

News from Washington: May 7-13

Unless stated otherwise, stories are sourced from [Politico](#).

Conaway Sprints to Sell the Farm Bill

House Ag Chairman Mike Conaway will have his hands full these next few days as he races to get Republican lawmakers on board with the farm bill. House leadership said Thursday it will come to the floor sometime this week.

At this time, Conaway doesn't have the 218 votes needed to ensure passage. But he's working to try to make that happen.

"We've got folks on the left of our spectrum, folks on the right of our spectrum to get into the fold and we'll spend the weekend making that happen," the Texas Republican said Thursday. Conaway said Majority Whip Steve Scalise (R-La.) didn't share with him official numbers from the whip held Wednesday, but he has a list of members he believes he needs to win over.

Republican lawmakers said Thursday there are still concerns about changes to work requirements in the Supplemental Nutrition Assistance Program and the agricultural components of the farm bill. And some on the right flank are troubled by the continuation of a sugar program that keeps the commodity's price high by using a complex system of price supports, production controls and import quotas.

Midterms moment: House leadership is sending the message to members that the farm bill is the party's shot at some welfare changes — a component they believe could excite the GOP's base heading into midterms.

"We feel good with where we are on this," House Speaker Paul Ryan said at a press conference Thursday. "I've long had views that the sugar program needs reforming, but what I am most interested in is getting the farm bill passed into law."

The deadline for filing amendments on the farm bill is 10 a.m. Friday.

White House RFS Meeting Points to Positive Outcomes for Ethanol

Reports from a White House meeting on the RFS point to some positive outcomes for the renewable fuels industry.

Iowa Renewable Fuels Association executive director Monte Shaw says his sources tell him Tuesday's meeting did not end with any conclusive decisions.

"There was no overall agreement, nothing was wrapped up. We're pleased that the parties involved did agree that we should be allowed to sell E15 year-round. They (also) agreed that the Cruz RIN cap concept is dead, so that's good."

Ethanol supporters have been seeking RVP relief to allow year-round access of E15.

The RIN cap proposed by Senator Cruz was considered potentially devastating by corn state lawmakers like Chuck Grassley of Iowa, who says the artificial cap would've destroyed demand for biofuels.

Shaw tells Brownfield there are still questions about how the Administration will handle small oil refinery exemptions.

“And some of that talk turned to perhaps allowing gallons of export biofuels to count towards the domestic RFS. Well, that’s ridiculous. So there’s still going to be ongoing discussions of a plan that might look at that.”

Following Tuesday’s meeting, Grassley said President Trump allowing for the sale of E15 year-round is good news for farmers and consumers.

The Republican Senator also continued to rail on Scott Pruitt, saying the EPA hardship waivers issued by the administrator are undercutting the President’s commitment to the RFS.

[Source: Brownfield Ag News](#)

House Speaker Issues Deadline for NAFTA Deal

The House speaker has a date circled on the calendar. The Trump administration has until May 17 — as in next Thursday — to submit a NAFTA deal if it wants Congress to vote on the revised agreement this year.

Ryan’s deadline makes it even more unclear if the NAFTA nations’ top trade officials will be able to deliver a new deal across the finish line – as a number of unresolved issues remain on the table.

Ryan also made it clear that a promise for a deal won’t do. “We have to have the paper -- not just an agreement. We have to have the paper from USTR by May 17 for us to vote on it this year, in December, in the lame duck,” he said at a Wednesday event hosted by the Ripon Society, which backs the Republican Party.

Ministers from the U.S., Mexico and Canada met last four week in an effort to move closer to a renegotiated deal. But a lot of major sticking points remain.

Much of the recent discussion has focused on the issue of automotive rules of origin. Other thorny issues that remain on the table include: the seasonal produce proposal, investor-state dispute settlement and market access for dairy.

Ryan added that there are “legitimate agriculture issues” that need tackling, including taking Canada to task over its milk pricing program as well as its limited market access for U.S. dairy exports.

