

News from Washington: May 21-25

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

Update on the Farm Bill

Readdressing the House farm bill will likely get pushed to mid-June, at the earliest, once leadership settles on a plan to satisfy members demanding to vote on an immigration bill. There was a slim possibility the House could call up the measure again soon after last week's failed vote, per a motion for reconsideration that was filed on Friday. But now it's clear that GOP leadership will wait for a vote until after the immigration dispute is settled. House Majority Whip Steve Scalise (R-La.) said Monday the House will consider a conservative immigration bill from Rep. Bob Goodlatte June 22, then return to the farm bill.

Still, even if the farm bill, H.R. 2 (115), is resurrected it's not a guarantee it'll pass. A number of moderates voted against the bill last week, signaling that problems could extend beyond overlapping with immigration angst. Rep. Matt Gaetz (R-Fla.) said on Bloomberg TV he didn't vote for the legislation because "it wasn't conservative enough." He said he doesn't like that savings from cuts to the food stamp program are reinvested in the SNAP jobs training initiative — a complaint echoed by some members of the conservative Freedom Caucus.

For the record, the House has never passed a modern farm bill on a strictly party-line vote. In this vote, not one Democrat voted "yes."

What's Next in China-U.S. Trade Feud?

The preliminary U.S.-China trade deal announced over the weekend possibly raised more questions than it answered, starting with: What comes next and how soon will it happen? Although China agreed to purchase significantly more U.S. agricultural and energy products, there still aren't any hard numbers associated with that.

Administration officials said U.S. Commerce Secretary Wilbur Ross would be traveling soon to Beijing to negotiate long-term agricultural and energy sales contract. Last November, Ross announced more than \$250 billion in business deals between the United States and China. One of those was a \$43 billion agreement involving the sale of liquified natural gas from Alaska to China. However, in a Monday morning appearance on CNBC, Treasury Secretary Steven Mnuchin seemed to be touting the same transaction as evidence of China's new commitment to buy more U.S. agriculture and energy progress.

The temporary trade pause between the U.S. and China is being described as a public victory by President Donald Trump on Twitter. But it's also masking continuing internal White House battles over how hard to push China for major concessions. It also papers over threats that a tariff battle could easily reignite over multiple flash-points including U.S. sanctions on China telecom giant ZTE and China's role in high-stakes talks between the U.S. and North Korea.

North Korea Says It's Still Willing to Meet Trump After U.S. President Cancels Summit

North Korea says Kim Jong Un is still willing to meet Donald Trump "at any time," despite the US President's abrupt cancellation of what would have been a historic summit between the two leaders, scheduled for June 12.

Kim Kye Gwan, a top official at North Korea's Foreign Ministry, said Trump's decision to cancel the talks ran counter to the global community's wishes for peace on the Korean Peninsula.

"We would like to make known to the US side once again that we have the intent to sit with the US side to solve problem(s) regardless of ways at any time," said Kim in comments published Friday by the country's state-run news agency KCNA.

Kim said President Trump's decision is "not consistent with the desire of humankind for peace and stability in the world, to say nothing of those in the Korean Peninsula."

Trump [canceled the summit Thursday](#) in a letter addressed to Kim Jong Un, citing recent hostile comments from top North Korean officials and concern over Pyongyang's commitment to giving up its nuclear weapons. Trump said it would be "inappropriate" to have the summit given his worries.

The final straw, US officials said, was a statement on Thursday from North Korea's Foreign Ministry calling US Vice President Mike Pence a "political dummy" and hinting that Pyongyang was ready for a "nuclear showdown" should diplomacy fail.

Trump's administration claimed there had been hiccups behind the scenes. In a background briefing a senior White House official said the North Koreans had failed to turn up to a meeting with a White House official in Singapore to talk planning and logistics. "The North Koreans didn't tell us anything. They simply stood us up," the official said.

But despite Trump's abrupt cancellation, he appeared to leave the door open for talks to resume at some point, telling reporters Thursday that "if and when Kim Jong Un chooses to engage in constructive dialogue and actions, I am waiting."

[Source: CNN](#)

Trump and House GOP Take On H-2A Reform

The future of the H-2A agricultural guest-worker program has been thrust into the spotlight in recent days, as both the Trump administration and certain House Republicans have presented options on how to revamp the agricultural visa program. Now, the problem is: Who should tackle it?

The Agriculture, Labor, State and Homeland Security departments announced suddenly on Thursday that they are working together to reform the program to address complaints that farmers have long made about H-2A. The agencies did not offer specific details on what kind of reforms they will propose, but said the joint effort will seek to reduce "cumbersome bureaucracy and [ensure] adequate protections for U.S. workers."

