

News from Washington: January 8-12

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Statement of Under Secretary Greg Ibach on Section 199A Tax Code Fix

The U.S. Department of Agriculture's (USDA) Under Secretary for Marketing and Regulatory Programs Greg Ibach today issued the following statement regarding efforts to address concerns with recent changes to Section 199A of the federal tax code. Some agriculture stakeholders have raised questions about potential market effects on cooperatives and independent grain-related businesses.

Ibach's statement is as follows:

"The aim of the Tax Cuts and Jobs Act was to spur economic growth across the entire American economy, including in the agricultural sector. While the goal was to preserve benefits in Section 199A for cooperatives and their patrons, the unintended consequences of the current language disadvantage the independent operators in the same industry. The federal tax code should not pick winners and losers in the marketplace. We applaud Congress for acknowledging and moving to correct the disparity, and our expectation is that a solution is forthcoming. USDA stands ready to assist in any way necessary."

[Source: USDA](#)

Hoeven: USDA Launches Pilot Program to Fix Subsidy Discrepancies

The USDA Farm Service Agency has started a pilot program intended to fix disparities in commodity subsidies from one county to the next, Sen. John Hoeven (R-N.D.) said today.

Hoeven secured the pilot program in the fiscal 2017 government spending package and included additional funding for it in the fiscal 2018 agriculture appropriations bill that has yet to be passed by Congress. He added that he was working on a long-term fix in the next farm bill. "This pilot program will help ensure that [Agriculture Risk Coverage] payments to farmers are fair and reflect real-world yields," Hoeven said in a statement.

The pilot program secured by Hoeven gives state FSA offices a role in ensuring accurate yield calculations, he said, including fixing any disparities between data in comparable counties. After ARC was established in the 2014 farm bill, farmers reported wide differences in payments between counties in the same state, and lawmakers have said it's due to the yield data that FSA uses to calculate subsidies.

FSA uses yield data from the National Agricultural Statistics Service, which is part of the USDA and is based on voluntary surveys submitted by farmers. But survey response rates have been on the decline. So when enough farmers in a county don't submit surveys, FSA will use Risk Management Agency data instead. These two data sets can vary.

A USDA spokesperson did not immediately return a request for comment.

Trump Speech React: Trade Fears Calmed

"Corrupt politics left our communities hurting, our economy stagnant and millions of hardworking Americans completely forgotten, but they, guess what, are not forgotten anymore. No more," President Trump told a cheering crowd at the American Farm Bureau Federation (AFBF) convention on Monday. "They are forgotten no more. Remember that, you're forgotten no more."

The President of the United States recognized the important roll farmers and ranchers play in America, and they were glad to hear it.

“You know we really believe this was public endorsement of the important role that farmers, ranchers, and really, rural communities play in the success of our nation,” Minnesota Farm Bureau president Kevin Paap told AgriTalk host Chip Flory on Tuesday. “Clearly President Trump understands the role agriculture plays in our economy.”

Trump also understands how important farmers are to him politically, according to Ray Starling, special assistant to the president on agriculture and agriculture trade. Starling said, the President recognizes that American farmers give our country an “edge.”

“They give us an advantage in our competition around the world,” he told Farm Journal news director John Herath on Monday, adding that’s why the President made time to come talk to farmers at the convention. “We ought to make sure we’re doing the things they want us to do on taxes on deregulation, the farm bill, and biotechnology, on forestry and on rural broadband deployment. I think that’s exactly the message he brought here today, and Farm Bureau responded. The crowd seemed to enjoy what they heard.”

The one message farmers were itching to hear the President address, he glazed over: trade, specially, the North American Free Trade Agreement. Of the roughly 35 minutes Trump was on the stage addressing Farm Bureau members, he spent just slightly more than 1 minute and 30 seconds discussing trade.

“To level the playing field for our great American exporters, our farmers and ranchers, as well as our manufacturers, we’re reviewing all of our trade agreements to make sure that they are fair and reciprocal,” he said. “On NAFTA, I am working very hard to get a better deal for our country and for our farmers and for our manufacturers. It’s under negotiation as we speak. But think of it, when Mexico’s making all of that money, when Canada is making all of that money, it’s not the easiest negotiation, but we’re going to make it fair for people again.”

