

Wayne C. Barnes, Chairman
VIRGINIA PEANUT BOARD
July 1, 2022 through June 30, 2023

The Code of Virginia allows for an excise tax to be paid by the producer on every pound of peanuts sold. This excise tax is collected and remitted by the first handler to the Virginia Department of Taxation. The Department of Taxation transfers the funds monthly to the Virginia Department of Agriculture and Consumer Services, which houses the Peanut Fund. The excise tax rate is \$.25 per hundred or \$5.00 per ton. This rate was approved by the Virginia General Assembly in its 2021 legislative session and will be in force for 5 years beginning with the 2021 crop. This money is used by the Virginia Peanut Board through agreement with the Virginia Peanut Growers Association to staff an office, conduct promotional activities, and fund research projects on behalf of and to benefit Virginia's peanut growers. These promotional activities are conducted by the Association and in conjunction with other organizations.

The American Peanut Council serves as the organization which brings together all segments to address issues relevant to the peanut industry. The APC also participates in US Department of Agriculture Foreign Agriculture Service funding programs to promote US peanuts in foreign markets. About 30% of the US crop is exported each year with the most important markets being Mexico, Canada, and Europe. The Board has maintained its membership with the council for many years and paid \$2,771 as its pro-rata share of the grower segment dues. The Virginia Peanut Growers Association alternates with the North Carolina and South Carolina associations for Board seats on the APC Board of Directors. Currently the Association's Executive Secretary serves on the APC Board and APC Executive Committee.

The Board also maintains a close working relationship with the National Peanut Board. The NPB was created in 2000 as the national checkoff entity responsible for promotion and research programs to benefit all US peanut producers. The National assessment is \$3.55 per net ton. The National Peanut Board is the industry leader in searching for new uses for peanuts and peanut butter as well as spending a great deal of resources on peanut allergies. Each peanut state has a member and an alternate serving on the NPB who are elected by the state's growers. The current Virginia member is Paul Rogers, III of Wakefield and the alternate is Westley Drake of Newsoms. Paul is serving during 2023 as the Board's Chairman.

The Virginia Peanut Growers Association, using Virginia Peanut Board collections, renewed its' efforts in promotion and education as the pandemic eased with live events continuing once again. Our sample bags have begun being shipped to Virginia Congressional offices each month along with being sent to our Virginia Welcome Centers. Activities involved billboards on the Eastern Shore, near the Outer Banks, and on Rt. 460 and 58 advertising Virginia peanuts. Our own billboard on Rt. 460 near Wakefield was given a facelift with new panels past year. We returned to the Virginia State Fair and conducted a peanut recipe contest as we have for the last few Fairs. We had a significant advertising presence at VCU basketball games. The Association once again ran a full page ad in two issues of the Cooperative Living magazine and the Morning Ag Clips greeted users each day with a Virginia peanut ad.

We continued our joint efforts in promotion with the North Carolina and South Carolina grower organizations through V-C Peanut Promotions at a cost of \$29,000 for the fiscal

year based on 2021 crop planted acres. This contribution is based on \$1 per acre. Marianne Catalano serves as head of V-C Peanut Promotions. Marianne announced in January that she would be leaving VCPP to be a stay-at-home mom. The Virginia and North Carolina Associations will work together to absorb the VCPP activities in their own respective budgets and organizations.

The Peanut Production Contest was once again held for the 2022 crop. The sponsor of the trophies for the Virginia county winners and the State champion was Colonial Farm Credit. The state winner was Greg and Seth Edwards of the Little Texas area of Southampton County. The state average yield was nearly 4,000 pounds per acre.

Association funds were allocated to the Tidewater Agricultural Experiment Station for research projects in the amount of \$44,018. The projects were approved in March and will be completed during the 2023 crop year. A list of the research projects is a part of this report. The Association is also responsible for reviewing research proposals to be recommended for funding in Virginia by the National Peanut Board. In December 2022, the Virginia Peanut Growers Association recommended projects totaling \$61,086 to be spent against the National Peanut Board funds allocated for Virginia for 2023.

The Association once again provided funds for a weather hotline for use at harvest by VC area growers from South Carolina, North Carolina and Virginia. The expense is now split three ways, with the North Carolina and Virginia growers sharing the cost attributed to the traditional areas covered by the advisory. The Advisory is now sourced from the climate office at NC State University due to the death of the meteorologist who worked with the program for years. The Association is a joint publisher of the VC Peanut News, issued three times during the year. The paper has been reformatted with many favorable comments from readers. The paper provides marketing, research, and promotional updates for growers in the three state region.

Acres in Virginia have somewhat stabilized in the last few years in the mid to upper 20,000 range. This is certainly lower than before the program changed but the tendency seems higher than the low of 12,000 acres in 2009. Recent acreage totals were 26,000 for 2017, 23,500 in 2018, 24,238 in 2019, 26,775 in 2020, and 29,143 in 2021. 2022 acres were 28,478 and USDA projects that Virginia will plant 29,000 acres for 2023.

In January of 2016 the Virginia General Assembly passed and the Governor signed an extension of the \$6.00 per ton excise tax rate for 5 years. The 2020 season was the final one before this had to be revisited with the General Assembly. In July of 2020 the two Virginia Boards met and agreed unanimously to reduce the state excise tax rate to \$5.00 per ton for the next 5 years, beginning with the 2021 crop. This was carried successfully by Senator Louise Lucas and Delegate Emily Brewer in the January, 2021 General Assembly Session.

Discussions are ongoing on new promotion and education programs that can be undertaken on behalf of and to benefit our producers and our Virginia peanut industry.

BUDGET AND FINANCES

The Board's contract with the Virginia Peanut Growers Association is composed such that the entire Peanut Fund is transferred to the Association on a monthly basis, to be spent under the guidance of the Board.

Virginia Peanut Growers Association Budget – (Virginia Peanut Board – Approved)

	2022-2023 Budget	Expended
VPGA (Staff, Office, Promotions, Travel, etc)	\$ 272,840	\$ 253,591
American Peanut Council	\$ 2,300	\$ 2,771
Research	\$ 65,000	\$41,386
Insurance	\$ 1,800	\$ 789

RESEARCH PROJECTS


- Towards a grower-oriented decision tool for peanut maturity prediction and digging
 Dr. Chandel \$17,760
- Rescue fungicide treatments, tank-mix options and on-farm fungicide strip trials for improved disease management in Virginia Peanuts
 Dr. Langston \$18,258
- Early season nitrogen and sulfur application: Is there a ROI?
 Dr. Frame \$ 8,000

YEAR END FUNDING LEVEL – VA PEANUT BOARD

Balance of Peanut Fund (VDACS)	6/30/22	\$ 25,960.40
Revenue	(7/1/22 – 6/30/23)	308,708.23
Expenditures (to Association & Richmond)		332,826.00
Interest Earned		838.43
Annual Administrative Fees		2,419.00
Ending Cash Balance	6/30/23	\$ 262.06

MEETING AND ATTENDANCE

	<u>March 8, 2023</u>	<u>April 7, 2023</u>	<u>June 22, 2023</u>
Wayne C. Barnes	P	P	P
Ernest L. Blount	P	P	P
Michael J. Marks	P		P
Donna N. Jones		P	P
Andrew Darden		P	P
Joey Doyle		P	
John Crumpler, II	P	P	P
Robert C. Rogers	P	P	P


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