

News from Washington: January 21-27

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

Trump Announces Deal to Reopen Government

President Donald Trump on Friday announced a deal to temporarily reopen the federal government, ending the longest shutdown in U.S. history without securing any money for his proposed border wall along the U.S.-Mexico border.

The agreement, which funds the government until Feb. 15 so negotiators can try to work out a larger immigration and border security compromise, marks a major reversal for the president. The president has insisted for weeks that he wouldn't reopen the government until lawmakers agreed to fork over more than \$5 billion for the border wall.

Trump's Rose Garden announcement comes as the effects of the shutdown, which stretched into its 35th day on Friday, have started to dramatically ramp up. As the shutdown's fifth week came to a close, the East Coast was riven with airline delays and federal workers missed their second paycheck.

It's unclear whether divided lawmakers will be able to reach an agreement in the coming weeks that can satisfy the president. In his Friday speech, Trump threatened to declare a national emergency to build the wall if the negotiations fail.

"As everyone knows, I have a very powerful alternative, but I didn't want to use it at this time," Trump said. "Hopefully it will be unnecessary."

Trump said that he plans to make sure the 800,000 federal workers who have gone without a paycheck for more than a month will receive backpay "very quickly or as soon as possible."

The president called on the Senate to bring the proposal to the floor for a vote immediately. The House is also hoping to clear the bill by unanimous consent, sending the proposal to Trump by Friday evening. House Democratic aides were reaching out to their members shortly after Trump's speech to make sure no one objects to moving the bill quickly and without a roll call vote.

[Full article available here.](#)

Trade Relief for Seven-Figure Earners?

The disaster aid package passed by the House last week contains a host of new benefits for farmers and ranchers — but one provision isn't related to the natural disasters of 2018.

The bill, H.R. 268 (116), would eliminate the \$900,000 annual adjusted gross income cap that producers must meet to qualify for the Trump administration's trade-assistance program. A House aide said the provision was aimed at helping Washington state cherry growers, though it would apply to all producers who seek trade assistance, if passed. It has yet to receive a vote in the Senate.

Farmers, ranchers and agribusinesses would still have to earn at least 75 percent of their annual adjusted gross income from farming, ranching or forestry activities to qualify for trade aid, and total payments would be capped at \$125,000 per person or legal entity.

On top of adding \$3 billion to USDA's disaster relief account, the bill would now allow the money to be used for reimbursing producers for "past or future" crop insurance premiums. Taxpayers already cover about 60 percent of premiums paid by producers.

USDA to Reopen FSA Offices for Additional Services During Government Shutdown

U.S. Secretary of Agriculture Sonny Perdue today announced that all Farm Service Agency (FSA) offices nationwide will soon reopen to provide additional administrative services to farmers and ranchers during the lapse in federal funding. Certain FSA offices have been providing limited services for existing loans and tax documents since January 17, and will continue to do so through January 23. Beginning January 24, however, all FSA offices will open and offer a longer list of transactions they will accommodate.

Additionally, Secretary Perdue announced that the deadline to apply for the Market Facilitation Program, which aids farmers harmed by unjustified retaliatory tariffs, has been extended to February 14. The original deadline had been January 15. Other program deadlines may be modified and will be announced as they are addressed.

"At President Trump's direction, we have been working to alleviate the effects of the lapse in federal funding as best we can, and we are happy to announce the reopening of FSA offices for certain services," Perdue said. "The FSA provides vital support for farmers and ranchers and they count on those services being available. We want to offer as much assistance as possible until the partial government shutdown is resolved."

The U.S. Department of Agriculture has temporarily recalled all of the more than 9,700 FSA employees to keep offices open from 8 am to 4:30 pm weekdays beginning January 24. President Trump has already signed legislation that guarantees employees will receive all backpay missed during the lapse in funding.

For the first two full weeks under this operating plan (January 28 through February 1 and February 4 through February 8), FSA offices will be open Mondays through Fridays. In subsequent weeks, offices will be open three days a week, on Tuesdays, Wednesdays, and Thursdays if needed to provide the additional administrative services.

Agricultural producers who have business with the agency can contact their [FSA service center](#) to make an appointment.

[Source: USDA](#)

Roberts to lead Ag Committee in 116th Congress

U.S. Senator Pat Roberts, R-Kan., has once again been tapped to lead the U.S. Senate Committee on Agriculture, Nutrition, and Forestry, during the 116th Congress.

"I am honored to be chosen to lead the Agriculture Committee for another two years," said Chairman Roberts. "We just succeeded in passing the bipartisan, bicameral 2018 Farm Bill, and I look forward to overseeing the Agriculture Department's implementation."

"As I said when I first became Chairman of this Committee in 2015, my first priority is the American farmer and rancher. That laser focus has not changed one bit. We will continue to hold hearings, consider legislation in a fair and transparent manner, and consider nominations." "I'm pleased that Senator Stabenow will also continue her important role in the Agriculture Committee as Ranking Member. Working with Senator Stabenow on past Farm Bills, and

various legislation in between, we have proven that we are the least partisan Committee, reaching across the aisle where we can to deliver results for rural America.”