USTR promises to dig in on dairy markets: Meanwhile, U.S. Trade Representative Robert Lighthizer told lawmakers he is taking steps to tackle Canada’s milk pricing program, which U.S. dairy farmers would like to see killed in NAFTA 2.0, Adam reports. Canada, for its part, has fiercely defended its long-standing supply management system for the dairy industry, which caps production and restricts imports as a way to stabilize farmer income.

“We continue to press Canada on these high priorities for the United States,” Lighthizer wrote in an April 26 letter to lawmakers obtained by POLITICO. “The administration is also committed to maintaining the markets our dairy farmers currently have in Canada and Mexico.”

Can’t forget about China: The Trump administration is working to protect the agricultural industry amid rising trade tensions with China both through direct talks with Beijing and the use of government support, Commerce Secretary Wilbur Ross said Thursday. Ross told members of

a Senate Appropriations subcommittee that agriculture "featured quite prominently" in trade discussions with the Chinese delegation in Beijing that he participated in last week.

However, he did not offer specifics of how the administration would act to help farmers beyond saying that Trump had told Perdue "to use all of the powers that his department has to try to protect and help those industries."

Trump to Discuss Snap Work Requirements, Farm Bill in White House Meeting

President Trump is expected to discuss the Farm Bill with House Ag Chairman Mike Conaway and Senate Ag Chairman Pat Roberts today at the White House.

There have been reports that Trump will only support the Farm Bill if work requirements to qualify for SNAP benefits are tightened. But, Marc Short, director of legislative affairs at the White House, told The Wall Street Journal that it's too early for a veto threat.

The meeting comes as Conaway is trying to get enough votes to pass the Farm Bill on the House floor next week.

Roberts has said he hopes to release a draft of the Senate Ag Committee's Farm Bill soon that will be bipartisan.

SNAP work requirements halted bipartisan work on the Farm Bill. The House bill would require able-bodied adults in the 18-59 age group to work for at least 20 hours a week. Democrats oppose the work requirements and have said the Farm Bill is unfixable.

[Source: Brownfield Ag News](#)

Secretary Perdue Names FSA Administrator

U.S. Secretary of Agriculture Sonny Perdue announced the appointment of Richard Fordyce to serve as Administrator of the U.S. Department of Agriculture's (USDA) Farm Service Agency (FSA). In his role, Fordyce will provide leadership for FSA and its mission to support agricultural production across America through a network of over 2,100 county and 50 state offices.

"As a fourth-generation farmer, Richard brings firsthand knowledge and experience to this role," Secretary Sonny Perdue said. "I am confident that he will continue to help USDA become the most efficient, effective customer focused agency in the federal government as he leads this customer focused mission area."

Richard Fordyce most recently served as State Executive Director for FSA in Missouri. Prior to his appointment by the Trump Administration, Fordyce served as the director of the Missouri Department of Agriculture from 2013 to 2017. In 2015, Fordyce was awarded the Missouri Farm Bureau Distinguished Service Award and the Agricultural Leaders of Tomorrow Alumnus of the Year. He and his wife, Renee, have two children and grow soybeans, corn and beef cattle on the family farm.

[Source: USDA](#)

White House Seeks to Trim \$1B at USDA

The Trump administration wants to slash nearly \$1 billion from the USDA budget as part of an expansive rescission proposal to cut \$15.4 billion in unspent prior-year budget dollars. USDA agencies like the U.S. Forest Service, the Natural Resources Conservation Service and the

Rural Housing Service were targeted in a 41-page request that the White House OMB released as a "special message" on Tuesday.

Most of the White House requests affect money that's been authorized but hasn't been spent. The proposed USDA cuts are part of a sweeping package of spending cuts that slices across 10 federal departments.

USDA fiscal 2019 spending bill unveiled: Appropriators on Tuesday released fiscal 2019 spending legislation for USDA and FDA programs. The bill calls for \$23 billion in discretionary funding for the two departments which is \$14 million higher than the 2018 enacted level, writes yours truly.

Retailers Lose on SNAP Sales Fight

Retailers are none too pleased about a ruling from the U.S. Court of Appeals for the 8th Circuit, which held this week that public release of SNAP sales data wouldn't cause competitive harm to businesses participating in the \$70 billion program.

