

# Agricultural Policy/Legislative Affairs Committee

## Report to the NGFA Board of Directors

### September 2024

#### I. Key Issues:

- Continue to execute a strategy to achieve NGFA’s farm bill priorities – especially prioritizing working lands conservation programs, reducing the amount of prime farmland in the Conservation Reserve Program (CRP), increasing funding for market access and foreign market development programs, and strengthening crop insurance as a risk management tool for farmer customers.
- Monitor Congressional activity for other opportunities and challenges for the grain handling industry, and when appropriate develop and execute a strategy to defend or promote the industry.

#### II. Committee Activities:

- A. Farm Bill:** The 2018 Farm Bill was extended last year until September 30, 2024. The industry was encouraged by committee action in the Spring—the House Ag Committee marked up and passed its version of the 2024 Farm Bill, and both the Senate Ag Committee Majority and Minority leadership released frameworks. Since then, progress has stalled, and it is becoming more difficult to pass a Farm Bill in 2024.

Major sticking points are funding mechanisms, nutrition programs, and climate-smart conservation. The House bill relies on changes to the Thrifty Food Plan (an economic model of food costs that is used to keep Supplemental Nutrition Assistance Program benefits up to date with eating patterns and dietary guidance), restrictions on the Secretary’s authority to use the Commodity Credit Corporation to provide assistance to producers, and bringing the climate-smart conservation funding provided in the Inflation Reduction Act into the Farm Bill.

While details were not released, the Senate Minority framework relies on the same funding mechanisms as the House Bill. Democrats have largely criticized the funding assumptions, although four Democrat committee members voted for the House bill, and in early August, the CBO released an updated score of the House bill, indicating a \$33 billion deficit over 10 years.

The Senate Majority framework also does not contain funding specifics, but Republicans doing “back of the napkin” math criticize its assumptions.

Senate Ag Committee Chairwoman Debbie Stabenow (D-Mich.) has indicated she would not support a new Farm Bill if it included cuts to the climate-smart conservation funding in the Inflation Reduction Act, or the Supplemental Nutrition Assistance Program. Democrats largely consider the House Committee’s bill’s changes to the Thrifty Food Plan and incorporation of the IRA money to cross these red lines.

- B. NASS County Estimate Reports:** On April 9, 2024, the National Agricultural Statistics Service (NASS) announced its intention to discontinue the county estimates for crops and livestock citing budget concerns. NGFA members indicated the industry's reliance on these reports to predict future crop production based on historical information. NGFA met with NASS and learned County Estimate reports cost about \$7 million to produce each year.

After significant lobbying of the House and Senate Ag Appropriations subcommittees by NGFA and its members, both have passed bills to restore the reports for next year. However, the House and Senate both still need to pass these bills and send a final version to the president. It is likely Congress will pass a continuing resolution bill when the current fiscal year ends on Sept. 30 and then NASS would be operating under current law and not be required to reinstate the reports. Thus, while Congress is clearly in support of forcing USDA to reinstate the reports, we cannot say for sure when this will occur until Congress passes the final funding for FY 2025.

- C. Innovative FEED:** We continue to look for legislative pathways for the Innovative FEED Act, which will establish a new category of animal food additives to cover ingredients that provide animal health, food safety or production benefits. I-FEED has broad support in both the House and Senate, and while it would likely easily pass if attached to a must-pass legislative package, it is not considered major legislation that can move on its own. We continue to work multiple strategies, including requesting bill sponsors ask House and Senate leadership to add the bill to one of the large year-end packages, as well as working the bill through regular order.
- D. Elections Overview:** Electoral politics were shaken over the summer when President Biden announced he was dropping out of the race and endorsed Vice President Kamala Harris. Vice President Harris quickly locked down the nomination, raising record-breaking amounts of money, and re-energizing Democrats. Down ticket Democrats in tight re-election races are also benefiting from the change in nominee, but still face headwinds on issues like the economy and inflation, foreign policy, and the border crisis. Republicans are thought to have the inside track on retaking the Senate majority, but passed years have shown anything can happen. Control of the House is expected to be more of a toss-up with the change on the Democratic presidential ticket.
- E. Fly-In:** The 2024 NGFA Washington Fly-In was held June 3-5. Members of the NGFA Executive Committee, BMOC, Ag Policy and Legislative Affairs Committee, and Trade and Crop Technology Committee met with nearly 100 Members of Congress and Federal Officials to discuss the Farm Bill, NASS County Estimate Reports, WRDA, and the importance of trade to the industry. Details for the 2025 Fly-In will be available soon.

### **III. Issues for Discussion/Input:**

- Regardless of who wins the presidential election, there will be a new administration in 2025. On the Congressional front, we will almost certainly have a change of power in the Senate, and many new members of Congress. What opportunities does this present for the grain handling industry, and the larger agriculture industry? What risks should we be anticipating?