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EMPOWERING THE STATE'S NUMBER ONE INDUSTRY MONTANA AG IS THE BACKBONE OF OUR ECONOMIC WELL-BEING

As Montana's next Governor, Tim Fox commits to empowering the state's number one industry, Agriculture.¹ Montana ag is the backbone of our economic well-being, and those linked to the land are our best stewards of watersheds, clean air, wildlife habitat, and sustainable land practices. Farm and ranch communities maintain and enhance our rural way of life.

Today, Montana has over 27,100 farms and ranches, with nearly 60 million acres in use for production.² The state grows a wide range of commodities, with beef, barley, wheat, wool, pulse crops, and sugar beets arguably regarded as the best in the world. But recent ag production has slowed. In 2014, the Value of Ag Sector Production was \$5.1 billion from the sale of crops, livestock, and other farm-related income, but that had dropped by almost 14% to \$4.4 billion by 2018.³ A drop of that magnitude affects the entire state.

Born and raised in the rural community of Hardin, Montana, Tim Fox knows, intimately, the value of agriculture production, both on the economy and the family. As Montana's next governor, Tim proposes short and long-term ag policies and solutions that will strengthen this vital economic sector, enhance stewardship of our natural resources, and foster economic prosperity for the state of Montana.

Tim picked Jon Knokey as his lieutenant governor candidate in large part because of Jon's almost decade long career and leadership for John Deere. A graduate of Montana State University, Jon began his career at John Deere as the Deputy Chief Economist. He was responsible for quantifying global economic and commodity developments to assist Deere's senior leadership in strategic planning and operational decision making. At the age of 33, he was put in charge of the Global Digital Strategy and Precision Agriculture for the Intelligent Vehicle Division. At the age of 35, he managed the entire Corporate Strategy, including the strategic deployment of resources and capital for the nearly \$40 billion in company revenue, with operations throughout 120 countries. Jon understands the ag industry, precision technology, and the economics of the family farm. He is an avid supporter of FFA and has a daughter in 4-H.

"The future of Montana ag is strong," Jon recently said at an FFA event. "But we must continue to invest in new technologies to enhance production. The future of rural Montana is in good hands with our producers, but they must be empowered with access to new technology and sound infrastructure."

1 (2019, October). Montana Agricultural Statistics. 13. https://www.nass.usda.gov/Statistics_by_State/Montana/Publications/Annual_Statistical_Bulletin/2019/Montana-Annual-Bulletin-2019.pdf

2 (2019, October). Montana Agricultural Statistics. 14. https://www.nass.usda.gov/Statistics_by_State/Montana/Publications/Annual_Statistical_Bulletin/2019/Montana-Annual-Bulletin-2019.pdf

3 (2019, October). Montana Agricultural Statistics. 14. https://www.nass.usda.gov/Statistics_by_State/Montana/Publications/Annual_Statistical_Bulletin/2019/Montana-Annual-Bulletin-2019.pdf



TIM FOX'S COMMITMENT TO MONTANA: As Governor, Tim Fox commits to leading policy innovation in the agriculture industry:

- Protect Montana's Water Resources
- Increase High School Ag Education and FFA support
- Support Investment in applied Ag Research and Extension
- Advocate for International Trade
- Defend Private Property Rights
- Increased Leadership in the Management of Recovered Predators
- Wildlife Management and the Department of Fish, Wildlife and Parks (FWP)
- Landowner and Sportsman Relations
- Property Tax Relief
- Ag Tech Revolution and Rural Broadband
- St. Mary Rehabilitation Project
- Promote Working Landscapes
- Public Lands Management
- Department of Environmental Quality (DEQ)
- State Land Board and the Department of Natural Resources and Conservation (DNRC)
- Value Added Agriculture Products
- Permitting of Resource Development
- Re-focus State Programs
- Champion Real Science and Labeling in Agriculture
- Governor Appointees
- Leverage & Empower Montana's Ag Associations



PROTECT MONTANA'S WATER RESOURCES

Water is our Most Precious Resource.

