News from Washington: October 5-9

Trump Shuts Down Coronavirus Aid Talks

President Donald Trump on Tuesday halted negotiations with Democrats on a new coronavirus relief package, claiming that they were still insisting on \$2.4 trillion in new spending.

In a series of tweets, Trump said that Republicans had offered up to \$1.6 trillion in spending but that House Speaker Nancy Pelosi "is not negotiating in good faith."

He went on, "I have instructed my representatives to stop negotiating until after the election when, immediately after I win, we will pass a major Stimulus Bill that focuses on hardworking Americans and Small Business."

Read more from Agri-Pulse.

CoBank: Ag Bouncing Back

Agriculture is actually one of the bright spots in the rural economy, according to the <u>quarterly</u> report from CoBank, which provides financing to cooperatives.

"A weaker, steady dollar has supported a price recovery in most agricultural commodities," the report says. "And despite the fact that China is unlikely to fulfill its 2020 phase one purchase obligations, sales to China have been incredibly strong in recent months."

The ethanol has recovered to a "new normal," operating at about 85% to 90% of pre-COVID demand levels, the report notes.

Read more from Agri-Pulse.

Trump Vows to Keep Tariffs on China

Trump pledged Thursday to keep U.S. tariffs in place on China during a second term. That fits with the posture taken by Vice President <u>Mike Pence</u> Wednesday night when he predicted that if Joe Biden were to win the election he would repeal the tariffs.

In <u>an interview with Fox Business</u>, Trump also predicted that China will not retaliate for the recent political animosity.

Read more from Agri-Pulse.

US Ag Exports to China Rising Fast, but Still Slow for 'Phase One'

China's imports of U.S. agricultural commodities are rising steadily, but the pace is still well below where it needs to be for the Chinese to meet its first-year commitments under the "phase one" trade pact that went into force in February, according to data analyzed by *Agri-Pulse*.

China imported \$9.76 billion worth of U.S. farm goods from January through August, according to the latest trade data. That's more than \$2 billion worth of trade in August, bringing the total up from \$7.719 billion in the first seven months of the year.

But for China to be on track to meet its "phase one" commitment, the Chinese would have had to purchase \$15.501 billion worth of ag goods through August, American Farm Bureau Federation Chief Economist John Newton says. That puts the country 37% below where it would need to be. It also

means that if China were to reach the goal it would need to import a whopping \$5.3 billion worth of U.S. ag commodities every month from September through December.

Read more from Agri-Pulse.

Big Week for Pork, Soybean Export Sales

Pork export sales hit a marketing year high last week. The USDA says the total for the week ending October 1st of 60,200 tons were up more than 50% from the four-week average, with China buying 29,000 tons, a possible sign of significant demand improvement as Germany remains out of the export market because of an African swine fever outbreak in wild boars. China also bought more than 4,000 tons of U.S. beef, more than 1.5 million tons of U.S. soybeans, more than 215,000 tons of U.S. sorghum, and more than 25,000 bales of U.S. cotton. Wheat sales were up on the week, corn was down, and rice hit a new marketing year high for the second week in a row. The next export sales report is out on the 16th, delayed a day by Columbus Day.

Physical shipments of sorghum, soybeans, and wheat were above what's needed to meet projections for the current marketing year. The 2020/21 marketing year started June 1st for wheat, August 1st for cotton and rice, September 1st for beans, corn, and sorghum, and October 1st for soybean products.

Read more from Brownfield Ag News.

USDA Finalizes CSP Changes

USDA is providing some new support for soil health practices through the Conservation Stewardship Program. The department has issued <u>a final rule</u> for CSP to implement requirements of the 2018 farm bill. The department made a few changes from an interim rule, one of which would put more emphasis on rewarding practices that improve soil health.

Companies and groups that want farmers to increase soil carbon levels say CSP hasn't done enough to promote those practices. Increased soil carbon can reduce greenhouse gas emissions while also protecting water quality.

Read more from Agri-Pulse.

