



**National
Barley
Growers
Association**

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WELCOME TO

National Barley Growers Association



Upcoming Barley Industry Events

October 2019: Beer Institute Hill Climb and Beer Jobs Showcase 10/15-10/16

November 2019: Tri-State Grain Growers Convention Spokane, WA 11/13-11/16; Craft Maltsters Guild Equipment Vendor Webinar 11/14

December 2019: Montana Grain Growers Association Annual Convention Great Falls, MT 12/3-12/5; National Scab Initiative Meeting Milwaukee, WI 12/7-12/9; Prairie Grains Conference Grand Forks, ND 12/11-12/12

January 2020:

February 2020: Winter Meeting in DC 2/3-2/6; Craft Maltsters Guild Advanced Class in Craft Malt Production 2/3-2/6; Craft Malt Conference in Fort Collins, CO 2/7-2/8, Craft Maltsters Guild Annual Meeting 2/8; Canadian Barley Symposium and BRMBRI Triennial Meeting Winnipeg, AB 2/24-2/25

March 2020: National Barley Improvement Committee, Washington, DC 3/8-3/11

April 2020: World Beer Cup San Antonio, TX 4/17-4/19; Craft Brewers Conference San Antonio, TX 4/19-4/22

May 2020:

June 2020:

July 2020:

August 2020: MBAA and ASBC World Brewing Congress Minneapolis, MN 8/1-8/4

September 2020: Great American Beer Festival Denver, CO 9/24-9/26

Send upcoming events here...

Gordley Associates Updates

- Trade: Japan, China, USMCA
- Farmers for Free Trade Rally
- Facilitating Greg Kessel's October visit to Washington, DC for NBGA housekeeping meetings, Beer Institute Jobs Showcase, and meetings with Congressional staff and administration officials
- Tax extenders coalition meeting
- BNSF ag stakeholders meetings
- Joint comments for FMCSA

Japan Free Trade Agreement

The U.S. and Japan reached a *Free Trade Agreement* on September 25th that brings many agricultural commodities-- including barley and barley products-- into sync with the other countries in the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP); as well as what had been agreed to in the Trans-Pacific Partnership Agreement (TPP). Japan is the third largest overall agricultural export market for the U.S.; and is the third largest for barley as well. This initial deal covers tariffs only, and does not include additional chapters on SPS or biotech language. The administration has indicated that this initial agreement will be the basis for *continued negotiations* and hopefully tariff relief through a comprehensive free trade agreement will be broadened to those agricultural sectors that were not included in this first agreement.

China Update

As you may have read, there will be another round of negotiations between the U.S. and China in early October. There were staff level negotiations the week of September 16th between the U.S. and China. It is unclear what the scope of the conversations will be, but our best assessment is that there will be a recommitment to negotiations, with a hold on any further tariff escalation. This may have been foreshadowed by the Chinese announcement over the last two weeks to once again make Ag purchases and suspend further retaliation on certain Ag goods.

USMCA Update

House Dem leadership, Ways and Means staff, and USTR continue to make progress on resolving the outstanding issues in USMCA. The Working Groups reportedly sent written proposals to USTR on the 4 issues (pharmaceuticals, labor, environment, and enforcement) in early August, which Ambassador Lighthizer responded to in early September. Overall, the conversations have been positive and the goal is to reach a final agreement in the coming weeks so that USMCA can be considered before the end of the year.



American Farmers Rally for Passage of USMCA

NBGA Washington staff attended the September 12th "American Farmers Rally for Passage of USCMA" on the National Mall. The event was organized by Farmers for Free Trade, and was attended by representatives of numerous farm organizations and

members of Congress, including House Minority Leader Kevin McCarthy; House Ag Committee Chairman Collin Peterson; House Ways and Means Committee Ranking Member Kevin Brady; and U.S. Senator Steve Daines; and was the culmination of the *Farmers for Free Trade motorcade* that traveled to key Congressional districts this summer promoting passage of USMCA. The benefits of USMCA were discussed, including the need to provide farmers with new market access while maintaining the zero-tariff trading parameters that are currently in place between the U.S., Mexico, and Canada. Participants urged Congressional leaders to move forward with consideration of the agreement without further delay.

