

## News from Washington: November 16-20

### **Speculation for Secretary of Ag Heats Up**

Names have started to surface as presumptive-President elect Joe Biden begins his presidential transition. According to the New York Times, former North Dakota Senator Heidi Heitkamp and current Minnesota Senator Amy Klobuchar are top contenders for Secretary of Agriculture. Politico says Ohio Representative Marcia Fudge is also lobbying for the position.

Heidi Heitkamp has been considered one of the top contenders for Ag Secretary from the beginning. She has been critical of the Trump Administration's trade policies and has been working with Democrats to educate them on the importance of the issues facing rural America.

Klobuchar, a current Senate Ag Committee member, is also on the list. She has been a strong proponent of increasing support for ag commodities, disaster programs, and federal crop insurance. Klobuchar is also reportedly being considered for Attorney General.

In an interview with Politico, long-time House Ag Committee member Marcia Fudge made her case for the position. Fudge currently serves as chair of the Nutrition Subcommittee, which oversees USDA operations. In addition to her fight to protect nutrition programs, she has also been a strong proponent of boosting USDA's conservation programs and led the charge during the 2018 Farm Bill to protect water quality. Fudge would be the first Black woman to serve as Secretary of Ag.

A spokesperson from Biden's transition team told Politico there have not been any personnel decisions made at this time.

[Source: Brownfield Ag News](#)

### **USDA Reverses on Tighter Farm Subsidy Eligibility**

The Agriculture Department is ditching a change in commodity program subsidy eligibility rules that would have unintentionally made it harder for some members of family farming operations to qualify for payments, a top official says.

A [final rule](#) the Farm Service Agency published in August required all potential subsidy recipients meet the eligibility requirements for being "actively engaged" in farming. Those requirements mean a payment recipient must provide either 25% of a farm's total management hours on an annual basis or perform at least 500 hours of management annually.

In a change formally described as a "correction" to that rule, the FSA says those requirements will only apply to farming operations that are comprised of nonfamily members and subject to a limit in the number of farm managers who can qualify as actively engaged in farming.

[Read more from Agri-Pulse.](#)

### **Analyzing Trade Under a Biden Administration**

Many in the ag industry are wondering how key trade policies might change under a Biden Administration.

Michael Torrey, founder of Michael Torrey Associates says he expects more of a change in tactics than in policy, especially with China.

“I think they’ll push, but I think they are going to be more collaborative with our international partners on how they approach that. I think clearly they are going to take a fresh look at what has been done knowing that American agriculture needs that market.”

Jay Truitt with Policy Solutions says the hard work has been done when it comes to ag trade with China.

“We have really opened up those markets in a big way. There are really no words to describe what’s been going on with pork trade there- it has been phenomenal. I don’t think there is much a Biden administration would do to harm that.”

Some anticipate Biden will change from President Trump’s bilateral trade approach to a multilateral plan. Truitt says if Biden wants to be successful, he will have to approach some trade deals, like with the UK, one on one.

Torrey and Truitt made their comments during the virtual convention of the National Association of Farm Broadcasting.

[Source: Brownfield Ag News](#)

### **Senate OKs Grain Standards Bill**

The Senate has passed a reauthorization of the Grain Standards Act, which regulates marketing standards for grains and oilseeds. The bill extends the inspection authority through September 2025.

The bill would include customers and applicants for inspection or weighing services to the list of people that must be notified in writing when a state agency intends to temporarily discontinue official inspection or weighing services.

[Read more from Agri-Pulse.](#)

### **Outlook for Ag Climate Measures Brightens with Biden Transition, New Alliance**

President-elect Joe Biden’s commitment to addressing climate change and the food and ag industry’s progress in coalescing on ag carbon proposals are increasing the chances that farmers could see new income streams developing through private markets and USDA programs.

The Biden administration could take steps administratively, but ag groups also are gearing up for a climate debate in Congress even if Republicans narrowly retain control of the Senate after a pair of runoff elections in Georgia Jan. 5.

Among the ideas getting the most attention as Biden sets up his administration is a USDA carbon bank to buy ag carbon credits from farmers and sell them to energy companies and other corporations that need to offset their emissions.

The carbon bank, the brainchild of a key Biden transition adviser, is a central recommendation in [a set of more than 40 proposals released Tuesday by the new Food and Agriculture Climate Alliance](#), a coalition of leading ag, food, forestry and environmental groups.

[Read more from Agri-Pulse.](#)

### **No More Ad Hoc Payments A Big “What If?” For Farmers in 2021**

Will some farms be pushed to the brink financially if ad hoc government programs go away in 2021?