Perdue Found to Have Violated Hatch Act at N.C. Food Box Event

Agriculture Secretary Sonny Perdue improperly injected political campaigning into a Farmers to Families Food Box event in North Carolina, a government watchdog agency concluded Thursday, directing Perdue to reimburse the government for the costs of his participation at the event.

"Taken as a whole," Perdue's comments at the Aug. 24 event in Mills River, N.C., also attended by President Donald Trump and White House adviser Ivanka Trump, "encouraged those present, and those watching remotely, to vote for President Trump's reelection," Ana Galindo-Marrone, chief of the Hatch Act Unit in the Office of Special Counsel (OSC), said in a <u>letter</u>.

Perdue violated the Hatch Act, which prohibits federal executive branch employees from using their "official authority or influence for the purpose of interfering with or affecting the result of an election," Galindo-Marrone said.

Read more from Agri-Pulse.

NFU Rebukes Trump for Calling Off Pandemic Relief Talks

The *National Farmers Union* says President Trump's decision Tuesday to end coronavirus stimulus talks must be reversed. Stocks dropped sharply after the announcement.

Several hours after the president said the White House was pulling out of talks – he tweeted that he would support individual bills to help certain segments of the economy, including small business.

NFU President Rob Larew, after the first announcement, issued a statement saying millions of Americans of all stripes are suffering. He said "family owned farms and businesses, rural hospitals, the postal service and other critical services and infrastructure are fighting just to stay afloat."

Trump also tweeted last night he would sign a bill to provide \$12-hundred-dollar stimulus checks to Americans.

Larew says it's not a partisan issue, that Americans need help and they need it now.

Read more from Brownfield Ag News.

Women Honored for Pioneering CRISPR

The two scientists who discovered the gene-editing tool that has revolutionized crop development have been awarded the Nobel Prize for chemistry. Emmanuelle Charpentier of Germany and Jennifer Doudna of the University of California, Berkeley, developed the CRISPR-Cas9 method of precisely and relatively inexpensively altering the DNA of animals, plants and microorganisms.

"There is enormous power in this genetic tool, which affects us all. It has not only revolutionised basic science, but also resulted in innovative crops and will lead to ground-breaking new medical treatments," said Claes Gustafsson, who chairs the Nobel Committee for Chemistry.

<u>Under new USDA rules</u>, new crop traits developed with CRISPR can be exempt from regulation, but the livestock sector has largely missed the benefit of the technology so far, because of the way the Food and Drug Administration regulates gene-edited animals.

Read more from Agri-Pulse.

Lawsuit Filed to Protect States' Labeling of Genetically Engineered Seeds

Center for Food Safety (CFS) has <u>filed an amended complaint</u> in their ongoing litigation challenging the U.S. Department of Agriculture's (USDA) "bioengineered" (more commonly known as "genetically engineered") food labeling rule, challenging the law's prohibition on states' labeling of genetically engineered seeds. The new filing adds claims challenging the part of the "bioengineered foods" rule that will leave genetically engineered seeds unlabeled, preventing consumers and farmers from knowing if seeds are genetically engineered.

"Consumers have a right to know what's in their food, including whether it is genetically engineered or not. That's what this case is fundamentally about: meaningful labeling," **said George Kimbrell, CFS legal director and counsel in the case.** "The same goes for seeds. The decision takes away states' rights to label seeds, while offering absolutely nothing in return."

Read more from the Center for Food Safety.

COVID-19 Rejuvenates Reform Push in Cattle Industry

The coronavirus has changed countless aspects of American culture. The way we eat, shop, work, and socialize have all seen radical shifts since the pandemic hit American shores in January. But now, COVID-19 is turning its attention to another issue some say is ripe for radical reshaping: the beef cattle industry.

A slew of legislation introduced in the last six months addresses everything from how beef is processed to how live cattle are bought and sold in the marketplace. Make no mistake, the issues are not new — many corners of the sector have been pushing for various forms of change for years, even decades — but the spotlight shone on the industry in the wake of the pandemic is breathing new hope into the efforts to reshape it.

Read more from Agri-Pulse.