The ruling comes as a result of a legal battle that Argus Leader, a South Dakota newspaper, waged to make the spending figures public. The National Grocers Association, which represents independent grocers, criticized the decision late Tuesday.

"A SNAP transaction is simply another form of payment at stores that accept SNAP," said NGA President and CEO Peter Larkin. "Sales data, including store-level sales data from SNAP or any other transaction, is proprietary information. NGA has long maintained that a retailer's SNAP store data should remain private as the data contains proprietary store sales information that could be used by competitors to cause harm in the food retail marketplace."

Larkin said that a provision in the House farm bill, H.R. 2 (115), could protect retailers from being required to make such information public.

"This adverse court ruling underscores the importance of advancing a legislative solution to this problem, such as the House farm bill, which protects store-level SNAP data from public disclosure," he said in a statement.

Farmers Press USTR To Drop China Tariffs Plan

Scores of farmers have flooded the Office of the U.S. Trade Representative with opposition to the administration's plan to slap duties on up to \$150 billion worth of Chinese goods. Farmers from states such as Kansas, Missouri and Pennsylvania are urging USTR to come to a quick agreement that removes U.S. farm goods from the crosshairs of a tit-for-tat trade war.

"Many commodities are nearing their lowest prices in decades," wrote Sydney Conner, an American Farm Bureau member from Jamestown, Kan. who said "If America is to continue to feed the world, we need open markets to receive our goods. No level of government assistance will make up for the long-term loss of global markets, and farmers and ranchers would much rather earn their income from the marketplace."

Comments from Farm Bureau members followed a common thread: Farmers want more market access, not increased duties or non-tariff barriers with the U.S.'s No. 2 agricultural export market. In 2016, U.S. farmers and ranchers shipped \$21 billion worth of agricultural goods, such as pork, cotton and soybeans to China, according to USTR figures.

"It's counterproductive to engage in a trade dispute that implicates U.S. agricultural exports," wrote Bill Shipley, president of the Iowa Soybean Association. "Soybean, pork, beef, corn, and distillers grain contribute to one of the few U.S. trade surpluses."

The outpouring comes after the American Farm Bureau Federation sent out an action alert, urging members to convey their concerns to the administration. So far, the Office of the U.S. Trade Representative has received approximately 1,000 comments on the proposed tariffs, most of them in opposition.

Meanwhile, USTR has received so many requests to testify at its hearing next week on the Trump administration's plan that it may have to schedule additional days. The hearing – originally set for May 15 – "may extend another day or two due to the number of witnesses," a USTR spokeswoman said in an email.

Senate Ag Leaders Introduce Bipartisan Farmer Veteran Legislation

U.S. Senate Committee on Agriculture, Nutrition, and Forestry Chairman Pat Roberts, R-Kan., joined Ranking Member Debbie Stabenow, D-Mich., today to introduce legislation that expands support for military veterans in agriculture. The Farmer Veteran Opportunity Act of 2018 makes all new veterans eligible for support from the U.S. Department of Agriculture (USDA). The bill also improves access for farmer veterans across eight existing initiatives to make risk management tools more affordable, expand access to land and capital, and prioritize training for veterans.

"When our veterans retire from active service, whether here or abroad, they need certainty and opportunity," said Senator Roberts. "I'm proud to cosponsor a bill that allows men and women who have served our country to return to the farm."

"Agriculture offers our veterans rewarding careers and the opportunity to continue serving our nation by feeding our families," said Senator Stabenow. "After putting their lives on the line, our veterans should be first in line for support that can help them find jobs in farming and grow their agricultural businesses."

The legislation expands support to all new veterans who may have existing careers in agriculture. Currently, the USDA's veterans initiatives are designed to support those who are starting a career in agriculture for the first time. This common-sense change ensures that all new farmer veterans will be able to benefit from support, whether they are just starting a career on the farm or looking to expand their operation.

Additionally, the bill would help farmer veterans receive better assistance from existing farm programs, including more-affordable risk management tools like crop insurance to help them recover from unexpected losses. Because many farmer veterans also face barriers to accessing land and capital to start or expand their farms, the legislation would make farmer veterans eligible for down payment loans when purchasing real estate and would provide priority access for reduced interest rates on loans to buy farmland or finance production equipment. Veterans would also receive priority access for additional training and education opportunities to help them navigate their crop insurance options and meet food safety standards.

