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NBGA Board Meeting Review

NBGA held their annual summer meeting on June 15th via video conference. Attendees shared grower and industry updates in the midst of the Coronavirus pandemic, and discussed their new processes and safety protocols. Brad Karmen and Bill Beam of USDA FSA spoke to the Board regarding CFAP eligibility. Gordley Associates provided a federal affairs and communications update. After the budget review and update, the Board discussed plans for the next Board meeting. This meeting was Idaho grower Scott Brown's final board meeting, and we thank him for his service over many years!

RMA Finalizes Malting Barley Endorsement Changes Effective for the 2021 and Succeeding Crop Years

On June 25th, the Federal Crop Insurance Corporation Board of Directors

approved changes to the Malting Barley Endorsement (MBE), under section 508(h) of the Federal Crop Insurance Act. The following changes are applicable for the 2021 and succeeding crop years:

-Expansion to 35 Ohio counties;

-Quality adjustment will now be determined using Local Market Price; and -Quality adjustment will now impact barley actual production history

NBGA Submits Comments on CFAP Eligibility

Following discussions during the board meeting with senior USDA Farm Service Agency officials regarding Coronavirus Food Assistance Program (CFAP) requirements that have largely resulted in the exclusion of barley, NBGA and the AMBA submitted comments arguing that 1) Malting barley held in inventory by the grower but under contract as of January 15 should be eligible for CFAP; and 2) Noncontracted malting barley held in inventory by a grower as of January 15th should be eligible for CFAP regardless of whether it has been sold or delivered (as proof that it goes to the malt market), as is the case for all other CFAP eligible non-specialty crops.

The full comments can be viewed here...

USMCA Takes Effect July 1

On Wednesday, July 1, U.S.-Mexico-Canada Agreement (USMCA) officially enters into force. The Agreement continues and modernizes approaches to rules of origin, agricultural market access, intellectual property, digital trade, financial services, labor, and other sectors. It is hoped that these enhancements will deliver more jobs, stronger labor protections, and expand market access, creating new opportunities for American workers, farmers, and ranchers. Canada and Mexico are our first and third largest exports markets for United States food and agricultural products, making up 28 percent of total food and agricultural exports in 2017. These exports support more than 325,000 American jobs. In November 2018, President Trump signed the USMCA replacing the 25-year-old NAFTA.

Reauthorization of Grains Standard Act Moves Forward

On June 24th the Senate Agriculture Committee approved a bill to reauthorize the U.S. Grain Standards Act through September 30, 2025. The bill, which passed on a unanimous voice vote, authorizes the USDA Federal Grain Inspection Service (FGIS) to establish marketing standards for certain grains and oilseeds and authorizes official weighing and inspection services. The covered crops are barley, canola, corn, flaxseed, oats, rye, sorghum, soybeans, sunflower seed, triticale, wheat, and mixed grain. NBGA joined other stakeholders on a letter of support to the Senate Ag Committee prior to the mark-up. The bill is mostly a straightforward reauthorization of the Grain Standards Act, with some minor revisions, including:

- Adding customers or applicants for inspection or weighing services among the parties (Secretary of Agriculture) that must be notified in writing at least 72 hours in advance if a delegated State agency intends to temporarily discontinue official inspection or weighing services.
 - Adding quarterly reporting requirements on certain data, in addition to the annual requirements
 - Requiring that fees only be used for activities directly related to the performance of an official inspection or weighing service.
 - Provides that members of the advisory committee may serve up to two consecutive terms.
- Requiring the Secretary to conduct a comprehensive nationwide review of the official agency geographic areas, after taking into consideration a number of specific factors, including the number of grain handling facilities, volume of grain, number of official inspections of vessels and other carriers, and other related services performed; with a report of the results of the review to be provided the Committee within 18 months after the date of the reauthorization enactment.

Dicamba: Court Rules in Favor of Order Allowing Use Existing Stocks

On June 19, the *U.S. Court of Appeals for the Ninth Circuit* denied a petition that sought to invalidate the Environmental Protection Agency's (EPA's) existing stocks authority, which it exercised in a June 3 guidance to growers allowing the use of existing inventories of dicamba. The decision was made because the agency did not have enough evidence to support its approval. EPA Administrator Andrew Wheeler provided clarity for farmers following the decision, stating that the "cancellation and existing stocks order is consistent with EPA's standard practice following registration invalidation, and is designed to advance compliance, ensure regulatory certainty, and to prevent the misuse of existing stocks."

