

## News from Washington: September 28 – October 1

### **Trump Signs Government Funding Bill Including CCC Replenishment**

A government shutdown was averted at the last minute, meaning several farm programs will continue to be funded. President Trump signed a continuing resolution funding the government after returning from campaign stops in Minnesota, about an hour after Washington officially ran out of money.

Farm Bureau economist John Newton tells Brownfield the continuing resolution immediately replenishes 20 billion dollars for Commodity Credit Corporation funding. “That way, USDA can continue to distribute their CFAP-2 program payments to help producers affected by COVID, as well as distribute their typical farm bill conservation, marketing loan programs, and then your ARC PLC benefits.”

[Read more from Brownfield Ag News.](#)

### **USDA Economist: CFAP will Support Farmers in Early 2021**

USDA Chief Economist Rob Johansson says the new round of coronavirus relief payments will help shore up farm income heading into 2021.

Speaking at the Kansas City forum, he said about \$6 billion in payments from the second round of the Coronavirus Food Assistance Program would reach farmers in the first part of 2021. The enrollment deadline is Dec. 11.

Johansson expects higher revenue next year for livestock producers, but net farm income is expected to be down because of an overall decline in government payments.

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

### **Grassley Confirms Bill to Extend Tariff Exemptions**

Senate Finance Committee Chairman Chuck Grassley, R-Iowa, is proposing to extend for 15 months a U.S. program that exempts developing nations from some tariffs in order to bolster their economies. The program – the Generalized System of Preferences, or GSP – is in danger of expiring and that is causing uncertainty for U.S. businesses that rely on the imports.

Separately, the U.S. International Trade Commission released a report this week, proposing that several types of rice be removed from the GSP program because of the impact on domestic producers. The proposal follows rising concern among U.S. lawmakers and farmers that the GSP exemptions are benefitting farmers in countries like Brazil, Argentina and Pakistan at the cost of U.S. producers.

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

### **Farmers to Families Food Box Program Surpasses 100 Million Boxes Delivered**

U.S. Secretary of Agriculture Sonny Perdue announced today that more than 100 million food boxes have been distributed in support of American farmers and families affected by the COVID-19 pandemic through the U.S. Department of Agriculture’s (USDA) [Farmers to Families Food Box Program](#). Earlier this month, the Department announced it had entered into contracts with 50 entities for the third round of food box deliveries, which include contracts to purchase up to \$1 billion [authorized by](#) President Donald J. Trump.

“It is incredible to think that in a little more than five months, this food box program has gone from an idea to a reality that has provided more than 100 million boxes of nutritious foods to people in need and

along the way has helped to keep farmers and ranchers in business and allowed Americans working in our nation's food supply chain to get back to work," said **Secretary Perdue**. "I have been meeting with food banks and recipients across the country and it's been heartening to hear all the positive feedback on how the program has saved businesses and fed Americans in need. We are now into the third round of deliveries and we're working harder than ever to continue to build on the success of the program."

[Read more from USDA.](#)

### **Stakeholders Optimistic Water Bill Passes by End of Year**

Inland waterway stakeholders are banking on bipartisanship to get a major bill across the finish line in a lame duck session.

The Water Resources Development Act (WRDA), which sets policy for water projects for the U.S. Army Corps of Engineers, is authorized every two years. It passed the House earlier this summer by a voice vote, and the Senate Environment and Public Works Committee approved it unanimously in May.

The bipartisan nature of this authorizing bill is why Alexa Combelic, director of government affairs for the American Soybean Association, thinks it will have a solid chance of passing even after the November election.

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

### **Doud Optimistic on Strong Ag Deal with UK**

The U.S. and the U.K. still have a lot of negotiating ahead of them, but the British will likely agree to a free trade agreement that allows for increased trade in beef, pork and poultry, says Gregg Doud, the U.S. Trade Representative's top agriculture negotiator.

