

News from Washington: November 5-11

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### **Peterson, The Farm Bill and 2019**

Farmers and ranchers can look forward to a final farm bill before the end of the year, the current House Agriculture ranking member told reporters Wednesday, saying that farm bill negotiators are getting “relatively close” — whatever that means — to an agreement for a final measure that Congress can pass during the lame-duck session.

Ag industry groups fear that starting the farm bill process anew in 2019, with Democrats controlling the House, would mean a flurry of amendments contrary to industry’s interests, like stricter subsidy limits and checkoff changes. The commodity title is still not settled, but a handful of options are on the table for negotiators to consider.

Democrats could scrutinize Agriculture Secretary Sonny Perdue’s plans to relocate the Economic Research Service and National Institute of Food and Agriculture, other USDA efforts and, potentially, checkoff controversy, Peterson said.

### **Trump’s Farm Bill Threat Rings Hollow**

Congress comes back to town next week with House and Senate agriculture leaders pledging action on the farm bill in the lame-duck session. Hanging over negotiations is the question of just how dug in Trump is on stricter SNAP work requirements.

Trump on Wednesday blamed Democrats again for delaying the farm bill over opposition to stronger work requirements, and reiterated that he wants “work rules” in the bill — a demand that some interpreted as essentially a veto threat.

For now, many food and ag lobbyists are shrugging off Trump’s latest comments. They’re betting he wouldn’t actually veto a farm bill if it doesn’t include new work requirements akin to those proposed in the House measure, H.R. 2 (115), which must be dropped for a final bill to have any chance of clearing the Senate.

“From President Trump’s own standpoint, a threat to refuse to accept the bill if it doesn’t contain the House SNAP provisions doesn’t compute,” said Bob Greenstein, founder and president of the Center on Budget and Policy Priorities, a liberal think tank that works on SNAP policy. “If he refuses to accept such a bill, the farm bill will die in the lame duck, and the next Congress — with a Democratic House — will start over, with the result that the final bill will be even less to his liking.”

Trump so far has not vetoed any bills. Presidents Barack Obama and George W. Bush each issued 12 during their tenure. It’s worth noting that, back in June, the White House issued a [statement of administration policy](#) criticizing the Senate farm bill, S. 3042 (115), for not strengthening SNAP work requirements for able-bodied adults, but stopped short of threatening a veto.

The last time a farm bill was vetoed was in 2008 when Bush rejected the package — not once, but twice — because he thought it was [fiscally irresponsible](#) and didn’t rein in subsidies to wealthy farmers. Congress overrode the veto (twice) with an overwhelming bipartisan majority.

In 1995, President Bill Clinton vetoed a budget reconciliation package that included the first version of what later became the 1996 farm bill, per the [Congressional Research Service](#), but

that move wasn't due to opposition to the farm bill, specifically. President Dwight Eisenhower also vetoed a farm bill in 1956.

## Election Results

**Who's In:** A bunch of House and Senate Agriculture Committee members were reelected.

- **Senate Ag Democrats** Amy Klobuchar (Minn.), Sherrod Brown (Ohio), Bob Casey (Pa.), Kirsten Gillibrand (N.Y.), Tina Smith (Minn.) and ranking member Debbie Stabenow (Mich.) each won six more years. So did Nebraska Republican Deb Fischer.
- **Most House Ag lawmakers** also earned new terms. But some of the Republican members might lose their committee seats when the panel is reapportioned to reflect the new majority.
- Rep. Michelle Lujan Grisham, who's been a vocal defender of SNAP on House Ag, was elected governor of New Mexico. She'll be the first Latina Democrat to serve in that role. Democrat Tim Walz was elected Minnesota governor.
- **Republican Pete Stauber** won the open Minnesota seat now held by retiring Democratic Rep. Rick Nolan, who had held onto his seat in 2016 even as his district voted for President Donald Trump.

**Who's Out:** Joe Donnelly and Heidi Heitkamp. The Senate Ag Committee Democrats, two of the party's most vulnerable members, were both unseated in red states that voted for Trump in 2016. Donnelly was defeated by Republican Mike Braun in Indiana, while Heitkamp lost handily to Rep. Kevin Cramer.

- **House Rules Chairman [Pete Sessions](#)** lost to Democrat Colin Allred. The Texas Republican was one of the highest-ranking lawmakers to go down.
- **House Ag Republican Rep. [John Faso](#)** in New York lost to a Democratic challenger. Reps. [Rodney Davis](#) (Ill.) and [Steve King](#) (Iowa) held on in close races.

## The Farm-State Political Landscape

Election results from agricultural regions kept coming in Wednesday, headlined by Democratic Sen. Jon Tester's reelection in Montana. The organic farmer, who lost three fingers to a meat grinder at age 9, pulled off the [narrow win](#) over Republican state auditor Matt Rosendale. It's Tester's third-straight Senate election win with 49 percent of the vote in mostly red Montana.

In California's Central Valley farmlands, Republican incumbents had a good night. Rep. Jeff Denham, a top Democratic target, had a slim lead over Democrat Josh Harder as votes were still being counted Wednesday evening. Voters also sent GOP Reps. Devin Nunes and David Valadao (both dairy farmers) back to D.C. for two more years.

Californians also approved Proposition 12, a ballot measure that requires more housing space for certain hens, pigs and calves. Out-of-state producers will also need to meet the new "cage-free" production standards to sell their goods in the Golden State.

Republican Jim Hagedorn narrowly defeated Democrat Dan Feehan for the open Minnesota seat now held by Democrat Tim Walz (who was elected Minnesota governor on Tuesday). It's one of the only House districts that Republicans flipped from blue to red this cycle.

