

## Pandemic fuels new farm concerns, appeals for more aid 'What's going on is unacceptable'

A backed-up food supply chain and a bottlenecked legislative process await senators as they return to Washington next week, and the desires for the next round of coronavirus assistance are already piling up.

Almost immediately after the “phase three” CARES Act was passed in March to spend more than \$2 trillion on economic recovery, with \$23.5 billion aimed at food and ag spending, lawmakers and lobbyists alike spoke of an expected fourth round of assistance. Now, with the implementation of that bill lingering and holes in the ag assistance starting to be revealed, some lawmakers are voicing their wishes for the next round of assistance and showing their frustration with the current state of play in farm policy.

**“I am sick and tired of answering questions that I can’t answer,” House Ag Committee Chair Collin Peterson, D-Minn., told reporters Tuesday. He said he’s fielding phone calls from everyone ranging from producers in his district to actor Richard Gere with questions about the current state of the food system.**



*House Ag Committee Chair Collin Peterson, D-Minn.*

“How come we’re euthanizing animals' and 'how come we’re plowing up vegetables' and 'how come we’re dumping milk when we have hungry people lining up at these food shelves.' And I don’t have an answer,” he said. “After this is over, we will have an answer or I won’t be chairman of the ag committee anymore. **This is going to change. What is going on is unacceptable and it will not be the situation when we get out of this, and I guarantee that.**”

Peterson said he would oppose efforts to boost funding to USDA’s Commodity Credit Corporation if Congress was not given more say over how the money was spent and leaders of

the ag panels did not authorize the spending. He's also pushing for creation of a disaster program that can respond to any future crisis, and an investigation into the commodity procurement process, as he wonders if routing those purchases through the Supplemental Nutrition Assistance Program and grocery store infrastructure might be more efficient.

Another push for the upcoming legislation could be impacted by an executive order announced Tuesday by President Donald Trump to use the Defense Production Act to require meatpacking facilities to remain open during the outbreak, despite sometimes contrary orders from state and local governments. Many plants have shuttered after outbreaks among their employees, leaving producers wondering where they might take animals ready for harvest.

For some, the answer is nowhere, and the animals must be euthanized. Peterson and Sen. Chuck Grassley, R-Iowa, both spoke with reporters Tuesday about a push to indemnify producers forced to depopulate their herds, but indemnities haven't been put in place yet. Peterson said USDA Undersecretary Greg Ibach said existing authorities only allowed for indemnities to sick animals.

As for other priorities, **Grassley said he plans to continue to push for help for the ethanol industry, including two priorities the sector emphasized in the CARES Act debate.** Then, Grassley pushed at the behest of ethanol groups for subsidization of ethanol blending stock and a loan guarantee for a pipeline. Those requests were based on a philosophy of equal treatment if oil companies were to receive assistance, which Grassley said didn't happen in the last bill.

**“None of that happened, so there wasn't the need for equity for ethanol,” he said. “Those ideas have popped up again.”**

Senate Ag Appropriations Subcommittee Chair John Hoeven, R-N.D., told reporters Monday that lawmakers were discussing some form of assistance for the ethanol industry.

“We haven't come up with something, but clearly that is something that is under discussion,” he said.



*Sen. John Hoeven, R-N.D.*

**There's also the matter of payment limits, which many lawmakers would like to see lifted from the current \$125,000 per commodity and \$250,000 per entity limits included in the USDA aid package.** In addition, commodity groups are pushing for more support, and a growing number of unemployed are seeking food assistance as the COVID-19 pandemic continues to linger.

But the House and Senate may be on different timelines for what comes next. Hoeven said he expects Senate Republicans to take a “wait and see” approach to study the effectiveness of some programs already put in place by previous recovery bills. Peterson, however, wants aid to get to producers hit by unexpected challenges. He said the \$14 billion in CCC money in the last bill — money that can't be spent until July 1 — might come too late.

**“If this goes on and we can't get these plants open, we're going to have a lot of farmers go bankrupt,” he said, “and they're never going to come back into business again.”**

## With clean truck strategy, CARB frames issue as a public health crisis linked to COVID-19

Despite the coronavirus pandemic and most of the nation under a lockdown, the California Air Resources Board (CARB) is racing to finalize a comprehensive air quality strategy, drawing together its many current and proposed clean vehicle regulations.