Nathan Kauffman with the Federal Reserve Bank of Kansas City says unfortunately, it's a question that has to be considered given that direct payments accounted for about 40 percent of net farm income this year.

If you take off those government payments, it does represent a decline in farm income. This would've been though, before the increases that we saw in commodity prices more recently."

U.S. farmers collectively have made around \$100 billion so far this year, with Market Facilitation and Coronavirus Food Assistance Program payments comprising nearly \$60 billion of that total.

During a newsmakers virtual session hosted by the National Association of Farm Broadcasters Wednesday, Kauffman says the fall rally has presented a more optimistic view for commodity prices. "So as we go into 2021, my guess on this is if we were to not see payments being made to that extent, we probably would see a little bit more financial pressure on the order of how we had been seeing that progress in the years prior to 2020."

He says if the price recovery continues, it will help mitigate financial concerns for most corn and soybean producers.

[Source: Brownfield Ag News](#)

### **China Relishing RCEP Trade Pact Victory**

China is celebrating the signing of what will be the world's largest trade pact, which includes 15 countries representing 30% of global GDP, pushing international trade to the forefront as President-elect Joe Biden prepares to take office in January.

Biden said Monday he has already been talking to foreign leaders about trade and stressed that he does not intend to allow China to take the global lead.

"We make up 25% of the world's trading capacity," he told reporters. "We need to be aligned with the other democracies ... so that we can set the rules of the road instead of having China and others dictate outcomes because they're the only game in town."

[Read more from Agri-Pulse.](#)

### **Bayer Ally Aims to Track Commodities**

A new blockchain network is being billed as a first-of-its-kind method of tracking farm commodities from seed to market. BlockApps, which developed the TraceHarvest Network with agribusiness giant Bayer, [says the system](#) could be used to track carbon crediting as well as food safety recalls.

Sid Siefken, BlockApps' director of business development for agriculture, said the network also will aid in gathering information on agronomic practices that may be recommended or required for production of specialty products such as high-oleic soybeans, for example.

[Read more from Agri-Pulse.](#)

### **US Soy Works to Deepen Ties to Chinese Buyers**

Another record-breaking year of Chinese soybean imports this year provided an optimistic backdrop for a meeting held this week between the U.S. Soybean Export Council, Chinese government officials and soy importers.

Xiaoping Zhang, USSEC's regional director for greater China, predicted at the meeting that China would import 100 million metric tons of soybeans in the 2020 calendar year, up from the 1997 record of about 96 million tons.

[Read more from Agri-Pulse.](#)

### **Court Reverses Damages in Smithfield Case**

A federal appeals court upheld a nuisance verdict but threw out a multimillion-dollar jury award of punitive damages against Murphy-Brown, a North Carolina company.

The 4th U.S. Circuit Court of appeals [mostly agreed](#) with the lower court judge's rulings in the case, including his decision to allow expert testimony presented by the plaintiffs, but said the use of financial and compensation information about parent company Smithfield Foods could have prejudiced the jury.

[Read more from Agri-Pulse.](#)

### **Report: Ag Robotics Face Numerous Challenges**

A new [paper](#) from the Council for Agricultural Science and Technology says there are both technical and socioeconomic barriers to the increased adoption of ground and aerial robots in agriculture.

Among the engineering challenges are designing and deploying robots to work faster and more gently than human labor when interacting with plants and animals, the paper says. There's also the fear that robots will replace humans, and the question of whether robots are economically viable.

[Read more from Agri-Pulse.](#)

### **Report: Global Ag Emissions Going Wrong Way**

Global greenhouse gas emissions from agricultural production need to do a U-turn if the world is to keep its temperature from rising more than 1.5 degrees Celsius, according to a new [report](#) from the World Resources Institute.

Global ag production emissions, mainly from livestock production, agricultural energy use, rice cultivation, and soil fertilization, grew by 3% between 2012 and 2017 and are forecast to rise by 27% between 2017 and 2050, WRI said. They need to instead drop by 39% by 2020, and the remaining emissions "would need to be offset by large-scale reforestation," the report says.

[Read more from Agri-Pulse.](#)

### **FDA Starts Posting Outbreak Data**

FDA has created a new [web page](#) to make it easier to keep up with outbreaks of foodborne illnesses. The agency launched the table with seven ongoing investigations, only one of which, involving peaches, has identified the food responsible for the illnesses.

FDA "is committed to transparency and keeping the public and stakeholders informed of our work upholding the safety of our food supply," said Frank Yiannas, FDA's deputy commissioner for food policy and response.

[Read more from Agri-Pulse.](#)