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NEWS

NGFA submits climate-smart ag recommendations to USDA

By David Fairfield, Senior Vice President, Feed

NGFA [submitted recommendations](#) on July 25 to the U.S. Department of Agriculture (USDA) in response to its request for information concerning the effect of “climate-smart agriculture” practices on greenhouse gas (GHG) emission estimates associated with the production of agricultural commodities used as biofuel feedstocks.

When announcing the request for information on June 27, USDA said feedback received would be considered as the Department works to establish voluntary standards for biofuel feedstocks grown with practices that mitigate GHG emissions and/or sequester soil carbon. These standards, authorized by the Food, Conservation, and Energy Act of 2008, would be available for consideration in clean transportation fuel policies, including the 45Z tax credit currently under development, to incentivize climate-smart biofuel feedstock crops.

In its comments, NGFA indicated support for USDA standards that encourage the voluntary adoption of climate-smart agricultural practices on working lands and that facilitate additional revenue opportunities for farmers and agribusinesses.

“USDA voluntary standards for quantifying, reporting, and verifying GHG outcomes would be valuable to entities that establish and administer international, national, or state clean transportation fuel policies, as well as voluntary private-sector initiatives that promote adoption of climate-smart agricultural practices,” NGFA noted. “Further, U.S. leadership in global sustainable transportation fuel markets is crucial so that related standards and policies provide meaningful benefits and support the economic viability of U.S. agriculture.”

In its comments, NGFA answered several questions posed by USDA. Among the recommendations made by NGFA were:

- USDA’s consideration of climate-smart practices should be broad and appropriately incentivize all types of science-based carbon reductions.
- USDA standards need to avoid the arbitrary bundling of climate-smart practices when quantifying GHG emission outcomes because such bundling is counterproductive to the adoption of practices.
- Farmer data collection requirements should be limited to only the information required to verify the practice happened and support modeling input.
- USDA standards should allow farmers to market climate smart commodities to all entities within the value chain.
- Traceability standards for commodities need to provide for a mass balance system because the vast majority of commodities at both farms and commercial value-chain entities is handled on a commingled basis due to physical infrastructures and distribution methods.

NGFA notes House rail safety bill does not follow NTSB report

NGFA and 12 other groups from the Agricultural Transportation Working Group expressed their concerns to House lawmakers about the recently introduced “Railroad Safety Enhancement Act of 2024” and the potential impacts it will have on the agricultural industry.

In a [July 19 letter](#) to House Transportation and Infrastructure Committee Chairman Sam Graves, R-Mo., and Ranking Member Rick Larsen, D-Wash., NGFA and the working group members said the “Railroad Safety Enhancement Act of 2024,” introduced by Reps. Troy Nehls, R-Texas, and Seth Moulton, D-Mass., includes several provisions that may not contribute appropriately to rail safety.

The bill, similar to the “Railway Safety Act” (S.576) introduced in the Senate last year, includes several provisions unrelated to the recommendations outlined in a recent National Transportation Safety Board (NTSB) report.

After reviewing the Norfolk Southern derailment that occurred in East Palestine, Ohio, last year, the NTSB published a report acknowledging that a rail car’s defective wheel bearing caused the derailment and subsequent hazardous material release. The Board found that a visual rail car inspection failed to catch the failing wheel bearing, so NTSB’s recommendation is not for more visual inspections but instead for research to create regulations on bearing defect detection systems. NTSB is also calling for the accelerated phaseout of DOT-111 cars in hazmat service because they are more likely to become compromised during derailments.

Notably, NTSB did not identify train length as a problem in its findings and the report recommendations do not call on Congress to adopt legislation.

“We are concerned that, if enacted, the legislation will cause supply chain disruptions without doing much to improve safety,” the letter states. “We question why the legislation as written does not align with the recommendations outlined in the (NTSB) report on the East Palestine derailment.”

The questionable provisions proposed in the bill include expanded U.S. Department of Transportation (DOT) authorities related to regulating train length and weight and additional pre-departure railcar inspection requirements.

NGFA sent the letter ahead of the House Transportation and Infrastructure Committee’s [July 23 hearing](#) on the state of rail safety. NGFA’s letter was submitted for the record.

NGFA will continue communication with lawmakers and stakeholders about the impacts of potential rail safety legislation.

Farm bill coalition appeals to congressional leaders

NGFA joined more than 500 agriculture and farm groups to urge House and Senate leaders to enact a 2024 farm bill.

“If Congress does not come together this year to enact a bipartisan farm bill, the legislative process will begin anew in the 119th Congress...we have concerns that it may not be logistically or politically feasible to advance a new farm bill early in the next Congress,” states the [July 22 letter](#) to leaders of the House and Senate and both Agriculture Committees.

