

Southern Maryland's farming leadership assembled in Charlotte Hall this week to share concerns with Rep. Steny H. Hoyer (D-Md.) about the loss of estate tax exemptions, the high price of fuel and, like elderly residents in other fields, the fate of Social Security.

About 25 people, including officials from the farm bureaus in Charles, Calvert and St. Mary's counties, attended a luncheon Monday hosted by Hoyer at the St. Mary's Landing restaurant. The question-and-answer session gave Hoyer a chance to hear his constituents face to face.

Susie Hance-Wells, who owns a 320-acre farm on the Patuxent River in Calvert County, said skyrocketing land values have made her concerned about the taxes she and her husband may have to pay if they give land to their children. She has an exemption on land up to \$1.46 million in value, but the exemption will drop when the estate tax is phased out in 2010, she said. The exemption, she said, encourages farmers to preserve land rather than sell it for development. Legislators, she said, need to keep the value covered by the exemption from dropping.

"If they don't come up with something soon, I don't know what we're going to do," she said.

"We need to solve the inheritance tax forthwith," Hoyer said. He added that there has not been an agreement in Congress about what exemption level is acceptable. "I think we could get the majority in both parties that want to protect farmers."

In the past decade, the face of Southern Maryland agriculture has changed greatly. After a state buyout program offered to pay farmers to stop growing tobacco, only a small fraction continued to grow the crop. Between 1997 and 2002, the most recent years available for the agricultural census, the three Southern Maryland counties lost a combined 176 farms and 13,601 acres of farmland. For those who kept working the fields, many switched to crops such as cut flowers or vegetables or to ventures in agri-tourism.

Joseph Wood, president of the St. Mary's County Farm Bureau, said he took in more revenue last year from the 8,000 people who visited his 90-acre farm in Mechanicsville -- to tour corn mazes, pet farm animals and pick pumpkins -- than in his most lucrative year as a tobacco farmer.

Still, when he started the corn maze three years ago, a drought kept the crop from growing more than about three feet high, he said. The next year, Hurricane Isabel flattened the crop. He was concerned because corn mazes don't qualify for crop insurance and hoped federal rules could change that.

"If you don't have insurance, it could ruin the whole year," he said.

Others raised concerns about the rising cost of fuel.

"We're being squeezed," said Mike Phipps, the first vice president of the Maryland Farm Bureau, who grows tobacco in Calvert County. "Energy is a large part of our cost of production."

He said the cost of fuel for tractors and other equipment "is ever increasing," as is the cost of fertilizer, which can be produced with natural gas.

"I think this is the major challenge facing our society today," said Hoyer, referring to the need for affordable, sustainable energy sources.

Hoyer said he thinks the country should move forward with "a very major effort" to look at alternative sources of fuel, largely because the growing demand for oil in China is pushing up prices around the world.

"The Chinese are going to break everybody," he said. "Their demand for fuel is so high."

Some farmers said they are worried that the Bush administration's plan to add private investment accounts to Social Security could threaten the income they have planned to rely on during retirement.

Farmers Raise Concerns About Estate Tax, Fuel Costs

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"I would like to see . . . that there is something guaranteed for each and every" person, one farmer said.

Hoyer has been holding town hall meetings on Social Security around the state -- including one in Waldorf on Tuesday -- and telling crowds that although long-term cash flow problems need to be solved, President Bush's plan threatens to cut benefits and put the program at risk.

"I agree with you 110 percent," he told the farmer.