

Cottonseed Policy Package Excluded in Omnibus Appropriations Bill

Friday, May 5, 2017

By Mary Jane Buerkle

Two years' worth of effort to carefully create a budget-neutral package that would have provided an opportunity for cotton producers to re-establish a much needed Title I safety net program were dashed this past weekend during negotiations on the omnibus appropriations bill, which eventually was passed by the U.S. House and the U.S. Senate with no aid for cotton.

Plains Cotton Growers has diligently worked alongside the National Cotton Council, the House Agriculture Committee, and others with the common goal of developing policy for cottonseed, which would bring cotton back into Title I of the Farm Bill as a covered commodity. Heading into the final Senate negotiation, a paid-for cottonseed policy package was included in the bill until Senators Debbie Stabenow (D-Michigan) and Patrick Leahy (D-Vermont) fought to shift \$800 million in offsets from the cottonseed package toward funding for an improved dairy program.

In the end, though, neither program could gain enough Senate support from either Republicans or Democrats, and both eventually were omitted from the bill, leaving cotton and dairy producers with no solution to the pressing issues they face.

"It's extremely disappointing, both what happened with this cottonseed policy package and how it happened," PCG Executive Vice President Steve Verett said. "This was a package that would have worked for both the budget and for cotton farmers, and we had the support across the industry and from other agricultural stakeholders. However, Congressional politics came into play, and nobody won."

If the proposed package had passed, cottonseed would have become a covered commodity as an "other oilseed" using funds previously allocated to the Stacked Income Protection Program and the elimination of generic base acres, two allowances made under current farm policy for cotton. Offsets generated from changes to those two cotton program elements would have been enough to generate the funds needed to sustain the cottonseed policy while ensuring long-term stability for producers.

"I am extremely disappointed in the recklessness and heartlessness of such an approach," House Agriculture Committee Chairman Mike Conaway said in a statement. "For the sake of both America's cotton and dairy farmers, I hope that all lawmakers will come together on policies broadly supported by those they are designed to help, thoroughly vetted, and fully paid for."

"Senators Stabenow and Leahy should not be playing games with the livelihoods of those who work hard to put food on our tables and clothes on our backs," Conaway said. "I want to reassure the nation's farmers and ranchers that I and many of my colleagues are fully committed to correcting this wrong and seeing them through their current economic challenges."

Verett said the industry will continue to work to that end, shifting their focus to working with new U.S. Secretary of Agriculture Sonny Perdue to examine opportunities to improve cotton policy directly through the USDA.

"We're down, but certainly not out, and we are encouraged by and grateful for the support we have from our friends in Congress," Verett said. "We will continue forward in doing everything we can to ensure that cotton has a strong future."

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<http://www.farmpolicyfacts.org>

NCC Announces 2017-18 Emerging Leaders Program Class

Thursday, April 27, 2017 From the National Cotton Council

Twelve U.S. cotton industry members have been chosen to participate in the National Cotton Council's (NCC) Emerging Leaders Program for 2017-18.

Participants include: PRODUCERS – Blake Fennell, Earth, Texas; Jesse Flye, Jonesboro, Ark.; Richard Heiden, Buckeye, Ariz.; Justin Jones, Smithville, Ga.; and Rose Robertson, Coolidge, Ariz.; GINNER – Cacky Sobral, Wilson, Ark.; MERCHANTS – Wesley Rentz, Greenville, S.C.; Beau Stephenson, Richardson, Texas; and John Stevens, Memphis, Tenn.; WAREHOUSER – Joe Tillman, Memphis, Tenn.; MARKETING COOPERATIVE – Jayci Cave, Lubbock, Texas, and MANUFACTURER – Kimberly Bamonte, Gastonia, North Carolina.

Now in its fifth year, the NCC's Emerging Leaders Program is supported by a grant to The Cotton Foundation from Monsanto.

NCC Chairman Ronnie Lee, a Bronwood, Ga., producer, said, "We are grateful for Monsanto's ongoing support of the Emerging Leaders Program. U.S. cotton needs dedicated leaders who are committed to helping our industry maintain a competitive edge in the global marketplace. This initiative is helping to identify men and women who have demonstrated the potential for taking on this important challenge and then encouraging and equipping them for this important task."

Overall, the Emerging Leaders Program provides participants with a better understanding of how the NCC carries out its mission of ensuring the U.S. cotton industry's seven segments can compete effectively and profitably in the raw cotton, oilseed and U.S.-manufactured product markets at home and abroad.

Specifically, participants get an in-depth look at: 1) the U.S. cotton industry infrastructure and the issues affecting the industry's economic well-being; 2) the U.S. political process; 3) the NCC's programs as well as its policy development and implementation process and 4) Cotton Council International's activities aimed at developing and maintaining export markets for U.S. cotton, manufactured cotton products and cottonseed products.
(*"COTTON NEWS" continued on Page 2*)

The Emerging Leaders Program also provides participants with professional development and communications training such as presentation and business etiquette, instruction for engaging with the news media, and utilizing social media tools and tactics.