Agriculture groups fear the ambitious goals for medium- and heavy-duty trucks will grow and expand to encompass more businesses over the coming years, further escalating shipping costs during an already uncertain economic time.

**“Those (trucks) are big for getting our product to and from facilities as well as from processing facilities to market,” said Chris McGlothlin, a policy advisor for the Western Agricultural Processors Association (WAPA) who has been closely involved with the regulations. “That’s an area that we’ve been focusing on pretty heavily.”**



Chris McGlothlin

The plan, known as the 2020 Mobile Source Strategy, also relies on incentives programs that have helped farmers upgrade their tractors and equipment. But funding for this was already dissipating before the nation began its plunge into a recession this year.

The strategy encompasses a broad range of regulations and potential policies for on- and off-road vehicles, as well as ships, locomotives and lawnmowers, and builds significantly from the original 2016 strategy.

“There remains a need for additional state effort, particularly for heavy-duty trucks and engines to accelerate the transition of the mobile sector to the cleanest technologies possible,” said CARB Executive Officer Richard Corey in a board meeting last week.

Corey pointed to near-term deadlines that must be met for lowering pollution levels in the San Joaquin Valley and the South Coast regions, where the state’s most vulnerable populations have



The state is ramping up efforts to clean up trucks as part of its carbon neutrality directive.

been impacted by poor air quality. Last year, Gov. Gavin Newsom signed into law Senate Bill 44, which requires CARB to complete an update to the Mobile Source Strategy before 2021. Staff plan to release a draft to the board in the fall.

**Staff have been responsive to industry concerns about the aggressive timelines. CARB has extended some comment periods for specific programs like the zero-emission mandate for refrigeration units on trucks. Yet the agency is not delaying any of its processes for major new regulations.**

Instead, the board has actually been encouraged by new research linking chronic air pollution to higher COVID-19 mortality rates. CARB also announced in the meeting it would be ramping up its own research efforts during the pandemic, including a more in-depth study on the relationship between COVID-19 and air pollution on economically disadvantaged communities and communities of color.

**“This connection highlights another benefit from strong air pollution controls and an import reason to keep pushing forward on clean air progress as quickly as possible,” said CARB program manager Bonnie Soriano.**

Board Chair Mary Nichols also pointed to the billions of dollars Congress has been sending to the state as part of its COVID-19 emergency relief funding, calling it “a tremendous opportunity to help California leap forward in efforts to eliminate combustion.”



CARB Chair Mary Nichols

The Mobile Source Strategy is the first step in developing new regulations and programs for federally mandated air quality plans and for an update to CARB’s Climate Scoping Plan in 2022.

**“The scenarios are basically aggressive, because we don't want to undershoot the needed technological transformation at the beginning point,” said Corey.**

**Within the Mobile Source Strategy, agriculture is specifically targeted for tractors and all-terrain vehicles (ATVs).** The industry contributed to 18% of the nitrogen oxide emissions last year in the San Joaquin Valley. To address the issue, CARB, in partnership with the local air pollution control district has been setting standards to accelerate the adoption of tier 4 tractors among farmers, a still new and costly market for the equipment.

Gov. Jerry Brown’s administration set up an incentive program to cover some of those costs, known by the acronym FARMER. The budget for the incentives comes from the state’s cap-and-trade program. Yet revenues were down significantly at the start of the year, as shown in the broad cuts to incentives programs in the governor’s January budget proposal. **The sudden recession means the state is not likely to make up for the shortfall before the air district’s upcoming deadline for compliance. The agency has yet to answer the question of what CARB will do if that funding does not materialize.**

CARB staff have repeatedly highlighted how successful FARMER has been in reducing pollution, recognizing the value of the program and giving McGlothlin hope.

**“That's a huge positive for us,” said WAPA’s Chris McGlothlin. “That further highlights the need for that kind of money to push this incentive program along, because there's definite buy-in from our industry.”**

The future of the program will be made clearer in mid-May, when Newsom releases his revised budget proposal.

