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Congressional Legend Rep. John D. Dingell Dies

Rep. John D. Dingell, 92, the longest serving member of Congress in history and one of the most powerful committee chairs ever to wield a gavel, died this week. Dingell represented his Michigan district for 59 years and 21 days, retiring at the end of 2014.

House Speaker Nancy Pelosi (D, CA) called Dingell, who began his House career as a page, “a beloved pillar of the Congress and one of the greatest legislators in American history.”

Dingell chaired the House Energy & Commerce Committee for 16 years, and was generally regarded as one of the most pragmatic – also stubborn and willful – politicians in the House, never fearing to cross the aisle or hammer out a compromise with an opponent. He is credited with getting the original Clean Air Act, the Safe Drinking Water Act and the Endangered Species Act through the House.

He was also one of the biggest champions of universal health insurance coverage. He presided over the House when the original Medicare authorization was passed by the chamber in 1965, and sat next to President Obama when he signed the Affordable Care Act (ACA) in 2010.

Trump Hits Big Ag Issues in State of the Union Speech

In his shutdown-delayed State of the Union speech delivered this week, President Trump called on Republican and Democrat lawmakers to engage in a group hug of bipartisanship and enact several issues near and dear to agriculture, including ratification of the U.S.-Mexico-Canada Act (USMCA) – NAFTA was “a massive trade blunder” – accelerated action to approve infrastructure investment – no specific recommendations – and border security, with just a hint of immigration reform thrown in. He also talked about drug pricing, childhood cancer research, family leave and the eradication of HIV in the next decade.

The Trump call for bipartisanship and compromise carried an implicit, but distinct “or else.”

The president spent nearly 90 minutes listing the victories of his administration during his just over two years in office. While the bulk of his speech dealt with the “crisis” that is southern border security, he also mentioned enactment of the “sweeping new Farm Bill,” a major rewrite of the federal estate tax, an “historic” economic record, regulatory rollback, energy development, “advances” in trade and reduction of the U.S. trade deficit and related items. He lectured the joint session of Congress – four Democrats chose not to attend – on a need to walk away from vengeance and “politically motivated” investigations.

Agriculture Secretary Sonny Perdue in a prepared statement called the speech “a unifying vision for the nation...a patriotic speech.”

Deal to Avoid Second Government Shutdown May be Close – if Trump Buys It

With the clock ticking down to the February 15 deadline for a compromise on the remainder of FY2019 spending bills, reports indicate a deal may be in the offing to increase federal funding for southern border security. While optimism among lawmakers on both sides of Capitol Hill increased throughout the week, whether it will be enough to satisfy President Trump's demand for a \$5.7-billion border wall is unclear.

Sen. Richard Shelby (R, AL), chair of the Senate Appropriations Committee and leader of the conference negotiations, met with Trump earlier this week to brief him on the status of talks. A report in Politico says Democrats have offered more money for border security technology and some new money would go for new fencing. The president has said "hopeful" things about the negotiations, but has not openly tried to insert the White House into the fray.

While the conference committee of appropriators hammering out a compromise spending package has only met formally once since the current continuing resolution (CR) was agreed to, staff have exchanged offers and counteroffers over the last 10 days. The goal was to get congressional agreement by February 8, so members had plenty of time to debate and vote well in advance of the midnight deadline February 15. However, conference committee member Rep. Henry Cuellar (D, TX) said negotiators will be working through the weekend to finalize a deal to be taken up early next week.

Both sides of the aisle have said no bill will hit the floor of either chamber unless at least 50% of their party membership is on board. Right now, a big part of that challenge is semantics. While some talk "wall" per se, others refer to "fences," "physical security" and "infrastructure investment." Many on the far left of the Democrat caucus Hispanic members are adamantly opposed to funding a wall, but veterans on the Hill agree no matter what it's called in the legislation, if the deal holds and Trump is willing to sign the legislation, the president will call it a wall and claim victory.

Border security – a part of the Department of Homeland Security (DHS) FY2019 appropriations bill – is not the only major spending issue on the table. Funding bills for USDA, the Food & Drug Administration, EPA, the Department of Transportation (DOT) and the State Department, as well as a separate massive multi-billion-dollar disaster assistance package to aid those impacted by natural disasters in Florida, Alabama, Texas and California are also being hammered out.