“As committed stakeholders and beneficiaries of the farm bill, we cannot continue to wait for updated policies, provisions, initiatives and critical funding that support our collective interests,” the letter states. “Therefore, we respectfully and strongly urge you to craft a bipartisan farm bill that can pass your respective chambers and be conferenced and enacted in this Congress.”

The current farm bill extension expires Sept. 30 and there are few legislative weeks left in session before the November elections.

The House Agriculture Committee advanced a farm bill in May with four Democratic votes. Meanwhile, Senate Agriculture Committee Chairwoman Debbie Stabenow, D-Mich., released a summary of her [farm bill proposal](#) in May, while Ranking Member John Boozman, R-Ark., released an outline of [Senate Republicans’ farm bill proposal](#) in June.

Meanwhile, during a July 23 House Agriculture Committee hearing on farm income, Chairman Glenn “GT” Thompson, R-Pa., made several comments about his Democratic counterparts and the farm bill process. Earlier that day, Chairwoman Stabenow [issued a report](#) promoting her farm bill proposal and criticizing the House bill, which she said is “unbalanced and skewed heavily toward just a few of the tools that make up the broad farm safety net.”

Thompson retorted during his [opening statement](#): “If there are members on the other side of the aisle that truly want to see a farm bill come to fruition this year, my door remains open to negotiation from any partner willing to come to the table with a serious proposal, not more red lines,” Thompson said. He added that he would be willing to consider an informal pre-conference negotiation with the Senate during the short time remaining in the congressional year.

“However, I cannot reconcile nor negotiate a bipartisan 900-page bill with a partisan 90-page summary. For that to be viable, Chairwoman Stabenow needs to unveil her bill text,” he said.

During the hearing, House Agriculture Committee Ranking Member David Scott, D-Ga., outlined his concerns about the committee-passed farm bill provision to suspend USDA’s ability to use the Commodity Credit Corporation Charter Act to aid producers.

“Our challenge remains today what it was before; how do we pay for what needs to be done in the farm bill,” Scott said. “I remain concerned that the pending 2024 farm bill eliminates USDA’s ability to use CCC funds to help insulate farmers from market shocks.”

Members of the House leave Capitol Hill this week to begin an early August recess and are due to return on Sept. 9.

Ag stakeholders testify on CFTC reauthorization

House lawmakers considered agricultural stakeholder perspectives on the reauthorization of the Commodity Futures Trading Commission (CFTC) during a House Agriculture Subcommittee hearing on July 25.

Congress periodically reauthorizes the CFTC to update the agency's authorities and recommended spending levels. The last reauthorization of the CFTC occurred during the 2008 Farm Bill and expired in 2013. NGFA and other stakeholder groups support reauthorization as it acknowledges CFTC's important mission and provides market participants with greater certainty about the agency's direction and priorities.

Travis Antonsen, senior vice president of grain marketing and rail logistics at Agtegra Cooperative, and a current member of the NGFA Risk Management Committee and former member of the NGFA Board of Directors, provided [testimony](#) at the hearing.

As the committee considers reauthorization, Antonsen cautioned against the imposition of any type of user fee on the industry to fund the CFTC. "We fear a further increase in cost structure due to higher transaction costs would discourage prudent hedging practices," he said. "In addition to lower farm gate prices farmers would receive, a user fee would result in an increase in risk being absorbed in the agriculture community in general, and would likely reduce the desire for participants, such as agricultural producers, to hedge their price risk."

Antonsen also said he appreciated the CFTC's engagement with bank regulators on proposed rules to increase capital requirements. "We are optimistic to hear that those agencies recently signaled their willingness to take another look at those proposals," he noted.

In September 2023, the Board of Governors of the Federal Reserve System (Board), the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) proposed a rule to increase the capital requirements applicable to large banking organizations and those with significant trading activity. The Board also issued a separate proposal that identifies and establishes risk-based capital surcharges for global systemically important bank holding companies (GSIBs). In comments [submitted Jan. 16](#) to the banking agencies, NGFA said the proposals would increase costs for accessing cleared derivatives markets.

"U.S. banks are major contributors to the clearing system, and we are concerned a contraction in the availability of clearing services will have a disproportionate impact on agriculture," NGFA noted. "If the proposals are implemented as currently drafted, NGFA is concerned GSIBs will cease providing futures commission merchant (FCM) services."

Jay Powell, chair of the Federal Reserve, told lawmakers earlier this year that he expects "broad and material changes to the proposal" when he provided testimony on monetary policy to Congress in March.

EVENTS

Register for FSMA preventive controls training

NGFA is partnering with Kansas State University to conduct another Food Safety Modernization Act (FSMA) preventive controls for animal food training on Aug. 27-29 in Manhattan, Kan.