The industry has also been closely following the evolution of CARB's Advanced Clean Trucks regulation, which also falls within the umbrella of the 2020 Mobile Source Strategy.

**To meet the state's carbon neutrality goal for 2045, CARB is proposing to require 3% of truck sales include zero-emission models in 2024, phasing up to 60% for some truck classes by 2045. Staff anticipate zero emission vehicles will make up 76% of the total statewide fleet inventory by 2045.**

State and national trucking associations called the sales mandates "extremely ambitious" and at a pace not seen even in the consumer car market, where the technology is already commercialized and performance expectations are lower. Yet some environmental groups are pushing for those numbers to be even higher, to better ensure the pollution goals will be met.

The proposal also requires businesses with more than \$50 million in annual sales to inventory all trucks going in and out of their facilities and report on those emissions sources. McGlothlin said it would only be "a short step" for them to expand that rule to all businesses.

Adding to this, CARB has been regularly updating other greenhouse gas reduction mandates for truck manufacturers, pushing them to clean up diesel engines and add design elements to tractor trailers to create less wind drag and more fuel efficiency.

CARB also plans to add requirements on pickup trucks beginning in 2027. It raised concerns at a CARB meeting on the clean truck rule in December.

**"We expect the costs of all pickup trucks to increase under this rule," said Noelle Cremers, a policy advocate at the time for the California Farm Bureau Federation.**

**Cremers explained that for a rancher to cover the cost of buying a pickup truck in 1980, he would have to sell about 17 calves. Today that number is 47 calves.**

"Any additional cost is born by that business and they don't have the ability to pass that on," she said. "They have to somehow come up with that new money."

The Farm Bureau encouraged the board to pursue incentives rather than mandates for zero emission vehicles.

Along with the uncertainty over the budget, CARB will have to reach an agreement with the U.S. Environmental Protection Agency. The state must apply for special permission to enforce mandates like the Advanced Clean Trucks rule. The ongoing battle over emissions standards for consumer cars has shown how strained that relationship has become lately.

CARB staff are instead pinning their plans on the presidential election. Both the clean truck rule and the 2020 Mobile Source Strategy will not be ready for board approval until after November.

## Confronting COVID-19, produce growers quickly altered work patterns to protect employees

With COVID-19 hitting hard in California over a month ago and major portions of the economy under lockdown, many growers were in full harvest mode in the Imperial Valley, the Coachella Valley and near Yuma, Ariz. Hundreds of farm workers were toiling side by side, harvesting lettuce, broccoli, cabbage and other types of fresh produce for hungry consumers.

It didn't take long for those same growers to realize that something had to change quickly before things went much, much worse.



Dave Puglia

**“We saw a rush to develop enhanced procedures and protocols to protect our work force,” says Dave Puglia, President and CEO of Western Growers.** “To my knowledge, well over 90% of growers in the produce industry who were harvesting and processing at that time made dramatic enhancements to all of those protocols - even before federal and state governments issued guidelines.

**“Many people forget that, if we don't have a workforce because we have to quarantine people at home with the virus, we're out of business. There is not an ample supply of workers waiting in the wings that we can turn to,”** he said during an interview with *Agri-Pulse*.

Almost overnight, specialty crop producers changed the way they operated by staggering work times, increasing shuttle transports, and providing educational training to keep employees safe during the COVID-19 outbreak.

In Arroyo Grande, Calif., Talley Farms which grows broccoli, beans, cauliflower, peppers and tomatoes decided to limit the use of harvest aid equipment to pick vegetables.

“Now we no longer do that which makes our harvesting a little bit less efficient, but it allows us to social distance out in the field,” Talley Farms Farming Director Ryan Talley told *Agri-Pulse*.

Based on the season, the farm employs anywhere from 125 to 275 people and heavily relies on the H-2A visa program, which allows producers to bring in foreign workers temporarily to help with labor and other services.

Talley said H-2A harvest workers make up about 40% of their workforce. Talley provides housing, which is disinfected on a nightly basis. He said Talley also had to designate housing for quarantined workers.

One of the biggest challenges has been educating employees to stay separated during break and lunch hours, as well as on the job. Talley said employees tend to congregate and chat on breaks and sometimes play card games.