Water is our most precious resource and could increase in value to the point where it could be marketed away from all but the most productive land. Currently, the state management of water rights needs to be more consistent between regional and state DNRC offices. Finishing the adjudication process through the Montana Water Court should be our highest priority, so that we can defend our rights. Protection of the prior appropriation doctrine is critical, as is the resolution of the CSKT Water Compact, which was supported by the major state-wide ag associations.^{4,5}

As attorney general, Tim proved a staunch supporter of protecting Montana from federal government overreach, suing the Obama administration and winning frequently. Most notably, he successfully took the federal government to task when bureaucrats asserted far-reaching federal control over Montana's waterways in the Waters of the US case. Tim's lawsuit drew the "support from an array of business and agriculture groups, including the Montana Stockgrowers Association and Montana Farm Bureau Federation."⁶

Defending the rule of law will always be a top priority for Tim. And he will use all means necessary to protect Montana's waterways for responsible and environmentally sustainable agriculture irrigation.

4 (2019, November). Montana Farm Bureau policy for 2020 includes CSKT support, Grizzly bear management, workforce training. <https://mfbf.org/Article/Montana-Farm-Bureau-policy-for-2020-includes-CSKT-support-Grizzly-bear-management-workforce-training>

5 (2019, December). Montana Stockgrowers Support Passage Of CSKT Settlement In Congress. <https://mtbeef.org/cskt-compact/>

6 (2015, June). Montana Joins Lawsuit Against Federal Clean Water Rules. <https://www.mtpr.org/post/montana-joins-lawsuit-against-federal-clean-water-rules>



PRINCIPLED. MONTANAN.

CONSERVATIVE.

As your Attorney General I've worked to protect our most essential and fundamental rights. I've fought for the Second Amendment, I've worked to rein in federal overreach, and I've defended the rights of the unborn. If elected, I'll continue my record of conservative leadership as Governor of Montana.

T Fox



INCREASE HIGH SCHOOL AG EDUCATION and FFA Support

Federal Carl Perkins Funding has been reduced for Career and Technical Education (CTE) at a time when Montana is desperately short of workers with trade skills.⁷ Due to the cost of providing vocational and technical training programs, many school districts find it difficult to adequately fund programs that employers in the business community require.

The Montana K-12 system must continually evolve to provide the current skills and knowledge necessary so that students transitioning to adult life do so with the tools needed for becoming contributing members of modern society. About 12,000 Montana students graduate high school annually, with approximately one-half pursuing a career that requires a bachelor's or advanced degree. The other half could benefit from additional options in the trades and technical fields. The highest performing K-12 schools equally support both the academic and career paths. However, in many cases, Career and Technical (CTE) options are limited. Today's workforce needs CTE to be a fully-empowered, rigorous partner in 21st century Montana schools.

Tim knows that state funding of CTE programs and Career and Technical Student Organizations (CTSOs) like FFA needs to be raised to at least be competitive with our neighboring states. He is committed to empowering Montana's ag future.





SUPPORT INVESTMENT

Applied Ag Research and Extension

Montana's biggest industry can be strengthened and diversified with investment in research through Montana's transformational land-grant university system. Salaries for quality researchers must be competitive if we are to produce strategic research outcomes that can grow our agricultural economy. Extension of this knowledge to our local communities is important to address critical challenges for the people of Montana. It is our Ag Research and Extension programs where next-generation cutting edge advancements will occur through a process of ideation, incubation, and commercialization. For example, MSU-Bozeman is focused on precision agriculture and state-of-the-art agronomy, areas that are crucial to the future of Montana agriculture. Additionally, Tim Fox will advocate for 4-H by working with the MSU Extension Service to promote the next generation of innovative thinkers.

ADVOCATE FOR INTERNATIONAL TRADE

Montana Ag Products Win

Montana ag products win in just about every market we compete in. With a sizable competitive advantage, we must ensure that farmers and ranchers have access to markets around the world, and an even playing field on which to trade. As governor, Tim will prioritize the development of foreign and domestic markets and transportation systems for Montana's raw agricultural products and participate in a more meaningful manner in the trade arena, working in concert with ag industry market development organizations.

DEFEND PRIVATE PROPERTY RIGHTS

Fundamental to the Success of a Free Market

Tim knows that protecting the rights of property owners is fundamental to the success of a free-market economy and is also an important cornerstone upon which our nation was founded. A strong Montana economy depends on preserving the right of responsible individuals to own, use and transfer real property freely. Tim will oppose seemingly well-meaning but dangerous programs that adversely impact private property rights and property values.



