September 4, 2015

Via Electronic Mail: CHHogFarmComments@cardno-gs.com
C&H Hog Farms EA, c/o Cardno, Inc.,
501 Butler Farm Rd., Suite H
Hampton, VA 23666

Re: Comments on Draft Environmental Assessment of C&H Hog Farms

To Whom It May Concern:

Professor Lisa R. Pruitt and Linda T. Sobczynski respectfully submit the following comments regarding the August 2015 Draft Environmental Assessment (“Draft EA”) that the United States Department of Agriculture (“USDA”) and the Small Business Administration (“SBA”) prepared regarding the C&H Hog Farms facility, a concentrated animal feeding operation (“CAFO”). Professor Pruitt is a nationally recognized expert on rural poverty. Pruitt and Sobczynski have conducted interviews with Newton County residents regarding C&H Hog Farms, and they are in the process of publishing a scholarly article about the environmental justice implications of the CAFO. Professor Pruitt’s interest is personal as well as professional. She is a native of Newton County, Arkansas, the sixth generation of both her mother’s and father’s family to be born there.

The USDA and the SBA are required under the National Environmental Policy Act (“NEPA”) (Public Law 91-190) to provide an environmental justice assessment, including a socioeconomic analysis, as part of its environmental assessment. Unfortunately, for the reasons detailed below, the Draft EA’s socioeconomic and environmental justice analyses fail to provide adequate information or a perspective that accurately reflects the socioeconomic and spatial challenges facing Newton County, Arkansas, residents, especially those closest to the CAFO in
Mt. Judea and the Big Creek Valley. The Draft EA summarily concludes that C&H Hog Farms’ socioeconomic impacts are “relatively small.”¹ The situation we document below clearly refutes this conclusion. The operation of C&H Hog Farms seriously undermines the well-being of the residents of Newton County, Arkansas. Further, there is reason to believe that this vulnerable community was targeted for the siting of the CAFO, one of the first massive hog farrowing operations in Arkansas, because the residents lack economic and political power.

The very siting of this facility in an area with such concentrated poverty is a classic, textbook example of environmental injustice. The federal government must not be a party to such an environmental injustice. The USDA and SBA should therefore not guarantee the loans to C&H Hog Farms.

I. SOCIOECONOMICS

This Draft Environmental Assessment (“Draft EA”) does not accurately capture the socioeconomic conditions endemic to Newton County. The CAFO is situated in Mt. Judea, a small, unincorporated community in the southeastern part of Newton County. Both county and community are among the poorest locales in the state of Arkansas and, indeed—more saliently—in the entire nation. Newton County is a “persistent poverty” county meaning that the county has had a “high poverty” rate—one in excess of 20%—for each of the last four decennial censuses.² To put Newton County’s poverty in perspective, only 353 “persistent poverty” counties exist in

¹ Draft EA at 3-41.
the entire country, representing 11.3% of the 3,031 national total of these governing units. Of these 353 counties, more than 85% (301) are nonmetropolitan, making persistent poverty an essentially rural phenomenon. In other words, places don’t get much more economically disadvantaged than Newton County and Mt. Judea within it. Because these counties are mostly rural, land is inexpensive and their residents typically have little political clout, making them ideal targets for the siting of undesirable facilities such as CAFOs.

In fact, Newton County has had a high poverty rate since poverty data began to be recorded in the 1960s. The most recent U.S. Census’s American Community Survey (2009-13) poverty estimate for Newton County was 23.5%, nearly 10 percentage points higher than the national average of 14.5%. The USDA’s Atlas of Rural and Small-Town America put the poverty estimate even higher for 2012: 27.1%. The 2009-13 child poverty rate of 30.5% also compares poorly to the national average, 19.9%, while the USDA’s Atlas of Rural and Small-Town America put the 2012 child poverty rate even higher, at 41%.