[Source: Morning Ag Clips](#)

Republicans Announce House Ag Roster

Along with three newcomers, the GOP side of the House Agriculture Committee lineup includes some notable absences:

— Former Chairman Frank Lucas (Okla.) will no longer serve on the panel. Neither will senior members Bob Gibbs (Ohio) nor Mike Rogers (Ala.), who is now the top Republican on the Homeland Security Committee.

— Steve King (Iowa) lost his House Ag seat (and other committee assignments) after his remarks on white supremacy. The Hawkeye State will extend its [120-year streak](#) of representation on the panel as freshman Democrat Cindy Axne was added to the roster.

Trump Agrees to Postpone State Of The Union Address

Late Wednesday night, President Trump acceded to House Speaker Nancy Pelosi's request that he reschedule his State of the Union address until after the government shutdown ends. Hours after Pelosi informed the president that she wouldn't allow him to deliver the address to a joint session of Congress in the House Chamber while the government was shut down, the president issued a [pair of tweets](#) in which he said he'd wait, admitting the House chamber is an incomparable venue for the address.

"As the Shutdown was going on, Nancy Pelosi asked me to give the State of the Union Address. I agreed. She then changed her mind because of the Shutdown, suggesting a later date. This is her prerogative — I will do the Address when the Shutdown is over," [Mr. Trump tweeted](#). "I am not looking for an ... alternative venue for the SOTU Address because there is no venue that can compete with the history, tradition and importance of the House Chamber. I look forward to giving a 'great' State of the Union Address in the near future!"

[Source: CBS News](#)

USMCA Gains vs. Tariff Pain

A striking letter from dozens of business and ag groups to the Trump administration says the damage to U.S. farmers, ranchers and manufacturers from Canada and Mexico's retaliatory duties "far outweighs any benefit that may accrue to them" under the so-called U.S.-Mexico-Canada Agreement.

More than 50 days after the USMCA was signed, Trump's steel and aluminum tariffs remain in place — as do Canada and Mexico's retaliatory duties on more than \$15 billion in U.S. goods.

More than 45 groups, including the National Pork Producers Council, National Corn Growers Association and U.S. Chamber of Commerce, [urged](#) Trump's top trade and economic officials "to resolve this matter so that zero-tariff North American trade can resume, and we can turn our attention to working with you to gain prompt congressional approval of the USMCA."

A [policy brief](#) from Purdue University found that USMCA would boost U.S. farm exports to Canada and Mexico by about \$454 million compared with NAFTA, driven by higher dairy and

poultry sales. But when the retaliatory duties are factored in, it brings U.S. ag exports to a net loss of \$1.8 billion.

The report suggests U.S. ag exports would drop \$9.4 billion if USMCA is rejected by Congress and Trump withdraws from NAFTA.

How China's Soybean Purchases Fall Short

China has made some significant purchases of U.S. soybeans in recent weeks, and some have seen that as a sign of progress in U.S.-China trade talks. But Cargill CEO Dave MacLennan remains unimpressed with the amount.

Beijing's big soybean buys, including 1.13 million tons and then another 300,000 metric tons, have come after the Dec. 1 tariff truce that created a 90-day negotiating window in the larger U.S.-China talks, POLITICO [reported](#). But in an [interview](#) with Bloomberg TV, MacLennan was quick to note that the U.S. used to send some 30 million metric tons of soybeans to China. "Certainly, we are not back to those kinds of volumes," he said.

Dairy Rolls Out New Survey Pointing to Consumer Confusion

The dairy industry published polling that highlights consumer confusion over the nutritional quality of plant-based milk. The survey, the dairy lobby's third such release since August, is part of the industry's ongoing effort to build the case that beverages like almond milk and coconut yogurt shouldn't be labeled with dairy terms because it's misleading to grocery shoppers.

FDA has been soliciting public comment on the issue since September, to [determine whether](#) to crack down on companies' marketing practices.

The latest online survey of 2,006 adults — commissioned by the industry's checkoff organization, Dairy Management Inc. — found that about 40 percent of American grocery shoppers aren't sure whether plant-based or dairy-based milk contains more protein and nutrients. (Cow's milk typically has more protein, while other nutrients vary).

More than half of consumers also mistakenly believe that the main ingredient in plant-based beverages, like almond milk and soy milk, is the plant itself. Generally, it is flavored water. The survey asked consumers whether plant-based beverages should be labeled as "milk" if the Dietary Guidelines don't recommend it as a substitute for dairy milk. Almost 50 percent said it shouldn't, while 31 percent said they weren't sure. The federal nutrition recommendations, which are published by USDA and HHS every five years, don't weigh in on the issue. The next edition is due in 2020, but the government is behind schedule.