The final omnibus spending deal is also the last likely vehicle – save for an expected federal debt ceiling battle this spring – that could carry several tax credit extensions, including the \$1-gallon biodiesel/renewable diesel blenders tax credit, and Finance Committee Chair Charles Grassley (R, IA) is pushing to get the biodiesel credit tucked into the omnibus spending package. However, he's willing to admit it may be only a short-term extension, not the multi-year or permanent extension industry would like to see

For the president, he must balance his demand for a nearly \$6-billion wall with fast-eroding GOP support on both sides of Capitol Hill in the wake of an historic 35-day partial government shutdown that idled 350,000 federal workers and left more than 800,000 without paychecks. Senate Majority Leader Mitch McConnell (R, KY), a long-time opponent of shutdowns as a political stick in budget talks who's been in talks with Minority Leader Charles Schumer (D, NY), has said there's significant GOP downside to a second shutdown given polling shows most asked blame Republicans for the closure.

House Speaker Nancy Pelosi (D, CA), the Hill's leading Democrat opponent to a physical wall and any federal money to build it, said this week she's confident there will no second federal government shutdown come February 16 because the fallout of such a move would be politically "too hot to

handle” for Republicans. She also cautioned the White House to resist any urge to involve itself in Hill negotiations.

“I’ve asked the administration to be as non-interventionist as I am on that,” she told reporters late this week. “Just let them (appropriators) do their work, and hopefully...we’ll get some good news in a short period of time.” She pledged to support any agreement emerging from the spending conference committee.

Democrat “Green New Deal” Unveiled, but Even Leadership is Skeptical

Knowing a congressional battle over climate change and adopting “green” energy in the U.S. will be long and politically painful, House and Senate progressives this week unveiled their “Green New Deal” plan, a move to eliminate greenhouse gas (GHG) emissions and reinvent the U.S. economy across all sectors in dumping fossil fuels completely within 10 years.

However, House Speaker Nancy Pelosi (D, CA) is not an avid supporter of the resolution – yet. She called the resolution “one of several or maybe many suggestions we receive. The green dream or whatever they call it, nobody knows what it is, but they’re for it, right?”

Supporters contend there’s much stronger support now than 10 years ago for congressional action on climate change, though polls show only 35% of American voters consider climate change a pressing issue.

However, the plan is the first step in a bicameral move by the Democrats to move climate change to near the top of their legislative agenda going into the 2020 presidential elections. The House version carries 67 cosponsors; the Senate version is cosponsored by Sens. Jeff Merkley (D-OR), Bernie Sanders (I-VT), Kirsten Gillibrand (D-NY), Kamala Harris (D-CA), Elizabeth Warren (D-MA), Mazie Hirono (D-HI), Ron Wyden (D-OR), Richard Blumenthal (D-CT), Cory Booker (D-NJ), Amy Klobuchar (D-MN), and Chris Murphy (D-CT), and includes all declared Democrat presidential hopefuls.

A copy of the resolution can be found by going to www.congress.gov/116/bills/hres109/BILLS-116hres109ih.pdf.

Champions Rep. Alexandria Ocasio-Cortez and Sen. Edward Markey (D, MA) introduced a 14-page resolution this week, built off two major climate study reports that warn of dire consequences if the federal government does not act to stem human contributions to climate change immediately. While a resolution does not carry the force of law, it represents the philosophy and thinking of the institution, and full chamber votes to get all members on the climate change record is the short-term goal.

As for agriculture as a target of GHG reduction, the resolution calls for “work(ing) with farmers and ranchers to remove pollution and greenhouse gas emissions from the agriculture sector...as much as is technologically feasible” while building a more sustainable food system that ensures universal access to healthy food.” The documents released this week also talk about supporting family farmers who invest in sustainable agriculture and land use practices to improve soil health.