To further protect employees, Talley said the company has limited the number of workers in vehicles, which adds to transportation costs.

“We’re shuttling a lot more because we are not allowing the full capacity in our vehicles for individuals,” Talley said. “You’re making two trips now instead of one.”

Alexandra Allen, who operates Mainstreet Produce and Freshway Farms in Santa Maria, which grows strawberries and broccoli along with other cool season vegetables, told *Agri-Pulse* her company is asking employees to wear face coverings, and to bring their own if they have them because the company can't procure enough for everyone. She said the company would provide coverings if an employee did not have any of their own.

“We just don’t feel confident that we can get the volume that we would need on a daily basis if we started actually providing them,” she said.

She said it took a few days for workers to comply with wearing face coverings because of cultural differences. Educating employees about the virus helped. Some 75 out of roughly 500 employees are H-2A workers. Workers also are advised that paid sick leave is available.

To monitor employee symptoms, her company is intending to increase safety specialist staff from two to roughly seven specialists and has ordered touchless thermometers to check workers' temperatures.



Alexandra Allen

**“All this additional training takes time and takes money,” Allen said. “We’ve really just kind of reconfigured the whole work pattern. It is not as efficient and not as effective but obviously those things take second place,” Allen said.**

She said the Families First Coronavirus Response Act allows the employer to request documentation if an employee is sick, however the California executive order for employers of more than 500 that was announced April 22 is not clear about whether or not employers can request documentation regarding the condition of the employee.

“That is a little bit problematic, she said.

“I would just like clarification that we can request documentation from a medical care provider that they do indeed need to use emergency paid sick leave,” she said.

The company has changed harvest operations in order to maintain six feet of distance in the field. They are requiring workers to pick in every other row rather than right next to one another.

Roughly 150 miles north at Terranova Ranch in California’s central valley, General Manager Don Cameron told *Agri-Pulse* his company started staggering start times for employees.



Don Cameron

“We have about 65 full-time employees, so we thought the better separation earlier in the day, the better,” he said.

The ranch is diversified and grows organic, conventional, and biotech crops from almonds to pistachios along with a wide variety of vegetables. Cameron said they have started taking employees temperatures every morning along with providing masks.

“We’ve even required them to wear their masks on their commute to work,” he said.

All of these changes seem to be paying off for workers and grower/shippers.

“To the best of our knowledge, there has been limited reported cases of the coronavirus hitting work crews,” Puglia says. “One area was in a Coachella Valley packing facility and another in Monterrey County. But so far, the industry seems to have responded quickly and effectively to limit the spread of the virus.”

“If we can limit the spread and continue to keep grocery store shelves stocked with fresh produce then all the better,” he adds.

Going forward, Puglia says there are still concerns about access to enough personal protection equipment (PPE), including face masks, and cleaning supplies used to sanitize equipment.

“We are working with other industries - not in the ag sector, but in manufacturing - to create a more efficient supply chain to acquire and distribute PPE where it’s needed for our workforces.

“I hope we are on the cusp of getting ahead of that problem but the speed in which this hit caught everybody who needs PPE off guard, so we are all catching up.”

Puglia said there is also an ongoing need for facilities, like hotels and motels under contract, to house quarantined single workers and “help them get through that two-week period without going back to their homes and neighborhoods and possibly spreading the virus.”

“That will cost a lot of money and we probably need more of those facilities to be under contract and ready to be utilized,” he adds.

Overall, state policies and executive orders issued by Gov. Newsome have offered flexibility and have been largely positive.

He said Western Growers asked very early on for Gov. Newsom and his team to address the urgent needs of essential workers, including childcare for employees whose kids' schools were closed.

**“These are largely two-income families who really can’t afford to have one of the incomes stopped and all of a sudden, kids aren’t in school and there is no childcare support. Newsom delivered on that 2-3 weeks ago. That’s been very helpful.”**



## Biden's campaign ramps up rural effort with key advisors

Joe Biden's presidential campaign is gearing up a rural campaign effort that's designed to look more like Barack Obama's winning campaign in 2008 than Hillary Clinton's historically poor performance in rural districts that cost her critical swing states.