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8 USCB. 2013. supra note 6.
9 USDA. 2014. supra note 7.
Other socioeconomic metrics paint an equally bleak picture. Just 12.7% of Newton County residents have at least a bachelor’s degree, less than half of the 28.8% national average.\(^\text{10}\) The median household income in Newton County is just over $30,000, a bit more than half (56%) of the national figure, $53,000.\(^\text{11}\)

The economic landscape is even more sobering when the particular locale of the CAFO within Newton County is considered. Mt. Judea is in White township, which has a general poverty rate of 48.1% and a child poverty rate of 51.5%, both well above the county averages.\(^\text{12}\) A full three-quarters of the students at the Mt. Judea School—which is less than a mile from C&H Hog Farms\(^\text{13}\)—are eligible for free or reduced-price lunches.\(^\text{14}\)

Poverty is a deep-rooted, intergenerational phenomenon in this Ozarks highlands county with its highly undiversified economy. More than half of the land in Newton County is federally protected wilderness as Ozark National Forest or Buffalo National River. That federal land is not taxable, which seriously undermines the robustness of the county’s public coffers. The presence of the federal land also narrows the types of jobs available to residents. Farming, timber harvesting, and—more recently—ecotourism are staples of the limited local labor market. Indeed, Newton County’s economy is so undiversified that the USDA designates it one of just 244 “government-dependent” counties in the nation, meaning that the labor market is highly

\(^{10}\) USCB. 2013. supra note 6.

\(^{11}\) Id.

\(^{12}\) Id.

\(^{13}\) Draft EA at 3-2.

dependent on government entities as employers.\textsuperscript{15} Compared to all non-metro counties, “levels of economic well-being” in such counties is “lower.”\textsuperscript{16} In short, Newton County residents are—by any measure—highly vulnerable socioeconomically.

While the Draft EA acknowledges that the county’s poverty rate compares unfavorably to the north Arkansas region and to the state of Arkansas, it fails to make the even more damning comparison to national data. Yet the appropriate comparison is the national one, especially because federal money is at stake. Newton County is one of the poorest places in the nation. A more thorough Draft EA would not only have addressed this socioeconomic situation, it would have emphasized that situation, along with the environmental justice consequences of siting a 6,500 hog CAFO in Newton County. The Draft EA’s assertion that there will be no significant socioeconomic impacts on Newton County is inaccurate. The community of Mt. Judea is at high risk, as are all Newton County residents, along with the residents of neighboring Searcy County (also a persistent poverty county), into which the Buffalo River flows after Big Creek (the site of the CAFO) enters it.

Implicit in this dire economic situation is the desperation of Newton County’s residents for jobs and economic opportunity. C&H Hog Farms and Cargill, for whom C&H produces the hogs, are taking advantage of that desperation. The U.S. government should under no circumstances be a party to this environmental injustice, and, indeed, Executive Order 12898, \textit{Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations}, was enacted to ensure that federal agencies’ actions do not fall disproportionately


\textsuperscript{16} \textit{Id.}
on low-income and minority populations.

A. EMPLOYMENT

The Draft EA may be read to imply that C&H Hog Farm is an employment asset to the county because the CAFO has created nine jobs. The document notes that agricultural and manufacturing employment has been on the decline in recent years, while the only recent job growth has been in service sector jobs. This depicts the employment landscape of Newton County rather selectively and does not provide a complete picture. Specifically, the Draft EA’s depiction of Newton County’s employment landscape suggests that service sector jobs are less desirable because they do not pay as well as manufacturing jobs. This may be true, but what the Draft EA does not say is that Newton County has never had a manufacturing base. Some residents have long commuted to neighboring Carroll, Boone, and Pope counties for manufacturing jobs, but the desirability of these jobs has always been diminished by the high cost of commuting.

Second, the Draft EA does not acknowledge that the service sector job growth in Newton County is largely attributable to the ecotourism industry, an industry that is directly threatened by the siting of C&H Hog Farm in the Buffalo National River watershed. That is, the Buffalo National River is the gem of the ecosystem that draws tourists to Newton County and the

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17 Draft EA at 3-39.
18 Id. at 3-38 to 3-39.
19 Id. at 3-39.
20 The average one-way commute time for a resident of Newton County is 37.7 minutes. USCB. State and County Quick Facts, Newton County. Available online at: http://quickfacts.census.gov/qfd/states/05000.html. Accessed September 3, 2015.
21 Draft EA at 3-39.
region. A contaminated Buffalo River would decimate the tourism industry there; indeed, even
the specter of pollution is likely to undermine local ecotourism.\(^{22}\) As is, the Draft EA’s
employment analysis does not describe in sufficient detail the importance of service jobs and the
$38 million tourism industry to Newton County’s economy and to its residents’ overall well-
being.\(^{23}\) In 2014, former representatives Ed Bethune, who represented Arkansas’s 2nd
Congressional District from 1979 to 1985, and Vic Snyder, who represented the same district
from 1997 to 2011, co-wrote an article describing the region’s tourism industry and the need to
support it.\(^{24}\) Bethune and Snyder explained that tourism attracts more than one million visitors
annually, generating $38 million for the local economy each year, and creating more than 500
jobs.\(^{25}\)

Critically, C&H Hog Farms, which has reportedly created nine jobs, is threatening that
$38 million, 500-job tourism industry. Even some long-time Newton County residents are
skeptical that the CAFO will bring more jobs or that the few jobs it will bring are worth the cost.
One stated, “People are living with the smell . . . People said it would bring jobs, but now
they’ve got the stench of the swine waste.”

