News from Washington: March 5-9

Unless stated otherwise, stories are sourced from Politico.

Roberts' Farm Bill Timetable

Senate Agriculture Chairman Pat Roberts hinted Wednesday that he is gearing up for an April farm bill — the most specific the Kansas Republican has been so far about the timing of the sweeping bill.

Roberts acknowledged that Congress has a lengthy to-do list this spring. But on Wednesday he outlined about his committee's efforts to draft a farm bill, which appear to be ramping up. He said that his staff is already sharing legislative language with the minority staff members. Roberts also said he would soon be meeting with ranking member Debbie Stabenow (D-Mich.) to discuss the bill.

"Staff is meeting these next couple of weeks," he added. "I know they're doing the same thing in the House."

Roberts said that there were more than 60 amendments last farm bill cycle yet the upper chamber was able to get it through the full Senate in two days. He added, however, that Congress has several other pressing priorities, including passing an omnibus spending bill later this month and addressing school safety concerns.

Roberts was asked if he still expects the House Agriculture Committee will be first to release its version of the farm bill as has been widely expected. "I don't know that," he said, adding: "Y'all ask me, 'Give me a specific date.' I can't do that. 'When?' Well, I think early April. I had hoped March, but we need to get it right and we need the time to get it right."

Over on the House side, Chairman Mike Conaway has long suggested his goal is to release a farm bill by the end of the first quarter. With few days left on the Congressional calendar this month, that self-imposed deadline is quickly approaching.

Trump Digs in On Steel, Aluminum Tariffs

Leaders of both the House and Senate have criticized President Donald Trump's plan to slap tariffs on steel and aluminum imports, with Senate Majority Leader Mitch McConnell making his first public comments on the proposal on Tuesday. The Kentucky Republican said that lawmakers are telling the administration the action could "metastasize into a larger trade war."

House Speaker Paul Ryan has also personally warned Trump about the economic dangers and potential political backlash. And Sen. Orrin Hatch suggested that the trade restrictions would be a tax on American consumers and businesses while detracting from the breakthrough of recent tax cuts.

But, President Trump went ahead and signed a pair of proclamations Thursday setting tariffs on steel and aluminum import — a move that could potentially trigger a trade war with the EU and allied nations. The tariffs, which will initially exclude Canada and Mexico, go into effect in 15 days.

The president added that action was needed to address the "very unfair trade situation" between the United States and other countries, and he singled out the European Union as an example.

EU promises to target wide range of ag products: The EU is set to hit with duties of 25 percent to retaliate against Trump's tariffs, totaling nearly \$3.5 billion worth of goods. The trading block would go after imports of corn, rice, cranberries, peanut butter, orange juice, kidney beans, bourbon whiskey and tobacco — valued at about \$1.2 billion.

Groups unite to try to fight efforts: Agriculture and business groups were on Capitol Hill on Tuesday to lobby against Trump's pending tariff actions. The effort was led by the National Foreign Trade Council, which announced the formation of a new coalition of more than 30 groups that oppose tariffs on steel and aluminum imports, including those representing export-dependent industries and users of the two materials. A range of farm groups are involved, including the American Soybean Association, Beer Institute, Grocery Manufacturers Association, National Council of Farmer Cooperatives, National Pork Producers Council and U.S. Wheat Associates. Members will meet with the Senate Finance Committee today.

GMA Spokesman Roger Lowe said in a statement that the organization is continually meeting with members of Congress to explain how the president's proposed tariffs "will act as a regressive tax on food, beverage and consumer products, driving up costs for American families and mitigating economic momentum our industry is beginning to realize via tax reform." GMA and those lawmakers are encouraging the administration to take a "more balanced approach," Lowe said.

National Economic Council Director Gary Cohn Will Resign

Trump's top economic adviser plans to resign in the coming weeks — a move that was disheartening to policy watchers who viewed him as the rare Trump administration official who was good at navigating substantive issues. Some in the White House fear chaos will reign again as it did in the early days of the administration. "With Gary gone, I just think, from a policy perspective, it means disaster," said one official.

NAFTA Round 7 Has Progress for Agriculture

President Donald Trump's pledge to impose steel and aluminum tariffs may have overshadowed the NAFTA talks, but negotiators from the U.S., Mexico and Canada were able to finish a chapter long-described as nearly complete: food safety. It was one of three chapters — along with good regulatory practices and transparency — to wrap up during the Mexico City round, demonstrating slow, but steady, progress in the renegotiation.

