.
- The UN is now calling for action against antibiotic resistance. They mentioned use of antibiotics at milk producing farms.
- California is gearing up for fire season and had a forum about handling animals during wildfires.

3.0 Unfinished Business

3.1 Alpaca Business Benchmarks Status — Potter/All

- For the new committee members, Bonnie provided a background about why we started this study. Committee member Brion Smoker is a CPA with alpaca clients and he has helped some with IRS audits. It became apparent to him that many alpaca owners don't have the knowledge and/or records to justify that their alpaca

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activity is a Business rather than a Hobby. He suggested that we gather data to (a) provide owners with examples of how to present their financial data, and (b) help owners compare their operation to others and perhaps get some ideas of changes to make which can improve their businesses. The data will be collected by "region" because there are regional differences that affect costs and requirements, such as weather or cost of feed. The committee has spent several months working on the survey.

- We have sent the survey questions to De Monson, staff at AOA office, to convert to an online survey. She has sent that format back to us for our review. She asked if the email and link should go to all AOA members or just US members.
- Mary-Margaret received it and sent some questions to the committee members prior to her first meeting.
- The committee discussed the questions and other things, with the following decisions.
    - We decided it should go to all AOA members.
    - What about farms that have two different locations? Decision: Ask them to do multiple entries if they have farm locations in *different regions*, i.e. one survey response per region.
    - We need to set a specific date at which we will consolidate the data. We can keep it open beyond that and have periodic cut-off dates to collect new information from new farms or farms that didn't meet the first date.
    - Does the question about acreage mean total property or amount in pasture? Decision: We want the acreage that is used for the alpaca farming operation. That would include barns, farm stores, and oter things that are part of the alpaca business.
    - Clarification of the revenue/income question: It should be Gross Income.
    - Clarification of Cost of Product Sales: This would include production costs for products being made or improved by the farm, as well as finished goods purchased for resale..
- Bonnie will make the suggested changes to the survey.

3.2 IRS and State Tax Audits — Smoker

- Tax season has just ended and Brion expects to have some information by the next meeting

3.3 Agritourism … How Can We Help Our Members? — Potter/All

- The new committee members were brought up to speed on what we are doing to gather resources and information to help our members. Protection laws for the farm owners exist in some states but not all.
- Mary-Margaret has recently moved to Wisconsin and will talk to a farm there that is doing agrtourism.

3.4 CA Senate Bill 313 — Potter/All

- This bill was written to target animal abuse in circuses, but was so broad that it would prohibit showing and exhibiting llamas (and by extension probably alpacas). This would have prevented our alpaca shows and other activities that we do as part of building and promoting our businesses.
- The timing was good because it was right before national Ag Day. Calpaca (California Alpaca Breeders Association) has had a booth at the Capitol every year in order to teach the legislators and their staff about alpacas, and that they are domestic livestock. Bonnie provided them with information and they took handouts to the event. One of the people they spoke to quickly contacted the Senator who wrote the bill and there was agreement that it should be changed.
- The bill has been radically re-written and scaled back so that there is no concern for the alpaca industry.

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4.0 New Business

4.1 Direction from Board Based on the Updated Strategic Plan? Merriwether.

- No information at this time.

4.2 Transporting Livestock Safely Act - Letter of Support All

- Senators Tester and Daines from MT and Senator Sasse from NE have submitted a bipartisan bill to provide livestock haulers with regulatory relief from the restrictive Hours-of-Service rules. This relief is essential to the health and safety of the animals being transported. Other Senators have joined in support of the bill.
- Should AOA President send a letter of support? All committee members agreed that this should be done.. Brion suggested sending to every member on that committee. Bonnie has drafted a letter and will send it to the committee.

5.0 Approval of Minutes (Minutes for approval: (3/11/19) Potter/Clappier
Motion made and passed to accept the minutes.

6.0 Meeting Wrap

6.1 Review Action Items Potter

- Bonnie will make the changes to benchmark and send to the committee for review.
- All: continue looking for resources for agritourism.
- Bonnie will send the committee her draft Letter of Support about livestock hauling.

6.2 Next Meeting Date 6/10/2019 Potter

6.3 The meeting was adjourned 8:34 pm ET Potter