"My first point I would like to make is that the U.K. is not the EU," Doud said at the Ag Outlook Forum hosted in Kansas City Monday by *Agri-Pulse* and The Agricultural Business Council of Kansas City. "I don't believe that the U.K.'s mindset on this is the same as the European mindset. I fundamentally believe that that's the reason they want to extract themselves out of the E.U. They want to get away from this protectionist, precautionary mindset in the use of technology in agriculture."

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

### **USDA Killing Wage Survey**

USDA has announced plans to kill its survey of farmworker wages, a move the United Farm Workers claims is aimed at cutting wages for H-2A workers. In a [notice](#) posted Wednesday, USDA says the fall survey conducted by the National Agricultural Statistics Service is no longer needed because of data that is available from other sources.

The Labor Department uses the NASS wage survey to set the annual state wage minimums, known as the Adverse Effect Wage Rate, or AEWR, for H-2A workers. This year, the rates went up 6% nationally, with farmers in some states seeing increases of up to 10%.

"Instead of providing genuine COVID-19 protections, paid sick leave and hazard pay to field workers, Trump now proposes cutting their wages in the middle of a pandemic that is afflicting them at alarming and increasing rates," said UFW Foundation Executive Director Diana Tellefson Torres.

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

## **UK Exports First Beef in More Than 20 Years to US**

When the U.S. banned beef from the United Kingdom in 1996, the British and Irish were suffering a major outbreak of bovine spongiform encephalopathy (also known as Mad Cow disease). But more than 20 years later, trade has resumed with the first shipment leaving for the U.S. from Northern Ireland on Wednesday, the U.K. announced.

Although the USDA gave the U.K. the green light to begin exporting beef again, the U.K. continues to sharply restrict U.S. beef, a result of European Union rules prohibiting meat from animals treated with growth hormones and ractopamine. American farmers and ranchers are counting on those restrictions to be torn down in a free trade agreement that's currently under negotiation as the U.K. pulls itself out of the EU.

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

## **Bill Would Address Livestock Hauler Concerns**

The National Cattlemen's Beef Association (NCBA) is applauding the introduction of legislation that would provide livestock haulers more flexibility from hours-of-service (HOS) rules.

The HAULS Act, introduced by [Nebraska Senator Deb Fischer](#), would add a 150 air-mile exemption to HOS regulations to the backend of hauls for those transporting livestock or ag commodities. It also eliminates the seasonal harvest requirements for the agriculture hours-of-service exemption, making the exemption available year-round in all states.

NCBA says the bill would provide "critical relief" to livestock haulers and producers who have been "unduly burdened with hours-of-service regulations that do not take into account the unique difficulties that these drivers face every day."

[Source: Brownfield Ag News](#)

## **Lawmakers Pressed to Address Meatpacking Industry**

Congress needs to step in to help expand processing options for livestock producers, the president of the National Farmers Union, Rob Larew, told lawmakers Wednesday.

"Fifty meat processing plants process 98% of the meat in this country. That's not good for farmers, not good ultimately for the food chain and its resilience, and ultimately for our food security," Larew said at a hearing of the House Small Business Committee Wednesday.

He said it's cost-prohibitive for smaller processors to meet federal inspections to ship to different states and urged Congress and USDA to develop ways to help them.

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

## **Supreme Court Pick Barrett Could Create Solid Conservative Majority**

Amy Coney Barrett's nomination to fill the seat left vacant by the death of Justice Ruth Bader Ginsburg is being welcomed by ag industry groups that see an opportunity to cement a conservative majority for decades to come.

Environmental groups, on the other hand, say Barrett's nomination could put environmental laws in jeopardy and make it more difficult for groups and individuals to sue the government to enforce those laws.

If the 7<sup>th</sup> Circuit Court of Appeals judge ascends to the high court, as appears almost certain given the unity of Senate Republicans, she would give the conservative bloc a two-vote edge. “You’d have three liberal justices and a really solid majority of six conservative justices,” SCOTUSblog editor Amy Howe said in an [interview](#) on the publication’s website.

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

### **Brazil Seeks Bigger Sugar Sales to US During Ethanol Quota Talks**

The U.S. and Brazil have not yet reached a deal on U.S. demands to be able to sell the country more ethanol, but the Brazilian government is making clear what it is demanding in return, according to sources in both countries. Brazil wants more access to the lucrative and tightly guarded U.S. sugar market.