The course delivers the Food Safety Preventive Controls Alliance curriculum recognized by the Food and Drug Administration as being adequate for training individuals who are responsible for developing and overseeing required animal food safety plans. The course also delivers accredited training on the application of hazard analysis and critical control point (HAACP) principles.

More information about the course and registration details are available at ngfa.org/feed-events-training/.

CEC 2024 registration and sponsor opportunities open soon

NGFA's 53rd annual Country Elevator Conference and Trade Show (CEC) is Dec. 10-12 in Kansas City, Mo. NGFA-member companies interested in exhibiting at the trade show can register on **Aug. 1**.

Other important dates and member opportunities for CEC 2024 include:

- Attendee registration opens on Sept. 10.
- NGFA is accepting sponsors for CEC! Contact NGFA Vice President, Marketing and Member Services, [Rebecca Grubbs, for more information](#).
- NGFA is holding an open call for speakers from NGFA-member companies to headline CEC breakouts and general sessions. Contact NGFA Vice President, Marketing and Member Services, [Rebecca Grubbs, for more information](#).

NGFA's flagship meeting for grain merchants, elevator operators, feed manufacturers, processors, and grain industry suppliers attracts several hundred industry members each year for networking, education and the supplier trade show. Programming at CEC is designed to prepare, teach and inspire attendees.

Foundation and NGFA host Harvest Safety Week

NGFA's fifth annual Harvest Safety Week is Aug. 19-23! Each year at the end of August, NGFA dedicates a week to sharing safety resources particularly relevant to the busy harvest season.

This year's theme encourages members to "Participate, Prepare, Protect," by participating in sharing Harvest Safety Week resources, preparing for hazards during the harvest



season and protecting the employees that "transform America's harvest" into food, fuel and fiber.

Harvest Safety Week is made possible by NGFA and the [National Grain and Feed Foundation](#). Thanks to the support of the Foundation, billboards and radio ads highlighting Harvest Safety Week 2024 will be displayed in several regions.

Fundraising: As the NGFA and the Foundation encourage members to "Participate, Prepare, Protect," they also ask them to GIVE. The Foundation's public safety efforts would not be possible without the generosity of NGFA members, member companies and passionate donors. This is an excellent chance to showcase a commitment to promoting safety and health in the workplace. Go to ngfa.org/foundation.

Harvest Safety Week 2024 resources will include:

- New safety training videos designed to be easily watched in a couple of minutes and based on NGFA Safety Tips Sheets available on ngfa.org/safety.
- A live webinar with People Spark Consulting on employee onboarding on Aug. 20
- A recorded video presentation with M&M Specialty Services on grain quality management

Members and non-members can sign up to receive NGFA's Harvest Safety Week emails [here](#). Those already receiving NGFA emails will also receive Harvest Safety Week materials.

CONVEY'24 attracts record crowd in Omaha

This week, nearly 360 industry members gathered in Omaha, Neb., for CONVEY'24, marking the largest turnout for the annual CONVEY Conference in a decade.

NGFA, Grain Journal, and the Grain and Elevator Processing Society (GEAPS) hosted the annual CONVEY conference on July 23-25 with an industry trade show, and sessions on energy efficiency best practices; technology and modernization in the grain industry; grain grading technology improvement; how to utilize new equipment at an older facility; and employee onboarding and training.

View the session schedule and more at conveyconference.com.

SUPPLEMENTS

NGFA Members: Update your communication preferences

NGFA members can log into their [member profiles](#) to select personal communication preferences for issues on which they would like to receive more timely and frequent information from the NGFA.

Directions: Log into your member profile using your company email at portal.ngfa.org. Select "Update Your Profile" and "Communication Preferences" to reveal the list of topics available in addition to the NGFA Newsletter and event/marketing updates. Additional topics include:

- Ag Policy
- Business and Operations
- Cybersecurity
- Feed and Food Safety
- Risk Management
- Safety and Health
- Sustainability
- Trade and Crop Technology
- Transportation and Logistics

Each new topic aligns directly with an NGFA committee (except cybersecurity). If you serve on an NGFA committee that aligns with one of these topics, you will receive these updates in addition to the information from the committee staff liaison and chair. Learn more about each committee and member rosters at ngfa.org/committees.

Extra Supplements

NGFA in the news:

Farm Progress: [Is your farm safe?](#)

Other news:

DTN: [Members of Congress Ask Yellen to Finalize Rules For 45Z Tax Credit by Nov. 1](#)

Agri-Pulse: [Panel presses House Ag members for a new farm bill while warning of rural economic downturn](#)

Des Moines Register: [John Deere laying off salaried workers over agriculture downturn](#)

ABC News: [Amid tensions with China, some US states are purging Chinese companies from their investments](#)

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