While it wasn’t the promise to stay in the deal many farmers, including AFBF president Zippy Duvall were hoping for, some in the audience were pleased.

“Now I think we ought to turn our attention to what Secretary [Perdue] said,” Duvall said adding that Perdue had more to say about trade including that this president understands the vulnerability that agriculture has in these renegotiations.

[Source: AqWeb](#)

IRS Unveils New Tax Withholding Tables

The IRS released new withholding tables "explaining to employers how to align people's paychecks with the new tax law. "The government also said it's developing a new W-4 form that millions fill out at work for the next tax-filing season. The administration is asking employers to implement the new tables by Feb. 15 so that workers will begin seeing the effects of the Tax Cuts and Jobs Act, H.R. 1 (115), by next month."

"The release comes amid warnings from Democrats that the administration could use the obscure tables to juice people's paychecks this year, by withholding less from their pay, ahead of this year's midterm elections," Brian adds. "That could endanger the refunds people expect to

receive next year. Treasury Secretary Steven Mnuchin called the charges 'ridiculous' [today] and said the share of people receiving refunds should remain unchanged. He added that the IRS is working on a new withholding calculator so people can see for themselves how the changes would affect them."

Mexico's Guajardo to meet with USTR and lawmakers to talk NAFTA

Mexico's Economy Minister Ildefonso Guajardo will meet with U.S. Trade Representative Robert Lighthizer and lawmakers this week to talk about the ongoing NAFTA renegotiation. Guajardo's three-day trip to Washington, from Jan. 10 to 12, comes less than two weeks before negotiators from the U.S., Mexico and Canada are set to meet in Montreal for the sixth round of NAFTA talks.

Guajardo will meet with Lighthizer to discuss the status of the talks to modernize the 24-year-old trade deal. He will also meet with lawmakers "to discuss diverse topics on the bilateral agenda; in particular, the advancement of negotiations for the NAFTA modernization," a Mexican Economy Ministry release said.

Guajardo will make a stop at the World Bank to sign on Mexico as a member-state of the International Centre for Settlement of Investment Disputes. The U.S., Canada and China are also member-states of the international arbitration organization. Mexico signing onto the World Bank agreement, the release said, "will contribute to strengthening Mexico's position as a country that's secure, trustworthy and attractive for investment."

The release, however, did not specify when Guajardo's meetings will take place during the trip, and the Mexican Embassy was unable to provide further details.

FDA To Make Moves on Nutrition Policy In 2018

When Trump took office, few (no one?) predicted that his FDA would make nutrition policy a top priority. But indeed the agency on Thursday made its intentions official by releasing a policy roadmap for 2018.

FDA Commissioner Scott Gottlieb told POLITICO in November that the agency was working on a "broader policy initiative" on nutrition, and the document unveiled by FDA Thursday sheds more light on those plans. It highlights for the first time that nutrition will be among FDA's top areas of focus this year.

Nutrition education campaign on the horizon: Several specific actions that are expected to be part of the larger "Nutrition Action Plan," including more guidance on menu labeling; information on Nutrition Facts labeling rules; and plans for a new public education campaign of both new labeling regulations.

Sodium still on the to-do list: FDA's work on sodium reduction — something that caused considerable controversy during the Obama administration — will continue to be part of the agency's work on nutrition. The document lists "advancing guidance on dietary sodium reduction" as an action it plans to take.

Senators reach DREAMers deal, but Trump has yet to sign off

A bipartisan group of six senators has reached a deal that would shield so-called DREAMers from deportation and make other changes to immigration laws and border security — but the framework has yet to win over the White House and other key players on Capitol Hill.

As of Wednesday night, multiple sources said the six senators had signed off on an agreement and were waiting for input from the administration on whether President Donald Trump would accept it. So far, they do not have that approval.

"We are, you know, we're at a deal," Sen. Jeff Flake (R-Ariz.), who had been involved in the negotiations, said Thursday. "And so we'll be talking to the White House about that, and I hope we can move forward with it. It's the only game in town. There's no other bill."