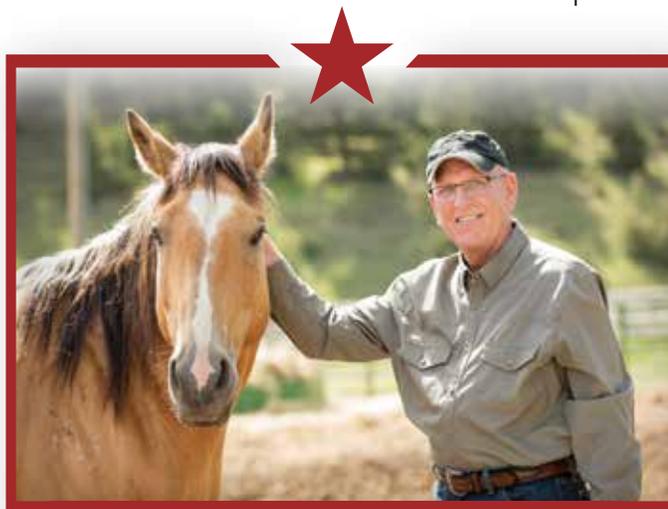
INCREASED LEADERSHIP

For the Management of Recovered Predators

As governor, Tim commits to supporting President Trump and the Secretary of the Interior in their efforts to lead in next-generation predator management initiatives. The conservation efforts for the grizzly bear have been a success, and management efforts must now become a top priority. We have seen significant cattle depredations by bears, and, in some cases, it has resulted in cattle producers seriously considering waiving their grazing allotments back to the U.S. Forest Service. This cannot be the only option for grazing lessees. To simply remove cattle whenever there is conflict is not a solution.

The Livestock Loss Program will need more funding, but this funding cannot continue to be supported heavily by our state taxpayers. Federal funding must be required to control and manage federal mandates of wildlife introductions and predator landscape expansion. The burden of species recovery should not be shouldered solely by local ranchers, farmers, and Montana's taxpayers. There is a significant human safety component that needs to be considered as well, as a result of the expansion of large predators into our populated communities.

As attorney general, Tim Fox threw his support behind President Trump and filed to intervene in the California v. U.S. Secretary of the Interior - a lawsuit filed by the state of California to undermine the Trump administration's efforts to sustainably reform the Endangered Species Act. "The new regulations are designed to make the regulatory process more transparent, streamline interagency cooperation, and spur innovation by states, environmental groups, and industry to protect at-risk species."⁸ Among the proposed enhancements, "the Fish and Wildlife Service will no longer, by default, treat a newly listed 'threatened' species the same as an 'endangered' species. By recognizing a middle tier between 'unlisted' and 'endangered' species, the rule will encourage the services and stakeholders to develop more collaborative and tailored approaches to protecting threatened species. Similar efforts in the past have been good for both species and landowners."⁹ Tim will lead in predator management.



8 (2019, December). Attorney General Steve Marshall Leads Multi-State Coalition in Support of Trump Administration Reforms of Endangered Species Act. alabamaag.gov/newsviewer/bb4206ec-045d-4c52-9912-3532cd989a7a

9 (2019, December). Attorney General Steve Marshall Leads Multi-State Coalition in Support of Trump Administration Reforms of Endangered Species Act. alabamaag.gov/newsviewer/bb4206ec-045d-4c52-9912-3532cd989a7a



WILDLIFE MANAGEMENT

And the Department of Fish, Wildlife and Parks (FWP)

Landowners continue to look for solutions for wildlife management, especially elk populations. The Montana Fish, Wildlife and Parks has instituted regular shoulder seasons, which have helped, but there is a growing effort by wildlife groups to discontinue them. We need workable, common-sense solutions to address the over-populations of elk across our state. Tim understands the absolute importance of working with landowners to solve this difficult issue.

Elk management planning by FWP is about to begin. In 2019, the Montana Legislature approved the addition of the deer and elk planning lead for the FWP. The last Elk Management Plan was finalized and implemented in 2007 and is now outdated. We have learned much since then, collecting important data to guide us towards a more effective management strategy. Through analytics, science, education, and advocacy, the Fox/Knokey administration will lead a very public discussion on landowner rights, environmental sustainability, and the vitality of historical elk ranges. This work will be data-driven and rooted in cooperation among the wide group of stakeholders interested in our state's strategy moving forward.

Tim will create an Elk Management Plan to tackle this imminent and important issue. He will lead a vital effort to find consensus among Montanans who care about elk management. That effort will start his first day in office, and he will empower the agency to include all stakeholders to produce a strategic plan that is customized by district to meet the diverse needs across the state. We must not fall back into the decades-old trap of competing legislation and ballot initiatives that seek to penalize Montanans rather than bring them together.