The sanitary and phytosanitary chapter, which governs food safety, is the first of its kind to fast-track and prioritize requests between the U.S., Mexico and Canada related to trade and inspections, Mexican Economy Minister Ildefonso Guajardo said. The chapter will help breakdown obstacles to agricultural trade, and it "guarantees animal and vegetable sanitation based in science," Guajardo told reporters at the close of the talks.

Sector annexes on proprietary food formulas and chemicals were also closed this round. The annex on proprietary food formulas aims to protect the confidentiality of certain mixes and ingredients that are traded in the region. The second annex would make room for more regulatory cooperation in the use of chemicals.

It remains to be seen if Trump can actually deliver on his high-profile campaign promise to have a reworked NAFTA completed this year with congressional approval. His chief trade official ticked off many things that will get in the way, including: Mexico's presidential elections in July, elections in Ontario and Quebec and the looming midterm elections in the U.S. in November.

"We continue to stress the need to act quickly," U.S. Trade Representative Robert Lighthizer said Monday during a trilateral press conference with Guajardo and Canadian Foreign Affairs Minister Chrystia Freeland.

Negotiators from the three countries will continue to meet over the next five weeks, leading up to eighth round of NAFTA talks that will be hosted in the Washington area in April. The tentative start date is April 8, a source close to the negotiations said.

The goal of the intersessional meetings will be to potentially close some chapters that are close to completion, such as digital trade and energy, Guajardo said.

Eleven Countries Sign TPP Trade Deal

The TPP-11 countries have signed a deal without the United States. As Trump announced trade barriers Thursday, multiple U.S. allies were 5,000 miles away in Santiago, Chile, to celebrate the opening of trade doors.

The signing of the pact is "extremely timely" in the face of "protectionist pressures and pressures that could end up in what nobody wants, which is a trade war," Chile's Foreign Affairs Minister Heraldo Muñoz said at the ceremony.

The final deal — now called the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, or CPTPP — was signed by Australia, Brunei, Canada, Chile, Japan, New Zealand, Malaysia, Mexico, Peru, Singapore and Vietnam.

U.S. ag losers: Darci Vetter, the former U.S. chief agricultural negotiator for TPP said that U.S. competitiveness with Japan will particularly suffer, now that it will open up to more ag exports — like beef — from the TPP-11 countries.

"We really did design the TPP ag package with Japan, around priorities for the United States. It's frustrating and unfortunate that now our competitors will take advantage of it and we won't," Vetter said.

Other winners: Once the deal goes into effect, Canada's beef exporters will have expanded access to Japan. Australia and New Zealand are also set for a major win with more access to sell Mexico wine, dairy, beef and wheat, she said.

NAFTA/TPP overlap: As NAFTA talks continue, American farmers will continue to face losses over the uncertainty the negotiations have created for Mexican buyers, Vetter said.

"It's the uncertainty that's starting to be really costly for U.S. agriculture, and that's largely because our Mexican customers are diversifying their purchases because they're not sure what the terms of trade will be with the U.S.," Vetter said, adding that Mexico is now buying more corn from Brazil, wheat from Argentina and apples from Chile.

Food Makers Still Stressed About New Nutrition Labels

The FDA just released a flurry of policy guidance aimed at helping food companies comply with the first big update to the Nutrition Facts label, which is already expected to be delayed by 18 months. But industry leaders say they still lack answers on a number of thorny issues, especially on how to label fiber.

As part of the FDA's update to the label, the agency has essentially raised the bar for what counts as "dietary fiber," stipulating that the ingredient must have a proven health benefit. The agency is reviewing more than two dozen fiber ingredients that are used in the food supply. For example, chicory root ingredients are widely used to add fiber to products, like Luna Bars and Fiber One Brownies. It is unclear if they will count as dietary fiber for the new Nutrition Facts panel.

"Manufacturers didn't get any more clarity when it comes to fiber," said Beth Johnson, principal at Food Directions, a top food industry consulting firm.

Last week, the agency essentially offered more explanation about how it is reviewing the science on fiber ingredients. Food makers continue to wait for rulings on individual ingredients so they can move forward with their labels.