The group includes Flake and Sens. Dick Durbin (D-Ill.), Lindsey Graham (R-S.C.), Cory Gardner (R-Colo.), Michael Bennet (D-Colo.) and Bob Menendez (D-N.J.).

Senate Republican leaders said they, too, are seeking details of the agreement.

"I think it's a good idea for them to share that with everybody else. My job is to count the votes, and I think until people are comfortable with the product, they're not gonna commit to voting for it, and that's what I think our goal should be, is to get it passed," Senate Majority Whip John Cornyn said. "So I welcome their contribution, but it's not gonna be something that's agreed to by just a handful of people."

Details of the agreement are scant. But senators have considered effectively nixing the visa lottery and reallocating those visas to a separate program being terminated by the Trump administration aiding immigrants from countries facing natural disasters or civil strife. Countries affected so far by Trump's ending of Temporary Protected Status include El Salvador, Nicaragua, Haiti and Sudan.

To address conservative concerns about "chain migration," the senators are proposing that undocumented parents who brought a child to the United States illegally would not be able to access a pathway to citizenship based on being sponsored by their children, Flake said. But the parents of DREAMers would be able to obtain a three-year provisional legal status that could be renewed, according to the senator.

Graham has said the provisions legalizing DREAMers would fall somewhere between the DREAM Act that he authored with Durbin and a more conservative bill for Dreamers written by Sens. Thom Tillis (R-N.C.) and James Lankford (R-Okla.).

Secretary Perdue Presents Agriculture and Rural Prosperity Task Force Report to President Trump

U.S. Secretary of Agriculture Sonny Perdue will ceremonially present today the findings of the Interagency Task Force on Agriculture and Rural Prosperity to President Donald J. Trump at the 2018 American Farm Bureau Annual Convention in Nashville, Tennessee. On April 25, 2017, President Trump signed an Executive Order establishing the task force "to ensure the informed exercise of regulatory authority that impacts agriculture and rural communities." As Secretary of Agriculture, Perdue served as the task force's chairman and identified over 100 recommendations to help improve life in rural America. The recommendations centered around these five areas: E-Connectivity, Quality of Life, Rural Workforce, Technology, and Economic Development.

Secretary Perdue issued the following statement:

"Since his inauguration, President Trump has made agriculture and rural America a high priority. On the day he swore me in to office, he tasked me with chairing the Interagency Task Force on

Agriculture and Rural Prosperity. With the voice of rural America leading the way, and in close collaboration with local, state, and tribal leaders, 22 federal agencies, offices, and executive departments accepted the challenge to make rural America great again. We traveled to 30 states, held two RV Tours covering over 2,200 miles, and most importantly, we listened to the people of rural America.

“While the task force worked tirelessly to identify solutions to the problems plaguing our rural communities, there is more work ahead. No doubt, rural America has struggled under burdensome regulations with no voice in Washington, but under President Trump’s leadership, and with the work of this task force, we can turn that around and restore rural prosperity once and for all.”

[Source: USDA](#)

Early Bird Registration Deadline Approaching for 94th Annual Agricultural Outlook Forum

The U.S. Department of Agriculture (USDA) reminds those interested in attending this year’s Agricultural Outlook Forum (AOF) that early bird registration ends Friday, January 26, 2018. The two-day meeting will be held at the Crystal Gateway Marriott Hotel in Arlington, Virginia, February 22–23, 2018.

The Agricultural Outlook Forum is the USDA’s largest annual meeting, attracting as many as 2,000 attendees nationally and internationally. The Forum highlights key issues and topics within the agricultural community, offering a platform for conversation among producers, processors, policymakers, government officials, and non-governmental organizations, both foreign and domestic.

The theme for this year’s 94th Annual Agricultural Outlook Forum is “The Roots of Prosperity.” Along with a host of prestigious plenary speakers and discussions, attendees may choose from 30 informational sessions with more than 80 speakers and a host of agriculture related exhibits to visit.

Read about the [program and sessions](#) for the 94th Annual Agricultural Outlook Forum AOF program. Register at USDA 2018 Agricultural Outlook Forum [\(AOF\) Registration](#). The forum offers [discounted room block rates](#) through Monday, January 29, 2018.

[Source: USDA](#)