Meanwhile, a wide-ranging immigration bill written by House Judiciary Chairman Bob Goodlatte has been at the center of an immigration showdown that helped doom the vote on the House farm bill last week and has GOP lawmakers battling over whether to join with Democrats to support a discharge petition that would force votes on immigration measures. Goodlatte's bill includes his previous proposal to overhaul H-2A's existing 10-month guest-worker structure to allow agricultural producers to apply for year-round labor.

Goodlatte, for his part, said agency-led changes would "only provide temporary relief from onerous H-2A regulations." The existing temporary visa program "is expensive, flawed, plagued with red tape, and isn't available to farms that require year-round labor," he said in a statement on Thursday, adding that a "permanent legislative solution is needed."

Tom Nassif, president and CEO of Western Growers, offered support for the administration's effort to revamp H-2A but also echoed Goodlatte's position.

"While this effort to implement administrative changes are most welcome, key aspects of the H-2A program can only be modified by statute," Nassif said. "This is why we continue to call on Congress to enact immigration reform legislation that provides a workable path to legalization for our existing workforce and creates a new guest-worker visa program to ensure ready access to an adequate supply of labor in the future."

It's unclear when changes can be expected from Congress or the administration, but the agencies said they "look forward to delivering a more responsive program soon."

Trump Takes A New NAFTA Outlook

It looks as if a NAFTA 2.0 in 2019 isn't out of the question for President Donald Trump. The president is more interested in striking a good deal with Canada and Mexico than quickly finishing NAFTA talks to get a vote in Congress this year, Mnuchin also said.

"The president is more determined to have a good deal than he's worried about any deadline," Mnuchin said on "Fox News Sunday." "So, whether we pass it in this Congress or we pass it in the new Congress, the president is determined that we renegotiate NAFTA." However, that doesn't mean Trump won't follow through on his threat to withdraw from the deal, if he decides it's the best option, Mnuchin added.

Negotiators from the U.S., Mexico and Canada have so far closed nine chapters and six sectorial annexes, Mexico's chief negotiator Kenneth Smith Ramos said in series of tweets on Saturday. Those chapters include: telecommunications, small- and medium-size enterprises, competition and technical barriers to trade.

While progress has been made, Smith Ramos noted that striking a deal will require compromise for a balanced agreement.

"The last mile will require flexibility from all 3 parties in order to find the balances that may allow us to close the negotiation," Smith Ramos said. "Last week, we made concrete proposals and will continue to work constructively to reach the best deal possible for Mexico."

Trade supporters, including political leaders, are pushing negotiators to continue working — even if that means a congressional vote won't come until next year.

"Republicans in Congress continue to urge the administration to bring back a modern agreement that is fully enforceable with binding dispute settlement procedures and which includes strong protections for American businesses and workers competing for customers in Canada and Mexico," House Ways and Means Chairman Kevin Brady said in a statement on Friday.

Ryan has offered "some wiggle room" on his proclaimed deadline of last week, but he added that time was "of the essence."

Senate Appropriations Moves USDA-FDA Spending Bill

A Senate spending bill sent to the full chamber Thursday provides \$23.235 billion in discretionary funding for a host of programs administered by USDA and FDA, which is \$225 million above fiscal 2018 enacted levels. Senate Majority Leader Mitch McConnell said in a pep

talk at the hearing on Thursday morning that he wants to move quickly in getting spending bills to the floor and aims to consider some in June. Here's a breakdown of how the bill would direct funds in certain areas:

- **Research:** Ag research would receive \$2.73 billion in discretionary funds, and the Agriculture and Food Research Initiative would see a \$5 million bump. The committee recommended that the Agricultural Research Service look into specific areas of study, such as advancements in alfalfa and cranberry yields, aquaculture seedstock, and efforts to fight citrus greening disease, along with hiring a geneticist for the Atlantic salmon breeding program.

The committee also spelled out a concern about USDA using cats in "painful and terminal laboratory experiments" in studying animal parasitic diseases. Lawmakers asked USDA to investigate other means of experiments without cats and to adopt out cats no longer needed for science. That recommendation comes as the White Coat Waste Project, a right-leaning advocacy group, revealed that USDA conducts experiments in which kittens are infected with a parasite and later euthanized.