**With Biden now the presumptive nominee, the former vice president's campaign is setting up a rural advisory committee that will be co-chaired by Phil Karsting, a former administrator of USDA's Foreign Agricultural Service under Barack Obama.** The second co-chair hasn't been named yet, but it's likely to be a female agriculture leader.

Larry Strickling, who was the Commerce Department's assistant secretary for communications and information and administrator of the National Telecommunications and Information Administration during the Obama administration, is overseeing the selection of the rural committee and other advisory panels.

**"There is a general understanding on the Democratic side of the aisle that the party needs to do a much better job of reaching out to rural Americans, including the farm community,"** said Marshall Matz, a lobbyist on agriculture and nutrition policy who chaired Obama's agriculture and rural advisory committee in 2008.

"It is not just on farm issues that Democrats need to show up, but on all issues, starting with health care. Most rural hospitals don't have even one ventilator and that is a concern for rural Americans," he told *Agri-Pulse*.



Former Vice President Joe Biden on the campaign trail

One longtime farm policy leader who's been asked to join Biden's ag advisory committee is Roger Johnson, who retired in March as president of the National Farmers Union. Johnson told *Agri-Pulse* that Biden needs to campaign in rural areas aggressively.

**"Showing up makes a big difference. I also think he needs to focus on competition in the markets,"** Johnson said, referring to the longstanding concerns that many producers have about agribusiness consolidation.

Former Agriculture Secretary Tom Vilsack, who campaigned for Biden ahead of the Iowa caucuses and advised his campaign on the development of its rural and climate policies, also is expected to play a role in the campaign along with other Obama administration veterans. The Biden campaign chose not to have former Obama cabinet officials chair the advisory committees.

Clinton didn't have a formal rural committee, while Trump did. At one point during the campaign, her senior staff met in New York with representatives of major farm groups, but the

meeting didn't result in a visible effort to reach rural areas. Trump's committee, announced in August 2016, was chaired by Charles Herbster, an Angus cattle breeder and farmer in Nebraska.

Vilsack pushed the Biden campaign specifically to talk about climate change in ways that wouldn't put off farm groups and rural voters. Biden's campaign plan calls for making U.S. agriculture carbon-neutral through voluntary measures to reduce greenhouse gas emissions and store carbon in the soil.

Vilsack, who is president and CEO of the U.S.-Dairy Export Council, an export promotion arm of the dairy industry, told *Agri-Pulse* he isn't sure yet how he will assist the Biden campaign. He says he has access to the campaign, noting that Biden's new campaign manager, Jennifer O'Malley Dillon, has Iowa ties — she headed John Edwards' campaign in the state — and he also knows Biden's policy and political directors.

**“The Democratic Party generally is much more sensitive to the importance of rural people and places than they were prior to the 2016 election,”** he said. He noted as an example that the Senate Democratic Policy and Communications Committee, chaired by Sen. Debbie Stabenow, recently released a report on how the federal government should address the COVID-19 crisis in rural areas. Stabenow is the top Democrat on the Senate Agriculture Committee.

Trump's big margins in rural Michigan, Pennsylvania and Wisconsin contributed to his narrow wins in all three states. He carried the three states by a combined margin of fewer than 78,000 votes. Clinton also lost Iowa, which Obama had carried in 2008 and 2012.

In an analysis of the 2016 election, Michael Barone, a resident fellow at the American Enterprise Institute, said in Pennsylvania and seven Midwestern states — Illinois, Indiana, Michigan, Minnesota, Missouri, Ohio and Wisconsin — Clinton's margin in non-metro “outstate” areas was lower than Obama's in 2008 and 2012 and lower than John Kerry's in 2004 in some places. Barone predicts that Clinton's performance would “draw more politicians' attention to voters in the previously disregarded outstate Midwest.”



Tom Vilsack

Biden just has to be better than Clinton in rural areas, said Vilsack. **“It's not about winning a majority. It's just not getting beat 80-20. If you get beat 65-35, if you get beat 60-40, you're gonna win Pennsylvania, you're gonna win Michigan, you're gonna win Wisconsin, because you're going to do better in the urban centers and suburban areas,”** Vilsack said.