Sen. Pat Roberts (R, KS), chair of the Agriculture Committee, says his panel will hold climate change hearings this year; House Agriculture Committee Chair Collin Peterson (D, MN) said his committee will look at the “ability of farmers and ranchers to adapt and to help mitigate the effects of climate change through our conservation and energy programs” included in the 2018 Farm Bill. Peterson is not a climate change cheerleader, saying the issue is not now a top priority.

A summary of the resolution posted by Markey, who co-chairs the Senate Climate Change Caucus, lists the following goals:

- Build resiliency against climate change-related disasters;
- Repair and upgrade U.S. infrastructure;
- Meet 100% of (U.S.) power demand through clean, renewable, and zero-emission energy sources;
- Build or upgrade to energy-efficient, distributed and “smart” power grids;
- Upgrade all existing U.S. buildings and build new buildings, to achieve maximum energy efficiency;
- Spur massive growth in clean U.S. manufacturing and remove pollution and greenhouse gas emissions from manufacturing and industry;
- Overhaul U.S. transportation systems;
- Remove greenhouse gases and reduce pollution, including by restoring our natural ecosystems through proven low-tech solutions;
- Restore and protect threatened, endangered, and fragile ecosystems, and
- Clean up existing hazardous waste and abandoned sites.

In the House, the resolution will be the centerpiece of a string of hearings within not only the Energy & Commerce Committee, but also the new Select Committee on the Climate Crisis. On the same day the resolution was unveiled, House Speaker Nancy Pelosi (D, CA) named the Democrats who will sit on the select panel, a controversial group which can hold hearings, go on fact-finding trips and make recommendations but cannot formally advance legislation.

The new panel will be chaired by Rep. Kathy Castor (D-Fla.), and Democratic members of the panel are Reps. Ben Ray Lujan (NM), Suzanne Bonamici (OR), Julia Brownley (CA), Sean Casten (IL), Jared Huffman (CA), Mike Levin (CA), Donald McEachin (VA) and Joe Neguse (CO). Ocasio-Cortez did not make the cut.

Farm Bill Roll Out Slowed by Shutdown, but Moving Quickly, Leader Says; Groups Push for Action

While there's a need to make up for lost time due to the 35-day partial federal government shutdown when it comes to implementation of the 2018 Farm Bill, USDA is not going to use the historic closure as an excuse, said Deputy Secretary Steve Censky in a speech this week to the Farm Foundation forum.

At the same time, Sen. Pat Roberts (R, KS), chair of the Senate Agriculture Committee, told the same audience USDA can't afford to drag its feet, but he also told the group there won't be another government shutdown. "We're not going to do another shutdown, we're just not," the Kansas lawmaker said.

Censky said the department is working "quickly and prudently" to implement program changes and rollouts included in the omnibus farm legislation signed by the president in December, 2018, just two days before USDA went into closure mode due to expired spending authority. He said all agencies are evaluating implementation plans and locking in steps – are regulations needed, guidances, funding availability – to get programs up and running, including those new programs authorized by Congress.

Priority implementation areas include the new dairy margin protection insurance; signups for Average Revenue Coverage (ARC) and Price Loss Coverage (PLC) programs, EQIP, CSP and

conservation easement priorities and restoring funding to the Market Access Program (MAP) and the Foreign Market Development (FMD) programs on export promotion.

A timeline for implementation is close to completion, and Secretary Sonny Perdue and others will be briefing the House and Senate ag panels on the department schedule. USDA will also share the timeline publicly within the next week or so, Censky said. The department is also planning Farm Bill listening sessions to gather reaction, information and other input from producers impacted by program rollouts.

Several producer groups attending the Foundation forum told lawmakers and bureaucrats that listening sessions and formalities cannot be allowed to slowdown implementation.

