



# WASHINGTON

from National Farmers Union

# Corner

JANUARY 2015

December brought a bevy of legislative and regulatory actions, including a spending bill to avoid another government shutdown. Important tax breaks for family farmers were extended, and important programs attacked. Country-of-Origin Labeling (COOL), beef checkoff reform, and U.S. Department of Agriculture (USDA) Grain Inspection, Packers and Stockyard Administration (GIPSA) all were affected by anti-family farmer provisions in the recent appropriations bill passed by Congress. The U.S. Environmental Protection Agency (EPA) has yet to set a deadline for setting Renewable Fuel Standard (RFS) volume obligations, though it should release the 2014-2016 target levels at the same time in 2015.

## NOVEMBER WTO COOL RULING APPEALED; COOL ATTACKED AGAIN



In late October, a ruling from the World Trade Organization (WTO) on the popular Country-of-Origin Labeling (COOL) law said that COOL compliance with international trade agreements demonstrated the legitimate nature of COOL's objective, and found that the 2013 labels provided better, more accurate information to consumers.

Nonetheless, the ruling also found that the amount of information consumers were receiving and the production costs were unbalanced. The decision, as it has been issued, was appealed in late November by the U.S. Trade Representative and will be decided in 2015.

Since the decision to appeal, Congress passed an appropriations bill, the 2015 Consolidated and Further Continuing Appropriations Act, that directs the secretary of agriculture to propose changes to the COOL law. NFU and the United States Cattlemen's Association sent a letter to leadership in the House and the Senate detailing a strong objection to this language in the bill. Both are concerned that the report language included on COOL could be used as an opportunity to stop the appeals process at the WTO or re-open the legislation that mandated COOL, both of which are unacceptable.

NFU contends that U.S. trade negotiators should pursue all options available to ensure that COOL remains in effect. NFU has also urged Congress not to react prematurely to amend the rule and to stay the course on COOL.

## HOUSE AGRICULTURE PANELS REORGANIZED

Michael Conaway, R-Texas, the incoming House Agriculture Committee Chairman, has reorganized the subcommittee structure to include six subcommittees compared to the previous total of five.

The new subcommittees include:

- General Farm Commodities and Risk Management
- Commodity Exchanges, Energy, and Credit
- Conservation and Forestry
- Nutrition
- Biotechnology, Horticulture, and Research
- Livestock and Foreign Agriculture

Stay tuned to next month's edition of Washington Corner for a full update on the House and Senate Agriculture Committees of the 114th Congress.

## RENEWABLE FUEL STANDARD 2014 TARGETS STILL NOT SET



In November 2013, the U.S. Environmental Protection Agency (EPA) proposed to reduce the 2014 blending targets for the RFS. Yet, observers are still waiting on the administration to finalize targets that were supposed to be completed in June. NFU's hope is that the delay is due to EPA efforts to get the numbers right, as it has been particularly painful for the renewable fuels industry, making planning difficult and attracting new investment virtually impossible.

In December, Janet McCabe, acting assistant administrator for the EPA's Office of Air and Radiation, spoke on behalf of the administration in front of the House Oversight and Government Reform Subcommittee, saying that the agency is currently working on scheduling the timetable for 2014-2016 targets, and at the same time failing to provide a deadline for finalizing the 2014.

## NFU OUTLINES A NEW DIRECTION FOR THE BEEF CHECKOFF



USDA announced in November it was seeking input from the public to guide its development of a new industry-funded promotion, research and information order, or "checkoff program," for beef. This came after over three and a half years of talks between major beef industry stakeholders could not come to a consensus on appropriate reform for the broken and inflexible current program.

In early December, NFU kicked off a media push to set the record straight on issues with the current beef checkoff and appropriate reforms. NFU President Roger Johnson made the case for a new direction for the beef checkoff, outlining principles to guide the creation of a new beef checkoff program provided the old one was repealed by Congress. The principles were as follows:

- The modernized beef checkoff should be a single program, modeled after the 1996 Act, which would ensure the program is a more effective tool for increasing

beef demand both domestically and internationally.

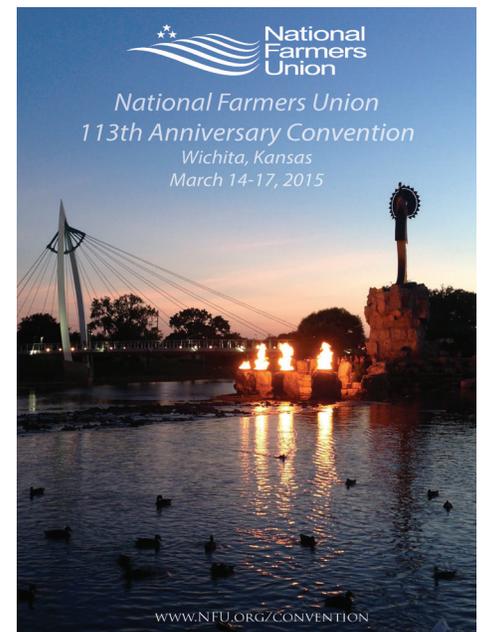
- The new beef checkoff would have a clear separation of the policy organization from the non-political, promotional checkoff entity patterned after other checkoffs. This would ensure that checkoff funds are not working against the economic interests of its members.
- The modernized checkoff program should exclude processors and importers from positions of leadership, ensuring that beef producers are always at the helm with a clear vision of the industry's North Star.
- The new checkoff should be able to review referendums every five years by U.S. Department of Agriculture (USDA) that offer the option of a program recall by a simple majority vote.
- The new checkoff should be precluded from allocating a single dime to any organization engaged in lobbying. The important research, promotion and marketing functions of the checkoff must be divorced from politics.

Language in the 2015 Appropriations Act directs the secretary of agriculture to refrain from implementing a reformed beef checkoff program despite the USDA's notice of inquiry for public comment on the program.

## NATIONAL CONVENTION SET FOR MARCH 14-17

Plans are underway for the 113th Anniversary National Farmers Union Convention to be held March 14-17, 2015, in Wichita, Kansas. The convention is the cornerstone event for the Farmers Union family. During the convention, attendees

are afforded the opportunity to hear from a wide variety of speakers, tour the local area, attend educational sessions, have their voices heard on official NFU policy, as well as spend time with their fellow Farmers Union members. The convention convenes Saturday, March 14, with the opening banquet – a highlight of the agenda. President Roger Johnson will give his annual State of the Farmers Union address, reviewing the year's accomplishments, obstacles and focus for the coming year. On Sunday evening attendees can purchase a ticket to support the NFU Foundation and NFU's education programs and attend the Education Gala. More information and registration is on NFU's website at [www.NFU.org/convention](http://www.NFU.org/convention). You can also contact Melisa Augusto, NFU director of membership and marketing, with any questions. You are encouraged to register and reserve your hotel room early.



The Washington Corner can also be found at [www.nfu.org/corner](http://www.nfu.org/corner).