Vilsack thinks the fact that Biden and Trump will be unable to hold large campaign rallies for the foreseeable future due to the pandemic could actually help Biden reach rural voters. The candidates will be forced to do smaller web-based events that are much more targeted to specific groups and areas than rallies.

“With a virtual campaign, which is probably what we're going to see more of, you have the capacity to go to those remote places that in the past, you might not have had the time to do,” Vilsack said.

An organization, independent from the Biden campaign and the Democratic National Committee, that will be trying to help Biden and Democratic congressional candidates is the One Country Project, a 501(c)(4) nonprofit founded by former Democratic senators Heidi Heitkamp of North Dakota and Joe Donnelly of Indiana after they lost re-election races in 2018.

One Country advises candidates on how to address rural voters' concerns and monitors social media to track trends in the views of rural residents. Heitkamp warned Democrats against supporting Medicare for All, which would have abolished private health insurance, writing in a Washington Post op-ed that supporting that policy “would give Trump a costly, drastic proposal to attack.” Biden notably refused to support Medicare for All, saying he instead wants to build on the Affordable Care Act.

Although Biden is being pushed by progressives to reach out to the younger voters who tended to support Sen. Bernie Sanders, Heitkamp notes that older Americans are more reliable voters.

She said her project's goal “is to reintroduce the Democratic Party to rural America and rural America to the Democratic Party, and long term, to get better policies for rural America moving forward.” Some congressional candidates have been using the group's analysis.

**“If I can point to one thing I would measure as a success for One Country, it's the fact that everybody pretty much accepts that you can't walk away from rural America,” she said.**

## **As more consumers cook at home, American food system looks for new ways to sell food**

There's no doubt consumer behavior has changed since the coronavirus outbreak began shuttering schools, cafeterias, and restaurants in mid-March. But that change in consumer behavior has also forced changes in supplier behavior as food companies of all sizes adapt to selling food in new ways and to new customers.

Consumers had been eating more and more of their food outside the home in recent years, with restaurant sales outpacing grocery store sales for the first time in 2016, according to CBRE. But now, consumer options are severely limited. Many restaurants that have remained open have done so with limited menus and restricted themselves to takeout and delivery orders, forcing hungry consumers back to a familiar, but somehow a little foreign, place: the grocery store.

But the conversion from restaurant to retail also presents challenges for producers and suppliers across the food system.

**“It's not as easy as just flipping a switch and converting from food service to retail,” Tom Super, a spokesman for the National Chicken Council, told *Agri-Pulse*. “There's a lot of frozen product in cold storage — a lot — that we would love to just send to the supermarket, but a lot of those products are in huge 40-pound-plus boxes.”**

Chicken serves as a case study of the drastic difference in consumers' behavior when they're called upon to cook food for themselves. Chicken wings, a staple of bars and restaurants across the country, still sell, but not at the same clip as breasts and thighs.

But having the product and being able to sell it are sometimes not one in the same, and companies are forced to — pardon the pun — wing it.

A spokesperson for Perdue Farms Inc. said the company has “shifted much of our total production to accommodate the variation in demand” and “simplified the mix of products we’re producing at this time,” a decision that emphasizes production capacity for breasts, thighs, drums, and nuggets. The company has also added additional Saturday shifts at some production facilities to keep up and created a new direct-to-consumer website.

Guidance from USDA’s Food Safety and Inspection Service offered a little flexibility for companies looking to move bulk product to the retail consumer. In March, FSIS announced enforcement discretion on certain labeling practices that would allow sale of products intended for “hotels, restaurants, or similar institutions” without nutrition labeling. **A handful of other flexibilities were also included, but as Ashley Peterson, NCC’s senior vice president of science and regulatory affairs, pointed out, the flexibility only extended to single-ingredient items: A bag of chicken breasts would qualify; a box of breaded chicken patties would not. The FSIS enforcement discretion extends through May 26.**

While chicken has long been a core protein on restaurant and cafeteria menus, other parts of the protein value chain are facing similar issues.

Tom Windish, retail chain president for Cargill’s protein division, told *Agri-Pulse* the company has seen big sales jumps for ground beef and turkey, but noted some product offerings might be limited to focus on plant productivity.