NBGA Supports Food Ingredient Amendment to Defense Authorization Bill

NBGA and members of the Coalition for Uniformity in Food Ingredient Standards expressed support for an amendment to the House Defense Authorization bill establishing a process for stakeholder input on food ingredient policies at the

Department of Defense (DoD). The provision was included in the Senate version of the bill. The provision stems from a 2017 decision by DoD to reduce and restrict commonly used food ingredients used in products sold to the military. DoD's directive did not include scientific justification and did not fully consider the immediate consequences for ingredient suppliers, product manufactures and farmers who grow crops necessary to manufacture specific ingredients. The House amendment would ensure that ingredient-specific policies can be developed with input from both the agriculture supply chain and relevant civilian food and nutrition experts such as the U.S. Food & Drug Administration and Department of Agriculture without weakening the Department's purchasing preferences.

NBGA Shares Views on Trucking Issues as House Moves Forward on Highway Bill and Infrastructure Package

On June 18th the House Transportation & Infrastructure Committee held a mark-up on the Highway Reauthorization bill and considered several issues that impact agriculture. Prior to the mark-up NBGA signed on to a letter supporting expansion in all states of the hours-of-service 150 air-mile ag exemption to year-round rather than just planting and harvesting season. Currently, there are 15 states that do not define their planting and harvesting seasons as being year-round, which keeps truck drivers operating in their states from being able to use the agricultural exception outside of their defined planting and harvesting seasons. Supporters hope the provision can ultimately be included in the final Highway reauthorization bill.

NBGA also joined other ag value chain groups to express support for an amendment that would remove language in the House draft bill that would create unnecessary additional oversight, review and requirements for current and future exemptions to the hours of service rule. Many of these, including the original agricultural exemption have been in place for up to 35 years without problems. The proposed language would duplicate existing Federal Motor Carrier Safety Administration (FMCSA) efforts and add several additional levels of requirements and scrutiny to a process that has worked safely and efficiently for years. The FMCSA already has an arduous process in place to properly vet the exemptions. When an individual or group applies for an exemption or waiver, they are required to submit a checklist full of items for review, including statistics showing their operation will be as safe or safer while utilizing the exemption. In addition to the laundry list of requirements put forth by FMCSA, a public notice on the exemption is published in the *Federal Register* for at least 30 days for public comment. Upon completion of the comment period, the Agency then has another opportunity to deny or alter the exemption prior to finalizing it. The amendment to remove the additional requirements was not approved in committee, but supporters will seek to remove the provisions when the bill is considered by the full House.

Following Committee passage of the Highway reauthorization bill House Democrats released a larger combined infrastructure package that includes more than \$1.5 trillion in funding for roads, bridges, transit, rail, schools, housing, broadband, drinking and wastewater systems, postal service, clean energy sector and health care facilities. House leadership plans to consider the infrastructure package on the House floor prior to the July 4th recess.

Senate Ag Committee Holds Hearing on Climate Solutions Act

The Senate Agriculture Committee held a hearing on the Growing Climate Solutions Act, a bill introduced by Senate Agriculture Committee ranking member Debbie Stabenow (D-MI) and Sen. Mike Braun (R-IN) to establish a program at USDA to certify third-party verifiers and technical service providers that help private landowners generate carbon credits through a variety of agriculture and forestry-related practices. Testifying at the hearing in support of the bill were American Farm Bureau Federation President Zippy Duvall, National Farmers Union President Rob Larew, Jason Weller, vice president of Truterra, LLC, the sustainability business at Land O'Lakes Inc., and Brent Bible, an Indiana grain farmer representing the Environmental Defense Fund. The House passed the infrastructure package on July 1 on a mostly party line vote and Senate action on a highway bill or larger infrastructure package is uncertain.

NASS Reporting

NASS released its June 30, 2020 acreage report, *available here*.

U.S. producers planted 2.797 million acres of barley in 2020, up 76,000 acres or 2.7% from 2019. Acreages in the NBGA member states increased 56,000 collectively, to 2.428 million acres, or 2% from 2019.

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