The Farmer Veteran Opportunity Act of 2018 builds on a number of provisions in the current Farm Bill that Senators Stabenow and Roberts included to strengthen support for farmer veterans. For the first time, the Farm Bill created a Military Veteran Agricultural Liaison position to advocate for farmer veterans at the USDA. In order to help farmer veterans overcome the

barriers many new farmers face, the Farm Bill prioritized veteran access to training resources and financing through short-term, low-interest loans. The bill also made it easier to participate in voluntary conservation initiatives.

For more information, find the bill summary fact sheet [here](#) and the bill text [here](#).

[Source: U.S. Senate Committee on Ag, Nutrition, & Forestry](#)

U.S. Calls Out India Over Wheat, Rice Subsidies

The United States is complaining to the World Trade Organization that India has been underreporting how much in subsidies it is providing to ITS wheat and rice farmers.

The Office of the U.S. Trade Representative submitted to the WTO what is called a “counter notification.” WTO members are required to periodically notify the body of new subsidies and other domestic support programs.

It is the first time the United States has formally called out another country at the WTO over providing inaccurate information on a domestic measure. India is the world’s largest rice producer and one of the top 10 producers of wheat globally.

USTR said it expected a “robust discussion” on how India implements and notifies its policies at the next WTO Agriculture Council meeting next month. “India represents a massive market, and we want greater access for U.S. products, but India must be transparent about their practices,” USDA Secretary Sonny Perdue said in a statement. “For trade to be free and fair, all parties must abide by their WTO commitments.”

Secretary Perdue Commits to Prioritizing Food Waste Solutions

U.S. Secretary of Agriculture Sonny Perdue hosted a food waste roundtable with Representatives Chellie Pingree (ME-1) and David Young (IA-3), food industry leaders, and non-profit groups at the U.S. Department of Agriculture (USDA) today. This roundtable, the first of many USDA public events on food waste, serves as an opportunity to raise awareness while discussing solutions with leaders throughout the entire food supply chain.

Following the roundtable, Secretary Perdue issued the following statement:

“Our nation’s agricultural abundance should be used to nourish those in need, not fill the trash,” said Secretary Perdue. “So many people work on food waste issues in their own spheres, but it’s time to change the culture and adopt a holistic approach to get everyone working together and sharing ideas. I commend Reps. Pingree and Young for addressing this issue on Capitol Hill and for their desire to find collaborative, commonsense solutions. USDA remains committed to helping reduce food waste, and we are excited to work with all stakeholders from farm to fork to further elevate this effort and fulfill our motto, to ‘Do right and feed everyone.’”

[Source: USDA](#)

FDA Seals the Deal on Menu Labeling

The FDA on Monday issued a long-awaited final guidance to aid restaurants and other food establishments in meeting the requirements of the menu labeling rule, which also took effect Monday -- locking in the final piece of implementing national menu labeling under an obscure provision of Obamacare.

"Our goals are to ensure that consumers are provided with consistent nutrition information they can use to make informed choices for themselves and their families, and to guide industry to clearly understand the flexible way the requirements can be implemented," the guidance said.

For example, establishments that operate a self-service buffet could place a sign next to each item if they want, the guidance said. Or they could display the information on the "sneeze guard" covering the buffet. Another option would be to have a sign or placard that lists all the items and corresponding calorie information of various foods available at the buffet.

The agency said it will also "soon" publish a plan that will describe its strategy on how it will enforce the rules.

Sam Kass, who used to run point on much of the food policy agenda in the Obama administration, cheered the news. "Giving consumers basic information to make choices is a common sense, market-based approach to health," Kass said, in an email to MA. "The companies that have fought against this most basic form of transparency for years reflect a dying strategy for the industry—the future is a dramatically more transparent one. A lot of credit is due to the FDA and Commissioner Gottlieb for seeing this through. He is right when he says this should not be a partisan issue. The devastating impact of our health crisis affects tens of millions of people in both parties, in every state in the union. There is a lot more to be done, but this was a meaningful step forward."