EPA Developments

Wheeler Gets Committee OK as Administrator – The full Environment & Public Works Committee this week approved on an 11-10 party line vote the nomination of Andrew Wheeler to be permanent administrator of EPA. Wheeler, already confirmed at deputy administrator, has been acting administrator since Scott Pruitt resigned last year. Committee Chair Mike Barrasso (R, WY) said it will likely be late February before Wheeler gets a full Senate vote. An 11th-hour snag which threatened to derail the Wheeler committee vote came after Politico reported Wheeler has decided not to set drinking water limits for PFOS or PFOA, and pressure to reverse that decision in favor of an “enforceable federal drink water standard for PFOA and PFOS” is expected to be brought to bear prior to a full Senate vote. Sen. Charles Grassley (R, IA), chair of the Senate Finance Committee, is expected to support the Wheeler nomination even though Wheeler has not given the Iowa champion of all things biofuels the assurance he wants on the agency’s granting of small refinery exemptions.

Growth Energy Files Against Agency over Refinery Exemptions, RVO – A petition against EPA over its granting of small refinery exemptions under the Renewable Fuel Standard (RFS) was filed this week in the federal Court of Appeals for the District of Columbia by Growth Energy, charging EPA failed to consider the impact of small refinery exemptions in its setting of 2019 RFS biofuel/gasoline blending mandates. “EPA’s inaction on addressing lost gallons due to small refinery exemptions in this rulemaking is a clear violation of the law,” Growth Energy said. “EPA has again failed to meet its statutory obligation to ensure annual renewable volume obligations (RVO) are met each year.” Growth Energy said it became aware of a spike in exemptions granted by EPA over the past few years in 2018 and that the agency didn’t share which entities got the exemption from their RFS blending obligations, nor did it explain how it planned to account for the gallons which should have been blended but weren’t.

WOTUS Public Hearing Rescheduled – A public hearing to take comments on its proposed rewrite of the “waters of the U.S. (WOTUS)” rule that was cancelled due to the federal government shutdown has been rescheduled for February 27-28. The meeting will be held in Kansas City. At the same time, EPA announced it will hold an “informational webcast” on the WOTUS rulemaking on February 14. While President Trump announced the reworking of the controversial Obama administration rule in mid-December, the proposed final regulation hasn’t been published in the Federal Register, and until it is, the 60-day public comment period can’t begin.

NRDC Sues EPA to Get WOTUS Docs – The Natural Resources Defense Council (NRDC) this week filed suit in federal court to force EPA to release documents related to the impact of the Trump administration’s repeal and replacement of the WOTUS final rule. The records in question have to do with discharges into waterways that are no longer federally protected by the Trump WOTUS proposal, along with paper related to enforcement actions related to the specific bodies of water impacted. The environmental group also wants information related to streams and wetlands deemed “impaired” by discharges and the number of public drinking water systems which draw supplies from

the “impaired” waterways. NRDC had filed a Freedom of Information Act (FOIA) request for the documents and said EPA failed to respond within the legal deadline.

MOU Signed Between EPA, Water Research Foundation on Runoff – The Water Research Foundation representing water utilities, associations and professional foundations, and EPA have signed a memo of understanding (MOU) on how to conduct joint efforts to reduce the amount of livestock and poultry waste runoff reaches the country’s waterways. The MOU sets up a system to get important information to farmers and ranchers on how to use best available technologies to assist in controlling nutrient management, while facilitating collaborative research between the two entities. EPA Assistant Administrator for Water David Ross told a Georgia audience this week that using market-based “watershed-centered technologies” – phosphorus and nitrogen recapture and reuse – allows farmers to better manage runoff and allows the agency to better cope with the “nutrient challenge.”

Trump, Xi Meeting A No-Go, Optimism on Talks Remains

While President Trump last week seemed confident he could pull off a face-to-face meeting with China’s President Xi Jinping while both are in Vietnam during the last days of February, word comes this week that conflicting travel and other developments have made that meeting impossible.

Those watching the U.S.-China tariff talks closely say “slow, but substantial” progress is being made but said a February 27-28 meeting, as suggested, may have been overly ambitious, particularly given Trump announced he will meet with North Korean Leader Kim Jon Un on February 27.

The president remains “optimistic,” saying this week “We have a good chance to make a deal.” Chinese officials said both nation’s “have a clear roadmap for future progress.”

China continued its U.S. soybean purchases this week with confirmation of another 612,000-ton sale – rumors put purchases at nearly 4 million tonnes – and work continued to schedule the next round of bilateral talks to be held midmonth in Beijing. However, Agriculture Secretary Sonny Perdue said “we’re still a long way away” from resolution of the tariff wars between the world’s two largest economies.