For some three decades, many Newton County residents have worked persistently and
creatively to diversify and improve their local economy by developing ecotourism. While doing

\(^{22}\) The recent spill in the Animas River in Colorado is a helpful reminder of the serious
consequences environmental degradation may have on the local economy. The Associated Press.
2015. Fearing Stigma, Colorado Contested Superfund Status for Mine. Available online at:
September 2, 2015. (“Also, the stigma could have scared away rafters and anglers who helped
bring $19 billion in tourism money to Colorado last year. ‘How many people want to go to a
Superfund site for tourism or recreation?’ . . .”)

Available online at: http://thehill.com/business-a-lobbying/198266-pig-farm-threatens-buffalo-
river. Accessed September 2, 2015. (Calling the Buffalo River an “economic engine.”)

\(^{24}\) Id.

\(^{25}\) Id.
so has done little more than keep the economy stable, offsetting jobs lost in the timber industry, for example, that stability should not be jeopardized by a mere nine jobs in agriculture. If nine agricultural jobs lead to the loss of hundreds—or even a dozen jobs—in ecotourism, this is a net loss for Newton County, for Arkansas, and for the nation.

B. INCOME

The Draft EA acknowledges that the median household income in Newton County compares poorly to the North Arkansas Region (15 percent lower), the State (27 percent lower), and the nation (almost 50 percent lower).\textsuperscript{26} While the Draft EA wrongly attributes this to the “shift in employment from higher wage manufacturing industries to lower wage service jobs,”\textsuperscript{27} this is misleading because it suggests that a robust manufacturing economy once existed. As for overall economic well-being and employment, the county’s poverty rate has been little changed over the years.

C. GOVERNMENT REVENUES AND EXPENDITURES

According to the Draft EA, Newton County property tax is a major source of revenue for public institutions. The Draft EA does not explain, however, the extent to which this $7,000/year that C&H Hog Farms pays in property tax is different to the property tax paid on the land before it was developed into C&H Hog Farms.\textsuperscript{28} In other words, has the property been re-assessed with

\textsuperscript{26} Draft EA at 3-39.
\textsuperscript{27} Id.
\textsuperscript{28} Id.
the addition of the hog barns? Because Newton County land is not zoned, we have no reason to believe the land was re-classified into a higher tax bracket. In short, the Draft EA should have provided the taxation information before and after the real property was developed into the CAFO. The difference in tax value is far more important than the current annual tax bill.

Furthermore, it bears noting that property tax is a relatively insignificant source of revenue for Newton County and, indeed, all of Arkansas. In the words of the University of Arkansas Extension report that the Draft EA cites for other purposes, Arkansas “obtained a smaller share of its revenue from [property] tax than any other state in 2010. Only Alabama had lower property tax revenue per person and only Alabama and Oklahoma had lower property tax revenue as a percent of total personal income in 2010.”

More important is what the Draft EA fails to say about the source of Arkansas tax revenue—sales tax—and the negative impact that C&H Hog Farms is likely to have on that more important revenue stream. Like other Southern states, Arkansas has shifted its revenue base from property tax to sales tax in the last several decades. We do not know how much sales tax revenue is generated in Newton County, but the county does impose a 1.5% sales tax (including on food), and so this information is presumably publicly available and the USDA/SBA Draft Environmental Assessment should include it. What we do know is that accommodation and food service sales in Newton County exceeded $3.2 million in 2007, the last year for which data is available.

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30 See Newman, K. S. and O’Brien, R. 2011. Taxing the Poor: Doing Damage to the Truly Disadvantaged (documenting the move by Southern states to regressive sales tax regimes, even as they passed legislation making it more difficult to raise property taxes).
available on the U.S. Census Bureau website.\textsuperscript{32} The socioeconomically disadvantaged in Newton County are not spending a great deal on food service and accommodation, so it stands to reason that the lion’s share of these expenditures are due to tourists who come into the county to enjoy its natural amenities, including the crown jewel among them: the Buffalo National River.