Tim will empower the established Montana Livestock Loss Board to quickly reduce the economic impact of wolves, grizzlies, and mountain lions, as well as, create incentives for producers to establish proactive steps in elk management.

LANDOWNER AND SPORTSMAN RELATIONS

Work Closely Together for Mutual Benefit

Landowners and Sportsmen both need each other, and under the Fox/Knokey administration, they will work closely together for mutual benefit. Often hunting district regulations seem too complicated to understand and manage. With increasing numbers of non-traditional landowners purchasing large tracts in Montana, Tim will be the governor that understands the dynamics of improved relationships with these new neighbors.

Montanans are united in our love for the wild, but too often, a wedge is driven between landowners (private property) and hunters, anglers, and outdoor enthusiasts (sportswomen and sportsmen).



LANDOWNER AND SPORTSMAN CONT'D

Real Montanans know that these interests are not mutually exclusive and that we must work together. Most sportsmen know and appreciate the opportunity that ranchers afford when they allow access to their land, along with the habitat they provide for public wildlife. The overwhelming majority of ranchers and farmers appreciate hunters as the most viable tool to manage wildlife in a responsible and sustainable manner. When it comes to our outdoor heritage, we are better together.

The current administrative efforts towards landowners has been described over and over as "punitive." Tim Fox commits to engaging the landowners community and creating landowner-specific customized solutions that incentive the landowners, including: land swaps that benefit the public, tax relief, customized models of animal usage agreements, and a hunter-to-animal model in-line with the landowner desire and science based findings. Working with landowners for specific customized solutions will work much better than a top-down bureaucratic approach. By incentivizing a community of landowners, Montana wins.

PROPERTY TAX RELIEF

Migrate to a More Balanced Tax Structure

Tim will lead the discussion to lower taxes appropriately, as we must migrate to a more balanced tax structure that does not rely so heavily on property taxes. While the state budget largely runs on income tax revenue, local governments in Montana are funded almost entirely by property tax revenue. For example, county roads and secondary highway infrastructure are crumbling, and counties have no income source to fix this problem other than to increase local property taxes, which are already extremely high in most parts of the state. Tim will work to find a way to fund this kind of repair other than simply on the backs of property owners.

Montanans pay, on average, 30-percent more in property tax than the national average.¹⁰ One in every four goods delivered in Montana comes via an e-commerce source. When we put local stores out of business with e-commerce, we'll have no one left to pay for our schools and local services, so the tax burden becomes concentrated on the remaining local property owners, crushing them. Tim commits to government reform in Helena to ensure that taxpayer funds do not get caught up in the bureaucracy and instead are used in the local community to repair roads, build schools, and invest in smart infrastructure.

Tax reform is a very sensitive issue, and Tim recognizes that a drastic increase in property tax growth is an increasingly devastating situation, especially in rural communities. Tim has committed to not raise taxes on the Montana family or businesses. Montana faces many funding challenges ahead of us, and Tim will lead the charge in restructuring our revenue streams to decrease property tax burdens, maintain critical government services, and avoid the implementation of a statewide general sales tax.



AG TECH REVOLUTION

And Rural Broadband

Internet access is woefully lacking in large portions of Montana, putting residents and businesses at a growing disadvantage in the modern economy. Montana needs to advocate for fair and appropriate use of federal funds and private investment programs that are designed to help our state.

The Trump administration recently released its Case for Rural Broadband, highlighting that rural broadband is forecasted, at scale, to realize economic benefits equivalent to 18-percent of total ag production.¹¹ This nearly one-fifth expansion in production value would change the game in Montana's ag economy, but also provide great gains for telemedicine and distant learning for our rural citizens.¹²

As Montana's number one industry, Tim knows that ag would be at a distinct disadvantage if we do not innovate in this arena and begin to do so immediately. "When we are able to deploy broadband ubiquitously, think of all the things we will be able to design, harvest, and develop ..." Secretary of Agriculture Purdue recently said, "Broadband in rural America will be as transformative in the 21st century as rural electrification was in the last century."¹³

As governor, Tim will work with the private and public sectors as well as state and federal representatives to ensure that Montana has a community-specific rural broadband strategy that will empower 21st century agriculture producers.