Pence and Harris Clash Over China Trade War

Vice presidential candidates Mike Pence and Kamala Harris drew a clear line Wednesday night on the U.S.-China trade war with Pence conveying a position of strength and Harris decrying the damage done to American farmers and manufacturers.

"Joe Biden wants to repeal all of the tariffs that President Trump put into effect to fight for American jobs and American workers," Pence, who was elected to the vice presidency in 2016, said during the debate held in Salt Lake City, Utah, less than a month before Election Day.

Harris, a California senator, did not dispute Pence's accusation about repealing the tariffs, but instead countered that Trump's tariffs — and by extension the Chinese retaliatory tariffs on U.S. farm commodities — resulted in farm bankruptcies and thousands of lost manufacturing jobs.

Read more from Agri-Pulse.

Election 2020: Ag Groups Lay Out Concerns

Ag groups are providing <u>a white paper</u> to both the Biden and Trump campaigns that lays out the concerns of farmers and issues that need to be addressed by policymakers.

The 12-page paper warns the farm economy is "poor and deteriorating" as the result "of trade retaliation, demand shifts resulting from COVID-19, and other causes."

The paper then lays out ten policy priorities starting with providing vaccines and testing to help agribusinesses deal with the pandemic. Other concerns include trade policy, research needs, the farm labor shortage, rural broadband and "sustainability and climate."

Read more from Agri-Pulse.

Tyson Advisers: Vaccine's No Fix

Scientific advisers to meatpacking giant Tyson Foods warn that a vaccine won't be the "silver bullet" to keep COVID-19 out of processing plants. Too little is known at this point about the vaccine's effectiveness or its duration of protection, the advisers say in <u>a white paper</u> released by Tyson.

"All of the current protective measures – social distancing, screens, masks and shields, airflow management – will still be required. There needs to be continuous education for employees and their families to ensure this is well understood," the paper says.

Read more from Agri-Pulse.

US Supports Farm Group Lawsuit Challenging Calif. Animal Cruelty Law

The United States is backing the National Pork Producers Council and American Farm Bureau Federation in a lawsuit seeking to invalidate California's Proposition 12, which would ban the sale of pork from hogs raised without minimum square-feet requirements.

In a <u>brief</u> filed in the 9th U.S. Circuit Court of Appeals, the federal government says the goal of the measure, approved by nearly 63% of voters in 2018, "is to prevent animal cruelty in other states," but that California "does not identify any in-state harm caused by the use of prohibited practices elsewhere and has deliberately declined to argue that Proposition 12 protects California consumers." NPPC and AFBF contend the law violates the Constitution's Commerce Clause by attempting to regulate businesses outside of California's borders.

Read more from Agri-Pulse.

FDA Seeking Input on Traceability

FDA has scheduled three public meetings on its proposal to require more recordkeeping for foods on its proposed Food Traceability List. The virtual meetings, announced in a <u>Federal Register</u> <u>notice</u> published today, are slated for Nov. 6, Nov. 18, and Dec. 2.

The Sept. 23 <u>proposed rule</u> lays out requirements for supplying Key Data Elements — such as the quantity of food and where it came from – associated with different Critical Tracking Events, including shipping and receiving.

Read more from Agri-Pulse.

EPA Taking Input on Biotech Reforms

EPA will start taking comments today on its proposal to exempt from its oversight some pest-resistant plants that are developed with gene editing. EPA also has <u>scheduled</u> two webinars to discuss the proposal, on Oct. 14 and Oct. 22.

Industry groups have welcomed the plan, which follows similar steps taken by USDA to streamline the biotech regulatory process.

But Bill Freese, science policy analyst at the Center for Food Safety, an advocacy group, says EPA's proposal would wrongly deregulate "pest-killing crop toxins created by newer forms of genetic engineering, as long as the toxin is like one found in a wild relative of the crop."

Read more from Agri-Pulse.

EPA Acting to Promote Sustainable Ag

EPA has signed agreements with Maryland and Pennsylvania to help promote sustainable practices on farms in both states, which are located in the Chesapeake Bay watershed.

The agency <u>announced</u> the agreements Friday. In both, EPA and the state departments of agriculture commit to the goal of "well-managed, sustainable farms that produce food for our communities and a clean environment for everyone to enjoy."

