



# California Association of Wheat Growers

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## Chris Zanobini to Receive 'Agriculture Progress Award' at State Fair Gala



Ag Association Management Services, Inc. (AAMSI) is proud to announce the recipient of the Agriculture Progress Award at this year's California State Fair is our own Chris Zanobini. The announcement was made May 15 and Chris was uncharacteristically speechless.

“It’s hard to put into words how I feel,” said Chris. “I’ve been connected to the Fair such a long time. It means a lot and I’m honored to support such an incredible ag program.”

The Agriculture Progress Award was established in 1994 and is presented to an individual or organization that has contributed extensively over a number of years to the promotion, advancement and growth of the California State Fair Programs.

Chris' history with the California State Fair dates back to the days when he attended UC Davis and worked with the ag programs that are part of the State Fair. That experience gave him a deep appreciation for all the State Fair does to promote agriculture. Years later he helped start the State Fair Farm Scholarship program, which provides funds so that students-in-need can take a Farm Tour at Cal Expo. Today he serves as the chair of the State Fair's Ag Advisory Board.

In addition to serving as the CEO of AAMSI, Chris is the chairman of the Alliance for Food and Farming. He has served several other agricultural groups including California Grown, the World Apple and Pear Association and the Ag Export Council.

Chris will receive the Agriculture Progress Award during the California State Fair Gala to be held June 22, 2017. Tickets, tables and sponsorships for the Gala are available now and can be purchased at [www.castatefair.org/gala](http://www.castatefair.org/gala).

## National Association of Wheat Growers

### ***High Plains Journal (May 22, 2017)*** [Keeping US Wheat on the World's Dinner Table](#)

Using our nation's abundant land, climate and technology resources, American farmers produce enough wheat to not only handily fill our domestic consumption needs each year, but have enough left over to be a significant competitor in the world's grocery cart. The April 2017 World Agricultural Supply and Demand Estimate report predicts U.S. exports will reach 27.9 million metric tons this year. The National Association of Wheat Growers reports more than 20 percent of the world's total wheat exports come from the United States.

### ***Midwest Producer (May 24, 2017)*** [K-State Researchers Race to Stay Ahead of Wheat Blast Disease](#)

In 2009, ambitious and newly minted with a master's degree, Christian Cruz wanted to help wheat farmers in his native South America with a disease that has devastated the crop for nearly 30 years. And then he got the chance to make his dream a reality. The wheat blast fungus thrives in warm, wet environments, such as that found in Bolivia, Brazil, Paraguay and the northeast region of Argentina, where growers have struggled with it for more than three decades...He began working on the project as a doctoral student at Kansas State University, which in 2009 had received \$6.5 million from the U.S. Department of Agriculture's National Institute for Food and Agriculture to study the disease. The National Association of Wheat

Growers also recently reported that the United States' overseas sales of wheat are approximately \$11.5 billion annually.

## Trump Budget Whacks USDA 20%, EPA 31%, Likely DOA on Hill

President Trump's first formal budget proposal takes a sharp knife to domestic spending programs to pay for a major increase in defense spending, but when the dust clears, his \$4.1-trillion FY2018 budget wish list is more political than economic, likely to get little attention on Capitol Hill.

Congressional reaction to the Trump budget proposal was swift and bipartisan. Agriculture Secretary Sonny Perdue, appearing before the House Appropriations Committee's subcommittee on ag/FDA, had a tough road to hoe in defending a budget crafted before he was confirmed as secretary. Democrats roundly criticized the Trump budget as an attack on the poorest Americans, and GOP lawmakers were equally dismayed.

"Many in agriculture and rural America are likely to find little to celebrate within this budget request," said appropriations subcommittee chair Rep. Robert Aderholt (R, AL). Senate Republican stalwarts moved quickly to put the budget proposal in context. Sen. Mike Enzi (D, WY), chair of the Senate Budget Committee, called the administration plan "a suggestion," and said Congress will ultimately decide how the government will spend tax dollars. The White House plan is "dead on arrival," said Sen. John Cornyn (R, TX), adding "all POTUS budgets are."

Overall, the White House's "New Foundation for American Greatness" budget plan proposes \$1.5 trillion in domestic discretionary spending cuts over 10 years. Medicaid takes another \$1.4-trillion hit – Medicare retirement benefits and social security are largely untouched – while defense spending gets a \$500-billion boost over the next decade.

Quietly included in the White House budget is about \$5 billion for FY2018 as a down payment on the president's proposed \$1-trillion national infrastructure plan, with heavy emphasis by reference to public-private partnerships as the formula for paying for the program. Transportation Secretary Elaine Chao said a legislative package will be unveiled later this year, adding the information included in the budget recommendations include "the main key principles. I think they are simple, and yet quite profound." The budget includes a 10-year, \$200-billion plan for direct federal spending, but provided scant details on how the money would be spent.

**USDA** – USDA’s FY2018 spending would be cut by \$137 billion, a 20% reduction from current discretionary levels and an 8% cut overall. Crop insurance premium subsidies and federal food stamps come in for major decreases, and the budget cuts overall would likely require about 5,200 jobs – 5.5% of the total USDA workforce – to be lost.

