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The 2020 Election and Agriculture

While the coming election will determine the Presidency, control of the Senate and the Agriculture Committees in the House and Senate will also be determined. The change in leadership that takes place will affect the policy agenda, including trade, anti-trust, energy and environmental issues in the near-term and how the next farm bill is developed over the longer-term. The 2018 farm bill is effective for the 2018 through 2023 crops, expiring on September 30, 2023.

Democrats are expected to retain the majority in the House, but Agriculture Committee Chairman Collin Peterson (MN) is locked in a tight re-election fight in a district that President Trump won handily in 2016. It Peterson loses, the next chair (in order of seniority) could either be Representatives David Scott (GA), Jim Costa (CA) or Marcia Fudge (OH). Ranking Member Mike Conaway (TX) is also retiring; and the next three members in line are Representatives Glenn Thompson (PA), Austin Scott (GA), and Rick Crawford (AK).

On the Senate side, Agriculture Committee Chairman Pat Roberts (KS) is retiring, and the next in line on the Republican side is Senator John Boozman (AR). However, control of the Senate is very much up for grabs on election day, and if the Democrats win the majority, Ranking Member Debbie Stabenow (MI) is

expected to become the Chair of the Committee.

Regardless of the election results Congress and the current leaders will return for a lame duck session with the potential of another COVID response package and completion of the FY21 Appropriations bills on the to-do list. The election outcomes will impact the lame duck negotiating posture and leverage for Democrats and Republicans with a range of outcomes that won't come into focus until after election day.

CFAP2

CFAP2 - In September USDA released details of the second round of the Coronavirus Food Assistance Program (CFAP2). CFAP2 will provide producers with financial assistance that gives them the ability to absorb some of the increased marketing costs associated with the COVID-19 pandemic. CFAP2 will provide up to \$14 billion in direct support for agricultural producers of eligible commodities. Barley was included under the "Price Trigger" payment category. Price trigger commodities are major commodities that meet a minimum five-percent price decline over a specified period of time. Payments for eligible row crops included in the price trigger payment category will be equal to the greater of:

- 1. Eligible acres of the crop multiplied by a rate of \$15 per acre; OR
- 2. Eligible acres of the crop multiplied by a nationwide crop marketing percentage, multiplied by a crop-specific payment rate, and then by the producer's weighted 2020 Actual Production History (APH) approved yield. If the APH is not available, 85 percent of the weighted 2019 Agriculture Risk Coverage-County Option (ARC-CO) benchmark yield for that crop will be used.

Marketing percentages and payment rates for barley are 63% and \$0.54 per bushel

Visit *farmers.gov/cfap/row-crops* for more information on CFAP2 eligibility and payment details related to row crops. The application period for CFAP2 opened on Monday, September 21st and ends December 11, 2020.

CCC Funding & Continuing Resolution - In September Congress *reached an agreement to fund the government* through December 11th. That agreement includes the provision to extend the Commodity Credit Corporation (CCC) spending cap as well as providing significant funding for pandemic food assistance and an additional \$8 billion for nutrition benefits.

ARC & PLC Sign-Up

Agricultural producers can now make elections and enroll in the Agriculture Risk Coverage (ARC) and Price Loss Coverage (PLC) programs for the 2021 crop year. The enrollment period ends March 15, 2021.

ARC provides income support payments on historical base acres when actual crop revenue declines below a specified guaranteed level. PLC provides income support payments on historical base acres when the effective price for a covered commodity falls below its reference price.

More information on ARC and PLC, including two online decision tools that assist producers in making enrollment and election decisions specific to their operations, can be found online.

https://www.fsa.usda.gov/programs-and-services/arcplc_program/index

Sign-Up Deadline Set for WHIP+; Still Waiting for Quality Loss Provisions

USDA has set an October 30th deadline for WHIP+ sign-up. This is for the losses experienced in 2018-2019. They are still working on the quality loss issues, but impacted growers should be sure to talk to your FSA office before the October 30th deadline. Sen. Jon Tester (D-MT) sent a letter to USDA on WHIP+ in September expressing frustration with the delays in the program.

NBGA Signs Letter in Support of Ag Trucking Exemptions

Senator Deb Fischer (R-NE) recently filed S. 4720, Haulers of Agriculture and Livestock Safety (HAULS) Act of 2020 that would update the agricultural exemption to the hours-of-service rules. NBGA joined over 100 agricultural groups on a letter expressing support for the bill, which is intended to be incorporated in the next Highway bill reauthorization. The bill would make the agricultural exemption to the hours-of-service rules year-round. Currently, each state decides when the agricultural exemption is allowed. It would expand the agricultural exemption to include a 150-air-miles exclusion on the backend of hauls before hours-of-service rules apply. This would be in addition to the current 150 air-miles exclusion on the frontend of hauls. The bill also updates the definition of an agricultural commodity for purposes of determining eligible freight for the agricultural exemption to the hours-of-service rules.

NRCS Action on Several Programs; Hiring on Positive Trajectory

Over the past two months NRCS has issued the updated regulations on Highly Erodible Lands and wetlands determinations, released funding for the Wetland Reserve Program (WRP), a Final Rule on the Conservation Security Program (CSP) and Environmental Quality Incentives Program (EQIP), and payments for the Conservation Reserve Program (CRP).

The USDA *Natural Resources Conservation Service* is also working to fill positions needed to deliver technical assistance and other services to farmers across the country, but still has a ways to go, NRCS Acting Chief Kevin Norton told a House Agriculture subcommittee hearing on October 1st.

NRCS has hired about 2,900 new employees in fiscal year 2020, about 1,300

more than the agency hired in fiscal 2019. In the fourth quarter of fiscal 2020 alone, NRCS was able to bring on 639 employees. While NRCS staff now totals over 9,400 it is still short of their goal of 10,445 employees.

Beer Institute Names 2020 Beer Champions

The Beer Institute has named Senator Daines, Senator Stabenow, Representative Newhouse, and Representative Rice as 2020 Beer Champions.

Read more here...

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