Read more from Agri-Pulse.

FDA Presses Concerns About CBD

CBD companies that have been clamoring for FDA to allow marketing of food and dietary supplements containing their product had to be disappointed by what they heard from the agency at Tuesday's conference.

Douglas Stearn, deputy director for regulatory affairs at the Center for Food Safety and Applied Nutrition, continued to raise safety questions about CBD, which can be made from marijuana and hemp. "One of the things that we are trying to do is to encourage research to fill data gaps," Stearn said. "We've done some of that internally, we've done some of that with the University of Mississippi."

Read more from Agri-Pulse.

FDA Seeks Advice on Cell-Cultured Labeling

What do you call cell-cultured swordfish? That's one of the questions the Food and Drug Administration is asking in a <u>Request for</u>

<u>Information</u> published in today's Federal Register, as it charts a path for labeling "foods comprised of or containing cultured seafood cells."

"We're asking for comments about how these products could be named, to an understanding of names and labeling associated with these products," Susan Mayne, director of FDA's Center for Food Safety and Applied Nutrition, said at the Food and Drug Law Institute's annual conference Tuesday.

Read more from Agri-Pulse.

USDA Announces \$19.1 Million to Support Socially Disadvantaged and Veteran Farmers and Ranchers

The U.S. Department of Agriculture (USDA) announced \$19.1 million in grants to provide training, outreach, and technical assistance to socially disadvantaged and veteran farmers and ranchers. USDA's Outreach and Assistance for Socially Disadvantaged Farmers and Ranchers and Veteran Farmers and Ranchers (2501) Program is managed by the USDA Office of Partnerships and Public Engagement (OPPE).

"These grants provide access to USDA programs," said Mike Beatty, Director of the USDA Office of Partnerships and Public Engagement. "Whether it's through individual technical training, or grassroots community partnership efforts, these projects empower socially disadvantaged and veteran farmers and ranchers to help them and their businesses thrive."

USDA will fund approximately <u>\$17.6 million in grants</u> (PDF, 339 KB)_ (PDF, 501 KB) issued to 49 organizations conducting outreach and assistance for socially disadvantaged and veteran farmers and ranchers in 28 states. This funding is made available through the Agriculture Improvement Act of 2018, the Soil Conservation and Domestic Allotment Act and the Consolidated Appropriations Act of 2020.

Read more from USDA.

Trump Administration Invests \$72 Million in Distance Learning and Telemedicine Infrastructure in 40 States, Puerto Rico and the Virgin Islands

U.S. Secretary of Agriculture Sonny Perdue announced the <u>United States Department of Agriculture</u> (USDA) is investing \$72 million in grants to help rural residents gain access to health care and <u>educational opportunities</u>. These investments will benefit more than 12 million rural residents. "Increasing access to telemedicine and distance learning is critical to building healthier and more resilient rural communities," said Secretary Sonny Perdue. "Paired with our monumental effort to expand high-speed broadband access in rural America, these investments will help rural health care centers and education institutions reach more rural residents with essential services and opportunities. Under the leadership of President Trump, USDA is committed to being a strong partner to rural communities because when rural America thrives, all of America thrives."

USDA is funding 116 projects through the <u>Distance Learning and Telemedicine</u> (DLT) grant program. The program helps health care and education institutions buy the equipment and software necessary to deploy distance-learning and telemedicine services to rural residents.

Perdue announced investments today in Alaska, Alabama, Arizona, California, Colorado, Florida, Georgia, Iowa, Idaho, Illinois, Kansas, Kentucky, Louisiana, Maryland, Maine, Michigan, Missouri, Mississippi, Montana, Minnesota, Nebraska, North Carolina, North Dakota, New Hampshire, Nevada, New York, Ohio, Oklahoma, Oregon, Pennsylvania, South Carolina, South Dakota, Tennessee, Texas, Virginia, Vermont, Washington, Wisconsin, West Virginia, Wyoming, Puerto Rico and the Virgin Islands.

Read more from USDA.