Yet the Draft EA fails to explore this highly relevant line of inquiry into Newton County’s sales tax revenue. It fails to compare the $7,000/year property tax revenue with the tax revenue generated by a $38 million dollar tourism industry. A more complete and unbiased EA would provide information about the tourism industry’s contribution to the public coffers. As already noted, tourism’s tax contributions may decrease as a result of the CAFO siting in the county’s watershed because of the threat created to the Buffalo National River and its environs. Any comparison between the CAFO’s paltry property tax contribution and the tourism industry’s sales tax contributions would surely cut against C&H Hog Farms continued operation of its hog farrowing facility.

D. POPULATION SPARSENESS, REMOTENESS, AND MATERIAL SPATIALITY

The Draft EA describes the North Arkansas Region as having less than 4 percent of the total population of Arkansas in more than 6 percent of the land area. It is important to note that the population of Newton County is even more sparse than the rest of the region, at just 10 persons per square mile.\textsuperscript{33} Indeed, the county has been experiencing population loss for some years, and the U.S. Census Bureau estimates indicate that Newton County lost 5 percent of its

\textsuperscript{32} USCB. 2015. \textit{supra} note 20.

\textsuperscript{33} USDA. 2014. \textit{supra} note 7.
population between the 2010 census and the 2014 population estimate.\textsuperscript{34}

Rural scholars increasingly grapple with the burden of distance, including the implications of remoteness from critical services such as health care. As Professor Pruitt has written elsewhere:

Rural places are often defined by their ‘relatively sparse populations and relative isolation from urban areas,’ … Physical space itself is often a literal roadblock to gaining access to all sorts of services, albeit one rarely recognized in our increasingly metrocentric nation.\textsuperscript{35}

The Draft EA should recognize the additional burdens that residents of Newton County face because of their remoteness from services and its population sparseness. As detailed further below, the CAFO is likely to have physiological and psychological repercussions for the residents of Newton County. Yet the Draft EA fails to acknowledge that getting treatment for such health detriments is an added struggle for Newton County residents because they are isolated from the services that could ameliorate these harms. Indeed, only a handful of physicians and nurse practitioners work in Newton County, and none of those few is in Mt. Judea. The nearest hospitals are in neighboring Boone and Pope counties. In assessing the environmental impacts of the CAFO, the structural deficits of this sparsely populated county should have been addressed in order to more accurately assess C&H Hog Farms’ threat to these individuals’ livelihoods and well-being.

\textsuperscript{34} USC\textsuperscript{B}. 2015. \textit{supra} note 20.

II. ENVIRONMENTAL JUSTICE

The environmental justice analysis of the Draft EA is similarly inadequate. Its cursory analysis concludes: “no impacts to minority or low-income populations are anticipated and no mitigation measures are required.”\(^ {36}\) This conclusion ignores the high risk the hog farm’s continued operation poses to the psychological and physiological well-being of those living in an already greatly disadvantaged community. The U.S. Environmental Protection Agency defines environmental justice as “the fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of environmental laws, regulations, and policies.”\(^ {37}\) As a low-income, vulnerable community, Newton County should thus be considered an environmental justice community and should be afforded specialized attention when toxic facilities enter the region.

The Draft EA’s conclusion is also contradictory of established scientific studies that have found negative physiological and psychological impacts on individuals near concentrated animal feeding operations. Moreover, rural communities are more vulnerable to environmental injustice because of “low cost land, sparse populations, and desirable geological attributes.”\(^ {38}\) Several studies have observed that in choosing sites industry or government simply followed the “path of least resistance,” where people were less likely to object or land was cheap.\(^ {39}\) It is not surprising

\(^{36}\) Draft EA at 3-41.


that these communities tend to be low-income and minority. Indeed, the trend of targeting such vulnerable communities is what prompted Executive Order 12898, *Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations* in 1994. President Clinton issued the Executive Order requiring that federal agencies, such as the USDA and SBA, make achieving environmental justice part of their mission for their “programs, policies, and activities.” The Executive Order provides that each federal agency must identify and address disproportionately high and adverse human health or environmental effects on minority populations and low-income populations.

The Draft EA’s conclusion that C&H Hog Farms will have no disproportionate effects on a low-income population is patently wrong. As is clear from the socioeconomic and demographic profile we outlined in the prior sections, the very siting of the CAFO in the Mt. Judea community of Newton County has a disproportionate impact on a low-income community.