The U.S. and China are facing down a March 1 deadline for conclusion to their talks, but it’s expected that deadline may be extended if substantial progress has been made.

USMCA Ratification on Deck, Steel/Aluminum Tariffs at Issue

More than 100 farmers and ranchers, along with general business and industry representatives from more than 45 groups, have been hammering on Capitol Hill to quickly ratify the U.S.-Mexico-Canada Act (USMCA) but not before the U.S. exempts Mexico and Canada from its steel and aluminum tariffs. Damages from keeping the tariffs in place – with their retaliatory counterparts – “far outweigh any benefit” USMCA may bring, the coalition said.

The group shared with lawmakers a study by Purdue University showing that ag exports to Canada and Mexico are set to increase by \$454 million over NAFTA levels, but if the 25% steel/10% aluminum tariffs remain in place and retaliatory levies are accounted for, a net loss of \$1.8 billion can be expected. A worst-case scenario is for Congress to reject USMCA and President Trump to withdraw from the existing NAFTA treaty, hitting ag exports with a \$9.4-billion decline.

House Speaker Nancy Pelosi (D, CA) this week said she's "optimistic" Congress will ratify USMCA, but stressed her concerns over strong enforcement of the treaty. Pelosi praised U.S. Special Trade Representative (USTR) Robert Lighthizer for his dealings with Democrats, but she posited her caucus's concerns over labor, environment and enforceability need to be addressed.

As for any renegotiations of USMCA as some House Democrats are suggesting, particularly when it comes to labor, environment and pharmaceuticals, Canadian Foreign Minister Chrystia Freeland said this week that the trade treaty will not be reopened. "As far as the new NAFTA is concerned, Canada has done its part," she said after meeting with Senate Foreign Relations Committee Chair Jim Risch (R, ID). Freeland said the negotiations were "very thorough...and in the end we got a deal."

USDA Tariff Payments Top \$6.4 Billion

USDA has so far paid out over \$6.4 billion in direct payments to farmers and ranchers to offset the economic impact of Trump administration tariff action on trading partners. The deadline for producers to apply for the one-time trade assistance program is February 14.

The payments were interrupted by the 35-day government shutdown, but USDA extended the deadline for applying for relief.

Soybean farmers continue to be the primary recipients of the tariff relief payments and Illinois and Iowa being the top states.

Worker Protection Goal of Industry, OSHA Alliance

An "alliance" among OSHA, The Fertilizer Institute (TFI) and the Agricultural Retailers Assn. (ARA) was announced this week by the agency, a joint effort designed to provide training and information on protecting the health, safety and security of workers, emergency responders and surrounding communities in the ag retail and supply industries, particularly as it relates to handling of ammonium nitrate and anhydrous ammonia.

"This alliance underscores our collective commitment to addressing industry hazards and developing best practices to help improve the safety and security of chemical storage, and protect the lives of workers and residents," said Acting Assistant Secretary for Labor for OSHA Loren Sweatt.

The two-year alliance will focus on safe storage and handling of the chemicals, used in fertilizer manufacture, along with sharing of emergency response information with agribusiness and first responders, OSHA said. ResponsibleAg Inc., a training company, will help ag retailers comply with health and safety standards for handling and storage of fertilizer products and ingredients. The alliance and the training company previously developed a video on the OSHA inspection process.

Farm Worker Overtime Pay Bills Introduced

Legislation to pay farm workers overtime wages and end the minimum wage exemption was introduced this week by Sen. Kamala Harris (D, CA) and Rep. Raul Grijalva (D, AZ). An identical bill was introduced in the last Congress, but died in committee.

The bills require farm workers be paid time-and-a-half overtime pay for all hours over 40 worked per week. While family farms would continue to be exempt, the bill would kill the federal exemption for overtime and minimum wage requirements for labor on some small farms, as well as affecting “hand-harvested” laborers, workers with some livestock and some minors. The overtime pay exemption would disappear for employees of livestock auctions and irrigation projects.

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