Testimony for HB1312 -Water Pollution Control - Discharge Permits - Industrial Poultry Operations Bill Sponsor: Delegate Stewart Committee: Environment and Transportation Person Submitting: Carole Morison Position: FAVORABLE

My name is Carole Morison and I'm from Worcester County, MD. As a farmer and a resident of Worcester County, I am submitting testimony in favor of H.B. 1312. As you know, the poultry industry has been a part of the fabric of the eastern shore of Maryland, for many decades. It has allowed farmers to incorporate chicken production into their farming operations and the income has been a part of their overall financial stability.

I speak in the past tense, "has been", because it can no longer be said that there is financial stability from contract chicken production. Over the past five years, or so, farmers and residents have seen a building boom of mega CAFO's with as many chicken houses on a plot of land that can fit. Called "no land CAFO's", gargantuan chicken houses, holding up to as many as 60,000 chickens in one building stretch property line to property line.

These operations can no longer be considered as part of the fabric of Maryland's eastern shore as many are owned by absentee landlords or foreign investors and run by tenants who've no knowledge of running a chicken farm. This is not the farming community, by any stretch of the imagination, which our General Assembly and farming advocates seek to protect.

Long time contract chicken farmers are facing economic hardships, as we speak, and have been for quite some time. Normally, existing operations have run 5 flocks of chickens per year through their chicken houses. Many depend on the 5th flock of the year to pay their bills. The first 4 flock payments are scheduled to be sent by the chicken company directly to the lending institution holding the mortgage on the farm.

Too many chicken houses for the companies to fill with chickens, have brought longer times between new flocks being placed on the farms. Sometimes 5 to 6 weeks before a new flock is brought, essentially cuts out one of the five flocks per year. That equals a 20% loss of income on the farms. That also means that the first 4 flock payments went to the lending institution and the farmer got nothing for the year.

Farming is hard enough to make a living without the added financial strain because of too many chicken houses being built on the eastern shore. Coupled with a glut of chicken on the market, and now the added strain of the cocona virus slowing exports to the Pacific Rim countries the future is grim.

In October 2019, the major lending institution for chicken houses, Farm Credit, counseled contract chicken farmers about how to **"manage your operation and its finances with fewer flocks and less income per year"**. Realizing the stress related mental health issues associated with loss of income on the farm, the institution further recommends, **"if you are feeling stressed or need someone to talk to, there are many free resources that your lender can help direct you to".** During the 1980's farm crisis, the Farm Credit Service suffered large losses, which were the first losses since the Great Depression. Maryland's chicken industry has been caught flat footed.

Obviously, the existing chicken farms on the eastern shore are headed down the road of a serious financial crisis. It makes no sense, at all, to build more chicken houses when the chicken farming community is facing financial hardships of such proportions. Filling existing chicken houses and bringing farms back to the 5 flock per year numbers should be the priority of not only Maryland's General Assembly, it should be top priority for every organization that says they represent chicken farmers.

I can't count the times that I've heard how important the chicken industry is to the State of Maryland and the Delmarva Peninsula. If you truly want to help farmers, I urge you to consider the ramifications associated with the current picture of our existing chicken industry. Vote in favor of HB1312 helping to make our farms financially stable.