GOP candidates cleaned up in state ag commissioner elections. Incumbents like Sid Miller in Texas, Gary Black in Georgia, Mike Naig in Iowa, Doug Goehring in North Dakota and Hugh Weathers in South Carolina were all reelected.

## **USDA Still Holding Off on SNAP Waiver Rule**

The November election came and went, and the Agriculture Department didn't issue its proposal to tighten up the waiver process for states seeking to exempt able-bodied adults without dependents from SNAP work requirements — and it appears the Trump administration is likely to keep holding off as farm bill talks roll on.

The rule, now parked at OMB, was initially slated for release last month. Many expected USDA to release the proposed rule before the election as a way to help galvanize the right. But Perdue has repeatedly said he doesn't want to preempt Congress on the issue, which could be addressed in farm bill conference talks.

Perdue last week implored governors in all 50 states to rethink their use of the waivers. In a letter, the secretary noted that in fiscal 2016, 1.7 million of 3.8 million able-bodied adults without dependents who received SNAP benefits lived in places that received waivers.

This group, known as ABAWDs, is the primary target of the stricter work requirements included in the House farm bill. Under current law, the group can only receive SNAP for up to three months in a three-year period if they are not working or not engaged in a work-like activity such as training for at least 80 hours per month. States can ask USDA to waive the time limit in places where the unemployment rate is relatively high or where there aren't enough jobs.

Perdue told reporters Thursday that he remains hopeful the farm bill conference report will include something to reform the waiver process. "I think it's very important that Congress, to the best of their ability, be as specific regarding their intentions as they can in law," he said. "Now, we know in a partisan divide it's difficult to do that."

## **The Florida Recount Frenzy**

At least five races in Florida appear destined for a recount, including the contest for state ag commissioner between Republican state Rep. Matt Caldwell — who has close ties to Florida's outgoing top agriculture official, Adam Putnam — and Democratic challenger Nicole Fried.

In the state's [U.S. Senate race](#), Democratic Sen. Bill Nelson was trailing Republican Gov. Rick Scott by fewer than 35,000 votes (0.4 percentage points).

Caldwell led Fried by just 0.16 percent of the vote at one point on Wednesday, [per](#) the Tampa Bay Times. A Florida state Senate race and two state House races also were headed for a recount, and the governor's race, with an excruciatingly close vote tally, appeared like it too would be forced into a review.

Recounts likely won't be ordered until this weekend, as ballots won't be fully counted until Saturday at noon. Federal, state or multicounty races separated by 0.5 percent or less, will automatically undergo a machine recount, due Nov. 15. Those separated by 0.25 percent, or less, will automatically undergo a manual recount by Nov. 18.

Fried, an attorney and lobbyist for the state's growing medical marijuana industry, said in a statement Wednesday that she is "going to ensure that every vote is counted."

What's at stake in the ag race? Sway over local handling of issues like water quality and delivery of hurricane relief. Florida's sugar industry, often blamed for the toxic blue-green algae blooms in Lake Okeechobee and along the Gulf Coast, contributed upwards of \$1 million to

Caldwell's campaign, the Miami Herald [reported](#) in August — more than Fried had raised overall at the time.

Caldwell has said Big Sugar is used as a “scapegoat” for Florida's pollution problem, with rapid urban development also part of the problem.

### **Some H-2A Requirements Going Digital**

The Labor Department is trying to bring the application process for temporary employment visas into the 21st Century. DOL will publish a proposed rule in the Federal Register today to require U.S. employers seeking workers under the H-2A and H-2B programs — for seasonal farm labor and non-agricultural labor, respectively — to first advertise the jobs online instead of in newspapers.

The proposal follows another plan DOL unveiled two weeks ago to use an electronic system for issuing decisions on H-2A applications. The actions are part of a [coordinated effort](#) by the Trump administration to modernize the system, which involves the departments of Labor, State, Agriculture and Homeland Security.

Perdue said in a [statement](#) Thursday that the administrative changes are one way to modernize the H-2A system so that it's less cumbersome and expensive for employers, but he argued congressional action is needed to “fully” address chronic farm labor shortages.

H-2A visas have seen double-digit growth since 2012, despite industry's complaint that the system is a bureaucratic nightmare. That growth is due in part to both the Obama and Trump administrations cracking down on undocumented immigrants. U.S. farms hired more than 242,700 temporary workers in fiscal 2018, a 21 percent increase over the previous year.

### **Health Advocates Decry State Soda Tax Loss**

The beverage industry didn't succeed Tuesday night in setting up a legal blockade against soda taxes on the West Coast, but Coca-Cola, PepsiCo and other companies did score a major win in Washington state with the passage of Initiative 1634.

The measure, up 55 percent to 45 percent with votes still being counted Wednesday evening, prohibits new soda taxes statewide, though Seattle's existing tax on the sugary beverages won't be rolled back. In Oregon, voters rejected the similar Measure 103 overwhelmingly (43 percent to 57 percent).

The results, which run counter to what polls were showing, raise interesting questions about whether health groups put their money in the right places this cycle.

Billionaires Michael Bloomberg and Laura and John Arnold — major soda tax backers — together poured \$3 million into Oregon, where there was already organized opposition to the tax measure (alongside other ballot questions). But no funding from either major source was spent in Washington. That left advocates there with no resources for TV ads or mailers while major beverage companies unloaded more than \$20 million to promote the tax ban.

AHA, the only major donor in Washington, said the fight for soda taxes is not over. “For sure this is a setback, but it's imperative that we continue to address chronic diseases such as heart disease, stroke, tooth decay and Type 2 diabetes in both children and adults with innovative public health policies,” said Mary Ann Bauman, a Seattle doctor on AHA's board.