Senate Ag Committee Leaders Urge Swift Implementation of Disaster Aid, Farm Safety Net Improvements

The Bipartisan Budget Act passed last month included help for farmers recovering from natural disasters and strengthened support for dairy and cotton producers

U.S. Senate Committee on Agriculture, Nutrition, and Forestry, Chairman Pat Roberts, R-Kan., and Ranking Member Debbie Stabenow, D-Mich., encouraged the U.S. Department of Agriculture (USDA) to implement agricultural provisions in the Bipartisan Budget Act in a timely, transparent, and producer-friendly way.

"In order to help agriculture producers recover from recent disasters, Secretary Perdue and the Agriculture Department now have additional tools and responsibilities," Roberts said. "We look forward to continue working closely with USDA as they implement disaster assistance and changes to permanent programs and risk management tools."

"In the recent budget agreement, we worked together to pass legislation that provided much needed assistance for Michigan dairy farmers," said Senator Stabenow. "It is now up to USDA to move swiftly so our farmers can get the relief they need."

Last month, Congress passed the Bipartisan Budget Act, which included additional support for farmers and ranchers struggling to recover from natural disasters. The law also strengthened USDA's permanent disaster assistance programs and provided enhancements to risk management tools for cotton and dairy producers. The changes included in the Bipartisan Budget Act help set the stage for Congress to write the 2018 Farm Bill.

In a letter to Agriculture Secretary Sonny Perdue, the Senators set expectations for USDA to implement these important changes quickly and consistently with similar programs. The full text of the letter is below. A PDF of the letter is available here.

Source: Senate Agriculture Committee

Secretary Perdue Administers Oath of Office to Bill Northey

On Tuesday, U.S. Secretary of Agriculture Sonny Perdue administered the oath of office to Bill Northey at the Annual Iowa Ag Leaders Dinner. Northey had served as Iowa's Secretary of Agriculture, a position he had held for more than eleven years. Northey will serve as the Under Secretary for Farm and Foreign Agricultural Service (FFAS)* at the U.S. Department of Agriculture (USDA).

"After months of waiting, I'm thrilled to finally have Bill on board at USDA," Secretary Perdue said. "The patience he displayed throughout this process is an indicator of what kind of steady leader he will be on our team, and we are eager for him to get to work. Bill comes to us at an important time, as farm incomes are down and expected to fall further. Additionally, with work on the 2018 Farm Bill already underway, Bill will play an integral role in the advice we offer to Congress."

In addition to his long service as Iowa's Secretary of Agriculture, Northey has also held other positions of leadership in agricultural fields. He is a former president of the National Corn Growers Association and served in state and local roles for the Iowa Farm Bureau. A fourth-generation corn and soybean farmer, he and his wife Cindy have three daughters and five grandchildren.

Source: USDA

Trump Administration Skeptical on Climate Change

Trump has installed at least 20 agency leaders and advisers across the federal government who share his disbelief in the scientific evidence behind climate change. These officials span a wide range of agencies including the Agriculture and Interior departments, NASA and the CIA.

Their views have already been carried out: mentions of climate change have been scrubbed from government websites, scientists have been kicked off advisory boards and former President Barack Obama's attempt to unify the world against rising sea levels and worsening storms and droughts has been abandoned.

Administrator Scott Pruitt has withdrawn or weakened a host of Obama-era regulations, including a 2015 rule that would have sped the electric power industry's shift away from coal-fired energy. The agency also has replaced dozens of scientists on its key advisory boards with industry or state representatives and canceled an appearance last fall by three EPA scientists schedule to speak about climate change at a conference. The agency also is giving extra scrutiny to grant proposals with the words "climate change," assigning a political appointee to sign off on them.

Agriculture Secretary Sonny Perdue has expressed frustration when people have blamed climate change for weather disasters. Sam Clovis, who remains a top adviser to Perdue at USDA, has dismissed much climate research as "junk science." In a 2014 interview, he said that "a lot of this global warming ... is really about income redistribution from rich nations that are industrialized to nations that are not."

Some agencies have still issued major reports that warn that climate change is a real and growing problem. In November, for instance, the government's 13-agency National Climate Assessment concluded that humans have pushed global temperatures to their highest level in modern times.