FY 2020 Appropriations Update: Government Shutdown Averted Through November 21

A Continuing Resolution (CR) funding the federal government through November 21 was signed into law by President Trump on September 27 after passage by the Senate the day before by a vote of 82-15. The House had cleared the CR on September 19 by a vote of 301-123. Congress now has time to continue their work on the annual appropriation bills for fiscal year 2020, which begins October 1. To date, the full House has passed 10 of the 12 annual appropriation bills and reported the remaining 2 out of Committee. The full Senate has not cleared any annual appropriation bills to date; and reported 10 of the 12 annual appropriation bills out of Committee. The *House* and the *Senate* have both reported out the FY 2020 Agricultural Appropriations Bill; and *both included barley priorities*. The House increased the Wheat and Barley Scab Initiative funding by \$2 million; but the Senate increased it by \$5.5 million, which would bring the Initiative up to the full authorized level of \$15 million annually. Both the House and Senate increased the Small Grains Genomics Initiative by \$1 million. The Senate also included language supporting the continuation of NASS barley acreage and production reports in states that had been discontinued in 2016 and 2017, but reinstated in recent years.

The Department of Agriculture encourages farmers to complete their agricultural surveys this fall. Barley producers will be asked to report their production practices and chemical use as part of the Agricultural Resource Management Survey. If you receive a survey, please complete it online, or if you prefer, you can schedule an appointment with a USDA representative to help with survey completed. Please have your pesticide and fertilizer spray records to expedite the process. Information provided by farmers is confidential and protected by law. NASS further safeguards the privacy of all respondents by publishing only aggregate data, ensuring that no individual operation or producer can be identified. For more information on agriculture surveys, visit www.nass.usda.gov.

Beer Tax Provisions

Tom Hance, NBGA attended a "tax extenders" coalition meeting to discuss legislative strategies for enactment of a tax package that would include extension of the Craft Beverage Modernization Tax Act provisions that were enacted in 2017 and expire at the end of 2019. The coalition includes a diverse group of industries with tax credits that have or will expire this year. The House and Senate have proposed slightly different tax extender packages and have not yet agreed on the parameters of a bill. While House and Senate leaders have indicated their intent to pass a tax extenders package before the end of the year, they have not yet identified a clear timeline or legislative vehicle to do so.

Beer Institute's "Beer Jobs Showcase"

Beer industry employees throughout the country will be on hand at the reception on Wednesday, October 16th to discuss their expertise and the role they play in supporting our nation's more than 7,000 brewers and beer importers. This reception will be an opportunity to talk with beer industry professionals- ranging from hops flavor sensory chemists and brewmasters to transportation and logistics professionals- who make up the more than 2.1 million Americans who owe their jobs to the beer industry.

Trucking Updates

NBGA signed onto joint comments with a coalition of ag groups led by the National Grain & Feed Association on The Federal Motor Carrier Safety Administration (FMCSA) request for comments on the definition of agricultural commodity, a critical element of the agricultural exemption to the hours-of-service (HOS) rules for truck drivers.

BNSF Forum

Tom Hance, NBGA attended the annual BNSF ag stakeholders meeting in Washington, DC. Also attending were Lyle Benjamin and former NBGA board member Dan Kidd. Farmer participants representing various crops from around the country provided crop reports on their area. There was a lot of variability in the

crop conditions, but all crops seemingly experiencing low demand and low prices. Guest speakers included USDA Deputy Secretary Steve Censky, Sharon Bomer from the office of the U.S. Trade Representative (USTR), and Katherine Tai, trade staffer for the House Ways & Means Committee, which is working on USMCA.

Rail Updates

The Surface Transportation Board proposed new rules aimed at streamlining the process for customers to challenge freight rail rates. The rules would create a new process for smaller cases, called Final Offer Rate Review, in which the Board would select the rate offered by either the complainant (a shipper) or the defendant (a railroad) within 135 days. The second new rule, also applying to rate cases, allows shippers to make a "prima facie" showing of market dominance by proving that the "movement" under review meets six criteria. These include a certain revenue to cost variable ration, movement distance, and lack of competition from other railroads or different methods of transportation. Groups representing rail shippers applauded the proposals while the railroad industry warned against new "government intervention and rate regulation."

**National Barley Growers
Association**
(202) 548-0734
belias@gordley.com
www.nationalbarley.com

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