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NEWS

HPAI detected Minnesota, Iowa dairy cows

On June 6, Minnesota became the eleventh state to report Highly Pathogenic Avian Influenza (HPAI) in dairy cattle, one day after Iowa announced an infected herd for the first time.

Minnesota's Board of Animal Health confirmed H5N1 in one dairy herd in Benton County. "Over the weekend, the producer noticed clinical signs in only a handful of cows," Minnesota's Board of Animal Health reported. "The next day more than 40 cows had signs of fever. Samples collected from sick cows in the herd on Monday were sent to the University of Minnesota Veterinary Diagnostic Laboratory where the virus was detected. The USDA's National Veterinary Services Laboratories confirmed the results last night."

On June 5, the Iowa Department of Agriculture and Land Stewardship (IDALS) and the United States Department of Agriculture (USDA) Animal and Plant Health Inspection Service (APHIS) reported the detection of a case of HPAI within a dairy herd in Iowa – the state's first reported case of HPAI within a dairy cow.

[APHIS had confirmed more than 80 dairy cases](#) on farms in South Dakota, Texas, Ohio, North Carolina, Michigan, Kansas, Idaho, New Mexico and Colorado.

IDALS and USDA encourage livestock producers to bolster their biosecurity practices and protocols to protect their flocks and herds. IDALS has [biosecurity recommendations for dairy herds](#), as well as other [biosecurity resources](#) for poultry and livestock operations.

Though recent cases of HPAI were confirmed in dairy workers in Texas and Michigan, the Centers for Disease Control

(CDC) continues to believe [the threat to the general public remains low](#). CDC has provided [HPAI personnel protective action recommendations](#). In addition, USDA has [Personal Protective Equipment Recommendations](#) for use when visiting an HPAI-affected herd.

Meanwhile, both the USDA and U.S. Food and Drug Administration (FDA) continue to affirm the safety of the food supply. On May 30, USDA provided an update on its [beef safety studies](#), in which USDA expresses its confidence that the U.S. meat supply is safe. On May 20, FDA provided [additional information](#) related to its testing of dairy products, all of which were found to be negative for viable HPAI virus.

Republican bill would revoke China's trade status in act of aggression against Taiwan

Sen. James Lankford, R-Okla., and Rep. Blake Moore, R-Utah, introduced legislation to revoke China's trade relation status if Chinese President Xi Jinping takes military action against Taiwan.

The Deterring Economic Aggression Through Retaliation (DETER) Act would revoke China's Permanent Normal Trade Relations (PNTR) status with the United States if China engages in an act of military aggression "or serious economic coercion, such as a blockade," the lawmakers said.

PNTR provides foreign countries with "most favored nation status," which allows access to the U.S. market with fewer tariff barriers.

"The DETER Act will create and demonstrate clear economic consequences if China engages in military aggression against the island of Taiwan," the lawmakers' announcement notes.

The bill also would require the U.S. Trade Representative to conduct a regular assessment of U.S. trade and supply chain vulnerabilities that would be affected by the suspension of PNTR, "along with proposals to mitigate those risks and reduce reliance on China in the meantime."

NGFA has cautioned lawmakers against prematurely stripping China of its PNTR status. In addition to having a substantial impact on U.S. GDP, exports, and prices, revoking PNTR would also likely invoke Chinese retaliation against U.S. agricultural imports.

FGIS increases user fees

The Federal Grain Inspection Service (FGIS) on June 6 published an [interim rule](#) to increase the hourly and unit fees for official inspection services that are performed under the U.S. Grain Standards Act (USGSA). The new fees will be in effect on **July 8, 2024**.

Under the rule, the hourly contract rate will increase from \$41.20 to \$65, and the non-contract rate will increase from \$73 to \$93.30. The contract rate for weekends and overtime will increase from \$49.10 to \$81.30. The non-contract rate will increase from \$73 to 116.60.

The rates are based on the total direct pay of FGIS personnel performing grading, weighing, laboratory services, and equipment testing divided by the total direct hours for the previous year, which is then multiplied by the next year's percentage of cost-of-living increase, plus the benefits rate, plus the operating rate, plus the allowance for bad debt rate. If applicable, travel expenses will be added to the cost of providing the service through the operating rate or the travel will be billed separately.