The Trump administration, prodded by U.S. lawmakers and lobbyists for America’s corn farmers and ethanol producers, is intent on convincing Brazil to drop its tariff on U.S. ethanol. Meanwhile, Brazil’s Bolsonaro administration is under pressure from the country’s sugar sector to protect farmers’ interests.

The two sides reached an impasse in the weeks leading up to the Aug. 31 expiration date for the Brazilian quota that allowed 198 million gallons of U.S. ethanol to enter Brazil duty-free. Brazilian sugar farmers were lobbying for an end to the quota, subjecting all U.S. ethanol to a 20% tariff; the U.S. was demanding that Brazil end the tariff, or at least reach an agreement on parity.

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

### **Rounds Says Labeling Foreign Beef Made in USA Must Stop**

South Dakota Senator Mike Rounds who supports mandatory Country of Origin Labeling for beef and pork says the practice of the USDA allowing foreign beef to be repackaged and labeled as a product of the USA must end, “And because they repackage it our Department of Ag says it now can have a voluntary label of “Product of the USA” on it. Now if that isn’t false advertising, I don’t know what is! That’s got to stop.”

And he says COOL must be mandatory and must be a part of any future trade negotiations, “I didn’t think that a couple years ago but I do now. It’s the only way we’re going to get this thing fixed. And if we do it as a nation, if we do it across the country – we can’t do it state by state. We’ve got to do it as a country.”

Rounds says Senator Chuck Grassley’s transparency bill will help move things in the right direction.

Rounds and Senator Jon Tester of Montana, who are on opposite sides of the political aisle, say they’re in lock step when it comes to cattle industry reforms. They praised the [U.S. Cattlemen’s Association](#), who hosted them online recently, for being FOR the individual cattle producer.

[Source: Brownfield Ag News](#)

### **Disaster Services Strained, Lawmakers Told**

The COVID pandemic and the impacts of climate change are straining the ability of the nation’s emergency management system to handle disaster relief, witnesses [told](#) the House Science Committee Wednesday. They emphasized the need for the federal government to conduct more research on the best ways to prepare and respond.

“It should be of grave concern to us all, but to Congress specifically, that as we know our risk to extreme weather events and other forms of disasters is increasing, our ability to manage them is already struggling to keep up,” said Samantha Montano, an assistant professor in emergency management at the Massachusetts Maritime Academy.

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

### **China Gets New WTO Review of its Wheat and Rice Subsidies**

The World Trade Organization has agreed to China’s request for a compliance panel to review whether or not the country successfully responded to a previous ruling to reform the way it calculates support prices for wheat and rice farmers. The [U.S. alleges](#) China’s new way of setting the supports is just as flawed and unfair as the way it did before a 2019 WTO ruling that its subsidies were too high.

The U.S. says there’s no need for a review panel and demands the right to hit China with [new tariffs](#) for not abiding by the 2019 ruling. China says the U.S. is hypocritical to complain about Chinese subsidies, given the MFP and CFAP payments.

Joe Glauber, a senior fellow at the International Food Policy Research Institute and former USDA chief economist, says if the WTO compliance panel were to rule in China’s favor, the U.S. would only have to appeal to send the issue into “a black hole” because the WTO’s appellate court is not functioning – a result of the U.S. blocking all nominations.

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

### **EU OK Clears Path for Bayer Soybeans**

The European Commission's approval of XtendFlex soybean technology for food, feed, import and processing will allow Bayer to launch XtendFlex soybeans next year in the U.S. and Canada, the company [announced](#) Monday.

The EU decision “was the final key market approval that we were awaiting to enable commercial launch,” Bayer soybean launch lead Lisa Streck said. Bayer expects to see 20 million acres planted in the U.S. and Canada in 2021.

The new soybean variety is built on the existing Roundup Ready 2 Xtend soybeans that tolerate glyphosate and dicamba, but adds glufosinate tolerance to the traits.

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