ST. MARY REHABILITATION PROJECT

Strike Through the Red Tape

On the Milk River, the St. Mary diversion is truly the lifeblood of much of the Hi-Line, both for municipal water sources as well as the 820 family farms and over 121,000 producing acres that depend on it.¹⁴ Estimates indicate that seven out of every ten years, the Milk River would likely run dry without the St. Mary diversion. The diversion is long overdue for rehabilitation and is currently in such bad shape that there is potential for catastrophic failure. Frivolous lawsuits continue to impact rehabilitation projects of the long-existing structures. Under the Fox/Knokey administration, Tim will work to strike through the red tape and rehabilitate the St. Mary diversion. The families impacted by the St. Mary Rehabilitation Project will have a vigorous ally in the Governor's chair.

11 (2019, April). A Case for Rural Broadband. 23. <https://www.usda.gov/sites/default/files/documents/case-for-rural-broadband.pdf>

12 (2019, April). A Case for Rural Broadband. 33. <https://www.usda.gov/sites/default/files/documents/case-for-rural-broadband.pdf>

13 (2019, April). A Case for Rural Broadband. 5. <https://www.usda.gov/sites/default/files/documents/case-for-rural-broadband.pdf>

14 (2015, October). St. Mary Aging Water Works Tour. <https://www.usbr.gov/newsroom/stories/detail.cfm?RecordID=56839>



PROMOTE WORKING LANDSCAPES

Stewardship of Resources

If our local infrastructure is going to survive, the promotion of a working landscape is imperative. Working landscapes that are actively used in agricultural and forestry production, fisheries, energy production, mining and other natural resource-based industries also support the associated livelihoods of tourism, outdoor recreation, the local business economy, commerce, and jobs in rural communities.

In Montana, federal and state regulations often seem designed to limit natural resource production on a working landscape and instead promote a recreational playground with no material production or active stewardship of resources to benefit wildlife, watersheds, soil, and plants. As a result, unproductive and dangerous underbrush conditions exist in our forest lands, and invasive weeds continue to overtake Montana's public and private lands. The Endangered Species Act and the Equal Access to Justice Act are being abused as a weapon by a few to change land use in ways that are neither responsible nor sustainable. Tim will fight the abuse of federal environmental statutes, which undermines the responsible, sustainable, and productive use of our working landscapes.

PUBLIC LANDS MANAGEMENT

Work with the Federal Government

Tim supports the principles of the Taylor Grazing Act to ensure continued multiple use of federal lands. The state needs to recognize and support the contribution of public lands ranchers who holistically manage the invisible jurisdictional polygons that break up our landscapes. These public land permittees accept the responsibility to sustainably manage the landscape and the resource, for the benefit of society, in a way that it is not capable of doing by itself. Tim will work with the federal government to enhance the federal grazing programs to provide more flexibility and streamlined permitting to ensure these lands are used to the benefit of our nation's ag economy, just as Congress intended.

DEPARTMENT OF ENVIRONMENTAL QUALITY

Regulate in Common Sense Ways

It is important that the state DEQ enforce appropriate environmental regulations in common-sense ways that do not cripple Montana's ability to add value to the Agricultural industry. Costly overregulation can decimate confined animal feeding operations and value-added manufacturing, such as sugar refineries.



STATE LAND BOARD

And Department of Natural Resources and Conservation (DNRC)

As a member of the state Land Board since becoming attorney general in 2013, Tim Fox worked with landowners, industry leaders, and advocacy groups to ensure responsible and effective use of our state lands. That includes prioritizing uses that benefit our ag economy and state taxpayers alike.

Unfortunately, much of the potential for uses of state trust lands remains untapped due to 16 years of Democratic governors' control of the Land Board agenda. Too often, anti-ag interest groups find support and solace in Democratic governor's that stymie opportunities for the Land Board to work collaboratively to increase responsible land management and access practices promoted by our ag producers.

As governor, Tim will leverage the Land Board to ensure our public lands serve as a complementary resource for the ag industry.

Tim will make sure the DNRC will get back to its mission: "to help ensure that Montana's Land and Water Resources provide benefits for present and future generations."¹⁵ Currently, administrative rules for DNRC have inhibited growth for forestry, oil and gas, water resources, and land management. The Fox/Knokey administration will work with ranchers, farmers, and industry leaders to empower the ag producer. And special priority will be placed on selecting industry leaders that are engaged in environmental sustainability for each of the six commissions to have decision-making authority: the Board of Land Commissioners, Reserved Water Rights Compact Commission, Board of Oil and Gas Conservation, Board of Water Well Contractors, Flathead Basin Commission, and Montana Grass Conservation Commission.¹⁶