Federal crop insurance premium subsidies would be capped at \$40,000 per farmer, and only producers with less than \$500,000 in annual adjusted gross income would qualify for a premium subsidy. The approach is not original to Trump – both GOP and Democrat lawmakers have targeted insurance premium subsidies, as well as insurance company operating subsidies, for years. The Government Accountability Office (GAO) says capping premium subsidies would save \$16.2 billion over 10 years. Eliminating the Harvest Price Option (HPO), the White House says, would save another \$12 billion.

Federal food stamp spending would be reduced 30% by shifting many of the program controls to the states, and the reduction would be paid for by charging food retailers a new “application fee,” said to generate \$2.4 billion in new monies in the next 10 years. Conservation and rural development programs would also take major hits, amounting to about \$6.5 billion over a decade, with unspecified “small programs” at USDA taking another \$3.1 billion cut.

**EPA** – As expected, the administration’s FY2018 budget plan would slash EPA spending by about 31%, allocating the agency about \$5.6 billion, down from FY2017’s \$8.2 billion. The agency’s pesticide licensing program takes a \$90.5-million hit if the White House gets its way, making companies awaiting product approvals nervous delays will get longer. The budget also eliminates the Chesapeake Bay and Great Lakes Restoration projects. A Trump priority is funding an additional \$4.3 million to the Drinking Water and Clean Water State Revolving Funds. Water Infrastructure Finance & Innovation Act spending is stable at \$20 million a year. Overall state and tribal assistance grants would be cut \$96 million from the \$2.4 billion spent this fiscal year. Flint, Michigan would receive a one-time grant of \$100 million to fix its water system problems. State environmental “categorical grants” would be cut by \$481 million from \$1.08 billion, with grants for radon, lead, pollution prevention, beach protection, and nonpoint source pollution zeroed out. Superfund enforcement and cleanup would be reduced by nearly \$195 million.

**FDA** – FDA overall would get \$5.1 billion in FY2018, a slight increase from FY2017, per the White House plan. However, the same plan would take away \$84 million in food safety spending, a major hit as the agency continues to struggle with implementation of the Food Safety Modernization Act (FSMA). The cut is ironic given Congress approved and the president signed a FY2017 omnibus spending package that carried a food safety spending increase of about \$40 million. Again, the White House assumes it can get new user fee

authority – about \$42 million more than the current \$26 million in fee authority – so the agency to replace program cuts, and said it wants to reduce total employee numbers through attrition.

## NAFTA Talks Set to Begin; House Ag, USDA, USTR Hold Trade Roundtable, USTR Sets June Hearing

The White House notified Congress it's set to begin talks to "modernize" the North American Free Trade Agreement (NAFTA), Mexico and Canada are raring to go, but for ag traders fingers are collectively crossed that the talks will indeed lead to a better agreement as there's a universe more to lose than gain if NAFTA is tossed on the scrap heap, as many fear.

In May, in a move designed to calm ragged agriculture group nerves related to President Trump's sometimes confusing trade policy, House Agriculture Committee Chair Mike Conaway (R, TX), ranking panel member Rep. Collin Peterson (D, MN), U.S. Special Trade Representative (USTR) Ambassador Robert Lighthizer and Secretary of Agriculture Sonny Perdue met with other members of the agriculture committee in an executive roundtable discussion of Trump administration policy and trade initiatives. \

The governments of Mexico and Canada reacted mildly to word Congress has been formally notified by the White House of its intent to begin NAFTA talks.

In preparation for the talks, tentatively set to begin in July, USTR announced it will hold a June 27 hearing at the International Trade Commission (ITC) in Washington, DC, to gather "public comments on matters relevant to the modernization of NAFTA in order to inform development of U.S. negotiating positions." The hearing will continue on June 28, if necessary, USTR said. The trade office has a long list of areas for which it wants information, including general and product-specific negotiating objectives, customs and trade facilitation, barriers to trade in services, rules of origin, environmental and labor issues and digital trade.

Written comments must also be submitted for the record by June 12. To enter submissions, go to [www.regulations.gov](http://www.regulations.gov), and find docket number USTR-2017-0006.



**NPDES Permit Legislation Passes House – Again** – A bill that would unravel a duplicate permitting mess for pesticide applicators who spray near bodies of water was approved in late May by the House – for the third time in as many congresses. The bill – the Reducing Regulatory Burdens Act – says there is no need for an applicator to obtain a NPDES permit for a chemical already permitted under FIFRA, was approved along party lines. While supporters say the bill reduces duplicative permitting and registrations, opponents say it’s simply a matter of two different safety laws requiring permitting for separate reasons. While similar bills have cleared the House “multiple times” in the past, the Senate has never acted despite a major bipartisan push led by Senate Agriculture Committee Chair Pat Roberts (R, KS).

**Trump Budget Eyes Pesticide Licensing Fee Hike, but How Much?** – While most agree President Trump’s FY2018 budget is pretty much dead on arrival on Capitol Hill, insiders continue to comb through the document for clues as to the administration’s position on heretofore unspoken issues, including pesticide licensing fees. However, in the EPA portion of the administration budget released there are several references to relying upon “expanded use of pesticide licensing fees” to the tune of about \$29 million over 10 years. Folks are confused because today industry pays about \$27 million in user fees, and that amount would creep to \$31 million in separate legislation reauthorizing the pesticide registration process. The House has passed that bill, the Senate has not, and industry is awaiting clarification of the numbers.

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