Far more troubling is the fact that hundreds of studies have documented not only this phenomenon — i.e. disparities in the location of environmental hazards relative to race and class — but also the extent and timelines of remediative actions in the event an acute environmental crisis, e.g., a toxic release occurs. For this reason, a CAFO, such as C&H Hog Farms, can have particularly devastating consequences in a vulnerable environmental justice community. Hog waste is treated differently than human waste (human waste is treated before being released into the environment.) The hog waste here will be channeled into ponds or lagoons where it will be stored untreated until it is applied to the land. As one authoritative report observed, “all

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40 Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations. 1994. 59 Federal Register 7629.
42 *Id.* at A186.
43 Draft EA at 1-1.
lagoons leach to some degree, and during hurricanes and storms they can overflow or burst, spilling raw sewage onto the landscape and into the waterways."44 Because of its location in an environmental justice community, the hog farm poses unjustifiable risks to the health and safety of the Mt. Judea and other Newton County residents, as well as to all living in the Buffalo River watershed who may be exposed to contaminated water. Couple this with the hundreds of the studies that have reported untimely or incomplete remediative actions within environmental justice communities,45 and it is clear that the risk to these residents is too great for the federal government to support C&H Hog Farms by guaranteeing loans to it.

A related concern exists for Newton County. Scientific studies have demonstrated that “like noise and other repetitive environmental stressors,” malodors (odors emitting from chemicals such as ammonia, hydrogen sulfide, and volatile organic compounds) may be associated with acute blood pressure increases and chronic hypertension.46 Moreover, even when industrial stressors show no direct effect on physical health, the resulting stress inhibits the individuals’ ability to cope with additional stressors.47

As mentioned above, the Draft EA fails to note that the facility is located next to the Mt. Judea School, which means that all of the health risks outlined in the preceding paragraph are especially acute for children there. The operation of the hog facility next to the Mt. Judea School will likely lead to increased physiological distress among these already disadvantaged children. One scholar has written of the psychological distress that individuals in close proximity to the

44 Nicole, W., 2013. supra note 39, at A186 (emphasis added).
45 Id. at A183.
hog farm may experience. This distress is linked to the feeling of lack of control.

The conflicts between the hog industry and nearby residents reflect a situation in which individuals with relatively scarce resources feel that their circumstances are being controlled largely by a powerful external agent—the hog industry … [T]he actual lack of control over the odor and the intermittent nature of the odor may both lead to decreased perceptions of control … [T]hese residents would report lower perceptions of control than similar individuals who did not have negative experiences with nearby hog farms. Decreases in perceived control could then lead to physical or psychological health problems among nearby residents.\(^48\)

This report highlights the risks that current and future residents may experience. The residents may find themselves stuck in an unjust cycle that will further reduce their feeling of control, thus making them vulnerable to other problematic and toxic externalities down the line.

Finally, the USDA and SBA should not get a “free pass” on the environmental justice inquiry simply because Newton County is predominantly white. Because the population is more than 95% white, C&H Hog Farms can claim not to have a disproportionate impact on racial minorities. But this is not the end of the environmental justice analysis. As required by the regulations, a full environmental justice analysis is required where a project may impact low-income populations, regardless of their race or ethnicity. The current analysis fails to adequately consider the impact the CAFO will have on an impoverished population, concluding simply—and clearly erroneously—that its socioeconomic impacts are “relatively small.”\(^49\)

III. CONCLUSION

A detailed look at Mt. Judea and Newton County’s demographic and economic profile reveals an extraordinarily vulnerable community—one of just a few hundred persistent poverty

\(^{48}\) *Id.* at 5.
\(^{49}\) Draft EA at 3-41.
counties in the entire nation. The service-based tourism industry, which is threatened by the CAFO’s polluting externalities, generates far more jobs and tax revenue than those associated with C&H Hog Farms. Further, given the physiological and psychological detriments the CAFO will likely have on the low-income residents of Newton County, it is clear that the operation of C&H Hog Farms constitutes a significant environmental injustice. The Draft EA’s quick conclusion that C&H Hog Farms will not have adverse impacts on the residents of Newton County—and especially those of Mt. Judea—does not reflect the day-to-day realities of these residents, who are already living with the stench of the hog barns and the manure spraying. The USDA and SBA must provide a more thorough and robust analysis before determining whether to guarantee the loans that support C&H Hog Farms. A more thoughtful analysis through the lens of environmental justice cuts strongly against any government support for the operation.

Sincerely,

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