VALUE ADDED AGRICULTURE PRODUCTS

Capturing Product Value

The achievement of value added agriculture in Montana has several pathways: perceived quality attributes (i.e. Made in Montana beef), reducing transaction costs (lowering the cost of final product), operating efficiency (enhancements to the supply chain), commodity processing (new crop varieties or agronomic advancements) and the bundling of products (multiple products come together for a single product).¹⁷ Rather than just selling the raw product, Montana ag policies should focus on capturing 'product' value to achieve higher returns at the point-of-sale. Frankly, post-farm businesses have seen higher growth than raw commodities and Montana is long overdue to capture this value. There are several levers for the Governor to utilize, including influence of the Federal Farm Bill, empowerment of local universities for technological and business advancements, and leading public-private partnerships that do not pick winners and losers, but mobilize an entire industry sector.

¹⁵ <http://dnrc.mt.gov/about-the-dnrc>

¹⁶ <http://dnrc.mt.gov/about-the-dnrc>

¹⁷ Parcell, J., Brees, M., Giddens, N. Department of Agricultural Economics. University of Missouri. Adding Value. <https://www.agmrc.org/business-development/getting-prepared/valueadded-agriculture/articles/adding-value>



VALUE ADDED CONT'D

Tim Fox commits to bringing groups together on a specific Value Add Agriculture industry-led strategy that clearly identifies infrastructure, taxation, and state-wide marketing changes that could increase the likelihood of value-added product creation. The bottom line is that the private sector gets paid to provide value and the Governor can lead in this arena by mitigating public barriers and energizing the private investment.

PERMITTING RESOURCE DEVELOPMENT

Facilitating the Proper Utilization of our Resources

The permitting process for resources like gravel is far too costly and burdensome even on private land in remote rural areas. Tim will ensure that the state Department of Natural Resources and Conservation is much more helpful in facilitating the proper utilization of these important resources.

RE-FOCUS STATE PROGRAMS

Grow the Demand for Montana Ag Products

Programs like the Growth Through Agriculture funding need to be managed to provide more benefits that truly add value and market opportunities for production agriculture and grow the demand for Montana ag products.

CHAMPION REAL SCIENCE

And Labeling in Agriculture

Tim will fight bans or moratoriums on crops and crop protection products that are not scientifically based. He will insist on labeling of ag products that reflect actual main-stream accepted principles and does not allow hidden agendas to cloud modern agriculture's unparalleled success in safely serving the consuming public.

GOVERNOR APPOINTEES

Serve our Citizens

As governor, Tim will have the opportunity to appoint department leaders who will reduce the overregulation that impacts the ag industry. This includes traditional ag appointments like the Department of Agriculture and the Board of Livestock, but also the Department of Transportation, Board of Regents and Fish Wildlife and Parks. Tim will place qualified women and men in these positions that will not promote bureaucracy but serve our citizens and our ag interests. Ag will be included in all major decisions. Montana's biggest economic driver is ag, and leaders in the Fox/Knokey administration will know this and empower our rural families.



LEVERAGE & EMPOWER

Montana's Ag Associations

Montana has the privilege of having some of the most respected Agriculture Membership Organizations in the nation. Whether the issues deal with grain or cattle; all have proven time and time again to produce results for its members on a state and national stage. The Governor's office looks forward to collaborating with the state's member organizations to find the most productive and economical strategies to truly fix the issues these producers are facing during good and bad times. We realize these organizations have the boots on the ground and understand the issues firsthand so we can all be respectful of the taxpayers' dollars.



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CONCLUSION

We Want to Hear From You

Montana's ag industry needs a champion in the governor's office. As a native Montanan who grew up in a rural ag community, Tim recognizes the challenges that our state's number one industry faces. He understands the importance of the ag economy to our state's heritage, with the foundation of much of our rural education, social interaction, and community engagement revolving around our state's farmers and ranchers. Rural Montana will have an advocate in Governor Tim Fox, and our state's ag producers will reach their full potential, the effects of which will last for generations.

This strategic conversation with Montanans is a work in progress. The policies and positions reflected herein are a beginning point for Montanans to submit constructive comments and ideas for the Fox/Knokey administration to consider. Any eventual programs, policies or positions in the Fox/Knokey administration will be the product of the ideas, comments, and thoughtful criticism of engaged Montanans who participate in a civil discourse for the betterment of the state of Montana. The Fox/Knokey Team welcomes your comments and ideas which can be submitted at FoxForGovernor.com/Strategy. Thank you in advance for your participation and together we will strive to become a United Montana. Our best days are ahead.