Without adjusting hourly and unit-based fees, FGIS anticipates a deficit in its fiscal year 2024 operating reserves of nearly \$9 million. With such a shortfall, FGIS will not have sufficient revenue to meet obligations and will cease operations. According to FGIS, the following factors that have contributed to the current financial shortfall:

- eight years of low fees (i.e., 2024 fees (before April 1) at \$39.20/hour are lower than 2016 fees at \$40.20/hour);
- regulatory provisions that limit annual fee increases and do not fully account for the actual cost of services provided;
- inflation;
- cost-of-living adjustments for the federal workforce;
- increased service delivery costs driven by unprecedented weather events;
- declining global demand for grain; and
- an increased volume of U.S. grain being distributed to domestic processing plants (which excludes them from mandatory inspection and weighing under the USGSA).

A 30-day comment period is provided on the interim rule until July 8.

FGIS also plans to publish a proposed rule for public comment later this summer that will establish a new fee formula for calculating hourly and unit fees.

April 1 Fee Adjustment: The fee revision published this week does not include an additional tonnage fee adjustment for 2024 that was originally published on March 7 and went into effect on April 1.

The USGSA authorizes and requires the Secretary of Agriculture to charge and collect reasonable fees to cover the estimated costs for performing official grain inspection and weighing services (which are mandatory under the Act for U.S. grain exports). FGIS is required to annually review its fees for service, including national and local tonnage, and supervision tonnage fees. The agency calculates its tonnage fees, which, by regulation, consist of the national tonnage and local tonnage fees. FGIS also reviews the amount of funds available in its operating reserve at the end of each fiscal year to ensure that it has 4.5 months of operating expenses, which is also required by regulation. However, the current regulatory process has prevented FGIS from increasing fees to the degree that the grain industry paid less for service in 2023 than it did in 2016.

Effective April 1, FGIS increased inspection and weighing service fees by five percent since FGIS' operating reserve was below 4.5 months of operating expenses.

NGFA members conclude annual fly-in

One hundred NGFA members spent several days in Washington, D.C., this week to conduct committee meetings and visit more than 100 lawmakers and congressional offices on Capitol Hill about NGFA priorities.

Photos: View the [2024 fly-in photo album](#). *Visits with Sen. Joni Ernst, R-Iowa, and Rep. Bill Foster, D-Ill., are pictured on page 5.*

Members of NGFA's Executive; Business, Merchandising and Operations; Ag Policy and Legislative Affairs; and Trade and Crop Technology Committees joined the 2024-25 class of the Committee Apprentice Program for lobbying visits on June 5. In addition to meetings with lawmakers and their

committees, NGFA CAPs visited with federal agencies and government officials, including the Food and Drug Administration, the U.S. Department of Agriculture, the Surface Transportation Board and the Commodity Futures Trading Commission.

The CAPs concluded their annual “DC Experience” with a visit to the Embassy of Japan (*pictured on page 5*).

NGFA members focused on the following topics with lawmakers:

- **NASS County Crop Estimates:** USDA should reinstate county crop reports recently discontinued by the National Agricultural Statistics Service (NASS). For the next fiscal year, Congress should pass language to deliver the appropriate funding to NASS and ensure these reports are not cut again.

[Sen. Jerry Moran, R-Kan., and House Agriculture Livestock, Dairy and Poultry Subcommittee Chairman Tracey Mann, R-Kan., and Ranking Member Jim Costa, D-Calif., led [a May 3 letter](#) to Agriculture Secretary Tom Vilsack asking him to reinstate the reports. NGFA worked with other agricultural groups to gain signatures on the letter from 70 lawmakers.]