- **Conservation:** The Natural Resources Conservation Service would get \$879.1 million, which is \$5 million above fiscal 2018 levels. The bill also maintains funding for the Watershed and Flood Prevention Operations Program. The committee asked that NRCS provide an update on staffing levels at its offices across the country, including on vacancies, because it's "concerned that unfulfilled state-level positions are creating delays in application approval and the deployment of important conservation funding."
- **Organics:** Funding for the National Organic Program would increase to \$15 million, from \$12 million. The committee took note of the rapidly expanding popularity of organic products and recommended that USDA's Economic Research Service expand its research into data analysis of the production, pricing and marketing of organic products.
- **Mental health:** The bill would furnish \$2 million for a pilot program to provide competitive grants to address farmer stress and suicide, citing the elevated rate of suicide among agricultural workers.

The committee unanimously approved a manager's package that added language to the legislation to address a range of issues. One provision would effectively ban horse slaughter by forbidding that funding be devoted to USDA horse slaughterhouses. Another provision, from Sen. Dick Durbin, would direct the FDA to establish rules to prevent internet sales of e-cigarettes to minors.

EPA Extends Comment Period on Science Rule

The EPA has extended the public comment period on a proposal to require science that can be replicated in rulemaking, after a number of the more than 96,400 commenters online asked for an extension.

The deadline for comments currently is May 30, for the proposed rule, "Strengthening Transparency in Regulatory Science." The rule proposes using just publicly available data. Critics of the measure are concerned that research involving intellectual property or with privacy concerns could be withheld from EPA rulemaking.

On Thursday, the agency announced an extension of the public comment period from May 30 to Aug. 17, set to be published in the Federal Register. The agency has scheduled a July 17 public hearing in Washington, D.C.

"EPA is committed to public participation and transparency in the rulemaking process," EPA Administrator Scott Pruitt said in a news release. "By extending the comment period for this rule and holding a public hearing, we are giving stakeholders the opportunity to provide valuable input about how EPA can improve the science underlying its rules."

Pruitt drew the ire of environmental and science groups when he announced the rule on April 24. "The era of secret science at EPA is coming to an end," he said in a news release at the time. "The ability to test, authenticate, and reproduce scientific findings is vital for the integrity of rulemaking process. Americans deserve to assess the legitimacy of the science underpinning EPA decisions that may impact their lives."

[Source: DTN Progressive Farmer](#)

GOP Immigration Showdown Threatens Ryan's Job

House Speaker Paul Ryan is struggling to stop a major immigration showdown, as House Republicans continue infighting that could end up costing him his speakership. The squabble is almost certain to occupy the summer, distracting from the campaign message GOP hopefuls are looking to push for the midterms.

A group of moderates frustrated with the lack of movement to protect Dreamers from deportation is expected to get enough support to force bipartisan immigration votes soon. Members of the Freedom Caucus, however, are backing a Goodlatte bill and are angry that such a move may get to the floor.

"If we run an amnesty bill out of a Republican House, I think all options are on the table," Freedom Caucus member Scott Perry (R-Pa.) told reporters when asked if Ryan could remain speaker if the so-called discharge petition succeeds.

"There's plenty of time to get a farm bill done. We do want to get a farm bill across the finish line," Rep. Jim Jordan said in an interview on PBS NewsHour Tuesday evening. "Right now, the focus is on getting immigration policy right."

USDA Tied in With Trade Talks

The USDA Foreign Agricultural Service has been "intimately involved" with U.S. trade negotiators and will be included in a delegation headed to China led by Commerce Secretary Wilbur Ross, USDA Secretary Sonny Perdue said Wednesday. "They were at Secretary Ross' left elbow last week during the discussions specifically on commodities we believe we could expand our exports to China with," Perdue told reporters.

Discussions have taken place on China approving imports of more U.S. food grown using biotechnology, Perdue said. "We're also looking at non-tariff measures regarding some of the policies and protocols that restrict U.S. products of going in to China. That will be part of the technical discussions as well."

Perdue added that he'd like to see a wider variety of ag exports sent to China, such as soybeans, rice, corn and poultry, to name a few. "There's several commodities in that basket that we're capable of selling a lot more to China," he said.

Separately, China hinted Wednesday that it could soon significantly increase imports from the U.S. China's Ministry of Commerce posted a statement saying: "China welcomes high-quality, competitive American products to enter the Chinese market."

Sen. Ben Sasse played down the outcome of the recent meetings involving the Trump administration and Chinese officials. Farmers and ranchers back in Nebraska are not “very excited about the current status of trade negotiations with China,” Sasse said during a breakfast organized by The Washington Examiner. “They’re glad that there’s a diminution in the risk of what looks like a precipitous trade war, but that looks mostly like the administration is walking back from its opening bellicose rhetoric — not because much has actually happened.”

USDA Invests \$256 Million in Water Infrastructure in Rural Communities

Assistant to the Secretary for Rural Development Anne Hazlett today announced that the U.S. Department of Agriculture (USDA) is investing \$256 million in [81 projects](#) (PDF, 233 KB) to improve water and wastewater infrastructure in rural areas in 35 states.