Class members will participate in three sessions. The first session, set for the week of June 12, 2017, in Memphis and St. Louis, will provide an orientation to the NCC, professional development and communication skills training and an agribusiness briefing. During the second session, class members will see policy development at the NCC's 2018 Annual Meeting in February. The third session, to be conducted later in 2018 in Washington, D.C., will provide a focus on policy implementation and international market development.

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Does the Heritage Foundation Hate American Farmers?

Tuesday, April 25, 2017

From Farm Policy Facts

The Heritage Foundation is cranking up its anti-American agriculture propaganda machine in an effort to destroy what remains of the farm safety net just as Congress begins the process of writing the next farm bill.

"Farmers should be allowed to compete freely in the marketplace," they say while advocating for the elimination of farm policy and other risk management tools like crop insurance. Perhaps they haven't read a newspaper lately, or perhaps fundraising on the back of American farmers suits them better. Either way, they are out of touch with reality because there is no free market when it comes to agriculture. Our producers are competing against foreign governments and their treasuries, not foreign farmers.

A recent story in The Wall Street Journal - the second in a series describing the present day challenges of farming titled, "Plowed Under," outlines this fact. The headline itself is enough to worry most.

"U.S. Farmers, Who Once Fed the World, Are Overtaken by New Powers"

But, the story is downright alarming. Whereas the previous story focused on the depressed farm economy, this installment showcased foreign competition with the conclusion being "America's agricultural dominance has eroded."

It is a harsh statement and subject to debate, but it is worth a thoughtful examination. No doubt, as we have reported many times, our foreign competitors are more than ready to push the United States completely out of agriculture. What is telling about the WSJ story is how much our foreign competitors are trying to emulate American farmers while simultaneously trying to undermine them.

Consider this passage:

"Using high-tech machinery and the advanced seeds and chemicals common on U.S. farms, Mr. Gilioli, 37, has pulled record yields from his 5,000 acres in Brazil's Goiás state.

'Inside the farm, it looks just like the U.S.,' says Mr. Gilioli, who wears an Iowa State Cyclones hat, Levi's T-shirt and Wrangler bluejeans. Mr. Gilioli lived on a farm in Iowa for a year as an exchange student and has made four visits to tour farms across the Midwest."

Brazil is one of a number of countries found to be propping up its agricultural producers in violation of its agreements in the World Trade Organization. One study even found that Brazil, along with a few other countries, were not only increasing their subsidy rates beyond WTO limits, but also failing to report them so as to avoid reform.

Then just last year, a Chinese citizen was convicted of stealing corn seeds from an Iowa farm with one report calling it "one of the most brazen examples of Chinese economic espionage against the U.S."

This is in addition to a number of egregious examples of the Chinese government manipulating world commodity markets.

Additionally, the U.S. Trade Commission (ITC) ruled that Mexico had hurt American sugar producers by illegally dumping heavily subsidized sugar on the U.S. market in recent years.

This is the lopsided global playing field where American farmers are forced to compete. And, yet, Heritage's propaganda machine keeps churning out misinformation about the farm bill.

The tools in the farm bill help equip our producers to address some of the unique challenges inherent to the business, including being able to compete with foreign subsidies, especially right now when producers are struggling with the fourth straight year of declining net farm income.

The Delta Farm Press recently reported "one in five farmers are on the brink of insolvency or have decided to auction equipment and rent their land rather than face another year of mounting debts."

It's important to note that in spite of a depressed farm economy that is triggering the farm safety net, the Congressional Budget Office predicts the farm bill will save taxpayers more than \$100 billion. That is four times more than what was estimated at the time Congress passed the bill. This is a fact that Heritage will never acknowledge.

Additionally, the group likes to push a narrative that farming is like any other business, but the reality is much different. Galen Lee, the president of the American Sugarbeet Growers Association, described the economics of agricultural production like this:

"I can think of no other small businesses that must borrow so much money every year, only to run the risk of financial ruin if a seasonal storm strikes or a foreign government manipulates markets..."

"I don't know of many other occupations where low-cost, world-class producers - as we are in sugar - lose out to less efficient, highly subsidized competitors."

A free market may be a noble goal, but it is not reality. Until then, we cannot unilaterally disarm America's farmers and ranchers and expect those countries that already want us out of agricultural production to follow suit. We wish the Heritage Foundation and all opponents of farm policy would understand that fact and start rooting for the home team.

Editor's Note:

"Cotton News", a weekly service of Plains Cotton Growers to the cotton industry and news media in the 41-county High Plains area, is mailed from Lubbock each Friday. Its contents are confined to news items and comments pertaining to the High Plains cotton industry which is so vital to U.S. all. Anyone interested in making comments about the contents of this column can call 806-792-4904 or Email PCG at: editor@plainscotton.org