- [Farm Bill](#): Congress should increase investments in working lands conservation programs and agricultural export promotion programs in the next farm bill.
- [I FEED Act](#): The bipartisan Innovative Feed Enhancement and Economic Development (Innovative FEED) Act (H.R.6687 and S. 1842) would establish a new category of non-nutritive animal food additives that provide production, health and environmental benefits.
- [Lower Snake River Dams](#): NGFA opposes any actions by federal or state governments that could result in breaching the Lower Snake River dams.
- [Rail](#): The Reliable Rail Service Act (S.2071) would better define Class I rail carriers’ common carrier obligation. NGFA also supports the Keeping International Land Ports of Entry Open Act (S.3796) to prevent shutdowns of rail crossings between the U.S. and Mexico.
- [Trade](#): Prematurely stripping China of its PNTR status could result in retaliation against U.S. agricultural goods. Agricultural export volumes for 2024 are predicted to decline for several major commodities and flip to a \$30.5 billion deficit in 2024.
- [Water Resources Development Act](#): NGFA supports the “Thomas R. Carper Water Resource Development Act of 2024” (S.4367) passed out of the Senate Environment and Public Works Committee.



EVENTS

CONVEY'24 early bird rate ends June 17

[CONVEY'24](#) an annual conference jointly hosted by NGFA, Grain Journal, and the Grain and Elevator Processing Society (GEAPS), is July 23-25 in Omaha, Neb. The early bird registration rate expires on June 17. Register to attend or exhibit at conveyconference.com.

New this year: DEGESCH will host a pesticide state-certification workshop on the afternoon of July 23. Additional registration is required for this workshop.

Register for NGFA's June 18 safety webinar

NGFA will host a grain safety webinar on "[Understanding Hazardous Atmospheres in Agriculture](#)" with Joe Mlynek, founder of Progressive Safety Services, LLC, and partner at Safety Made Simple, on **June 18 at 1 p.m. ET.**

During the webinar, Mlynek will discuss hazardous environmental risks associated with agricultural confined spaces. Topics include exposure limits, symptoms, and safety protocols like air monitoring and ventilation. He will cover the symptoms of exposure to environments with low oxygen, carbon monoxide, hydrogen sulfide, ammonia, and flammable gases and vapors.

[Please register](#) to attend this webinar.

Mlynek is hosting a series of grain safety webinars throughout 2024 as part of a new partnership with the NGFA. Another webinar on "Serious Injury and Fatalities (SIFs) in the Grain and Feed Industry" is scheduled for Nov. 14.

Mlynek is a Certified Safety Professional (CSP) and an Occupational Health and Safety Technician (OHST), as well as an active member of the NGFA, Grain Elevator and Processing Society, Ohio Risk Coordinators, National Fire Protection Association, and American Society of Safety Professionals.



SUPPLEMENTS

Register for next People Spark leadership training by June 21

The deadline to register for the June 2024 leadership program hosted by People Spark Consulting is June 21.

NGFA members receive a **bonus private coaching session** with their Leadership Transformation Program® registration. New cohorts begin monthly throughout 2024. [Click here for information!](#)



The investment for the 12-month People Spark Leadership Transformation Program® is \$2,500. Use reference code: NGFA

NGFA and People Spark Consulting have partnered to further the mission to provide education and training to members at all levels in the agriculture industry. The [People Spark Leadership Transformation Program](#)® is a year-long course that focuses on practical application of leadership skills and tools. It starts with an 8-week intensive training, followed by 10 months of ongoing support to reinforce and sustain the learned skills.

Extra Supplements

NGFA in the news:

World Grain: [NGFA partners on cybersecurity, threat sharing](#)

Grain Journal: [NGFA Joins Food and Ag-ISAC as Industry Partner](#)

Trains: [CN notes support for Iowa Northern acquisition, urges regulators to reject CPKC request for haulage rights](#)

Other news:

Seed Today: [Former ASTA President and CEO Richard Crowder Passes](#)

RFD: [Sen. Debbie Stabenow shares her Farm Bill insights on Market Day Report](#)

Washington Post: [Congress weighs delaying farm bill over SNAP and climate disputes](#) *(log in)*

CNN: [Biden announces executive action on immigration](#)

Agri-Pulse: [Chicken growers get boost from new tournament proposal](#) *(log in)*

Reuters: [US farmers opt for soy to limit losses as all crop prices slump](#)

Nebraska Examiner: [Bird flu's spread from poultry to cattle to humans provokes worry among feds, states](#)

NPR: [Solar farming is taking land once used to grow food. Can we do both at once?](#)

High Plains Journal: [K-State breaks ground on Global Center for Grain and Food Innovation](#)

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