“No matter what zip code you live in, infrastructure is a foundation for quality of life and economic opportunity,” Hazlett said. “Through strong partnerships, USDA is ensuring that rural communities have the modern, reliable infrastructure they need to prosper.”

During her keynote address at the Arkansas Rural Development conference, Hazlett spoke about USDA’s longstanding partnership with state and local officials to improve the quality of life in rural communities. She met with various representatives on issues important to rural Arkansas residents and businesses, such as ways USDA is partnering with local communities to support opioid treatment, prevention and recovery services. She also highlighted USDA efforts to support e-Connectivity in the state.

Arkansas is receiving two of the 81 rural water and wastewater infrastructure projects Hazlett announced. The Tri County Regional Water Distribution District, in Russellville, Ark., for example, is receiving a \$6.2 million USDA loan to construct a water treatment plant with new intake and water lines. The new plant will better serve customers during high demand and will help avoid unhealthy conditions. Tri County supplies water to Pope, Logan and Yell counties. The town of Ravenden is receiving \$859,000 to construct a water supply well. The new well will correct system deficiencies to comply with health and sanitary regulatory standards for the 246 users.

The recently enacted Fiscal Year (FY) 2018 Omnibus spending bill includes a significant boost in financial support for water and wastewater projects. It provides \$5.2 billion for USDA loans and grants, up from \$1.2 billion in FY 2017. It also directs Agriculture Secretary Perdue to make investments in rural communities with the greatest infrastructure needs.

In addition to funding in the 2018 Omnibus bill, President Trump has proposed a \$200 billion infrastructure investment that allocates 25 percent (\$50 billion) to rural projects.

The loans and grants Hazlett announced today are being awarded through USDA’s [Water and Waste Disposal Loan and Grant](#) program. The funds can be used to finance drinking water, stormwater drainage and waste disposal systems for rural communities with 10,000 or fewer residents.

[Source: USDA](#)

Sasse Introduces Livestock Haulers Legislation

A bipartisan group of senators, led by Sens. Ben Sasse and Jodi Ernst, [introduced](#) on Wednesday legislation to reduce regulations that would require livestock haulers to take

mandatory rest time the senators say could put livestock at risk, especially during summer and winter. The Transporting Livestock Across America Safely Act would exempt livestock haulers from certain “hours of service” rules required by the Transportation Department.

Study Raises Concerns About Climate Change and Rice

Rice grown in an environment with elevated carbon dioxide levels contains less protein, iron, zinc and B vitamins, according to a groundbreaking [study published](#) Wednesday in Science Advances, raising renewed concerns about climate change and nutrition.

The study examined the effects of CO2 levels at 560 to 590 parts per million -- levels that we could very well see by the end of this century, according to projections.

There's already a growing body of research showing that some crops lose protein, iron and zinc as CO2 concentrations increase -- and this adds to the pile. What is new in the latest study is the finding that levels of vitamins B1, B2, B5, and B9 significantly drop, while vitamin E significantly increases.

For countries where large swaths of the population get most of their calories from rice (like Bangladesh), the findings this week are particularly distressing.

While the study was conducted at research sites in Japan and China, the effort was driven by a large team, including Lewis Ziska, a scientist at the USDA's Agricultural Research Service and Irakli Loladze, a professor at Bryan College of Health Sciences, as well as researchers at the University of Tokyo, the Centre for Crop Health at the University of Southern Queensland, the Chinese Academy of Sciences, the University of Washington.

AFBF Zippy Duvall Calls on Congress to Get Farm Bill Done

American Farm Bureau Federation President Zippy Duvall is hopeful that Congress will get its act together and pass an on-time farm bill, despite the House flop on Friday.

“If I was from rural America and I was running for office, I wouldn't want to go home to run without a farm bill,” said Duvall, a third-generation farmer from Georgia.

The House voting down the bill 198 to 213 was obviously not good news for the farm lobby. But despite complaints from some lawmakers that the bill isn't conservative enough, Duvall blamed the failure on immigration. “It wasn't about the farm bill. It's not about the farm bill. It's about immigration,” Duvall said. “I think the votes to pass the farm bill's there if you take the other interests out.”

Farmers still back Trump: “Most people are still communicating that they still support this president. Of course they do have concerns,” he said. “They have concerns around labor because they are facing that each and every day and they're concerned around trade treaties, but [something that comes out like this](#) weekend kind of boosts them back up and makes them hold on to their support there, at the end of the day it's going to be what gets across the finish line. What does it really look like and how does it affect the livelihoods of our rural communities and our farmers and ranchers?”