“In some cases, we’ve turned off items that are less efficient and increased the volumes on things that are more efficient,” he said, specifically offering ground product as an example. “In the case of maybe a grind section, maybe not having all the different lean points and all the different packaging sizes that you might see in the retail case to make sure we reduce changeovers and are as efficient as we can be.”

**One bright side in the food service category, Windish noted, is that quick-serve restaurants, especially those with drive-through capabilities, have had their sales “bounce back in a meaningful way over the last couple of weeks.”**



Bridget Wasser, NCBA

According to a Cargill spokesperson, the company has seen "demand for meat increase 15-20 percent in volume over our baseline."

Windish and Bridget Wasser, the meat science, culinary, and supply chain executive director for the National Cattlemen’s Beef Association, also both mentioned growth in end cuts like chuck and round roasts. As Wasser put it, consumers are taking advantage of availability of both cuts of beef and of their own time.

“You have more time to prepare it. Most people have tabletop or countertop appliances that can help do that; ‘set it and forget it’ and go teach home schooling to your kids that are home now,” Wasser said. “We’re seeing a lot of interest in comfort food recipes, batch cooking recipes ... and I think consumers are just finding comfort in cooking food more so than they usually would.”

Windish said "it's too early to say if it's a new cooking phenomenon or if ... people are adjusting their behaviors and what they buy in the store." But Wasser did point to optimism for beef sales in the upcoming summer grilling season.

“Regardless of where we are in terms of stay-at-home (orders), I think people are going to be looking for ways, when the weather is nice, to get outside and grill,” she said.

**A boom in sales of ground beef, up about 30% since mid-March, could possibly lead to the grinding of more products than usual, Wasser and Windish noted.**

Some sellers have also been forced to exhibit a little creativity in their business models, such as selling direct to consumers. Some restaurants are even offering grocery items as add-ons to takeout meals. Consumer interest in the direct sales model has also exploded. Food service giant Sysco created a website to sell some of its restaurant-quality steaks online, giving consumers the chance to buy multi-packs of USDA prime grade beef.

One company’s explosive growth underscores the interest for consumers in getting food directly from the manufacturer at bulk. Baldor Specialty Foods, a New York-based food company, began offering direct-to-consumer purchasing in mid-March. According to Michael Muzyk, Baldor’s president and the chairman of United Fresh, a handful of orders in their first few days eventually skyrocketed, maxing out at 2,000 orders each day. The company is now up to 15,000 orders.

**United Fresh spokesperson Mary Coppola tells *Agri-Pulse* before the COVID-19 outbreak, food service channels accounted for about 40% of fresh fruit and vegetable sales and grocery sales accounted for about 60%. Now, retail sales are increasing but not enough to make up for the sharp drop in food service.**

She said messaging about the benefits of fresh produce and consumer concerns about their own health led to a boost in sales as shoppers initially stocked up. That wave of purchasing has fallen off, but sales are still steadily higher.

As for the drop in food service sales, Coppola said something that rings true across most sectors of the food supply chain: the restaurant and food service business is still there, but companies are shifting their businesses to expect less of it.



Mary Coppola, United Fresh

“Yes, there’s a lot of business that was lost, but there’s also a lot of businesses trying to hold on,” she said. “So whether they’re doing takeout or delivery, whether it’s school systems that are still offering meals for students to be able to come by and pick up on a daily basis, there’s still food moving through some of that food service channel.”

## **Pandemic drives urgency for international food aid**

The number of people facing starvation is on the rise around the world because of the global COVID-19 crisis, and humanitarian organizations and farm groups are pushing for the Trump administration to boost donations of rice, wheat and other commodities.

**The United Nations' World Food Programme is predicting that the COVID-19 pandemic will push 130 million people “to the brink of starvation,”** in the words of WFP Executive Director David Beasley in a speech last week before the United Nations Security Council.

That would nearly double the 135 million people already suffering from extreme hunger.

“It is critical we come together as one united global community to defeat the disease and protect the most vulnerable nations and communities from its potentially devastating effects,” Beasley said.

**The U.S. is already a major donor of international humanitarian aid, providing more than \$2 billion worth of food, both in the form of cash or local food purchases and actual U.S.-grown commodities. The U.S. will supply \$1.7 billion through the USDA/USAID Food for Peace program in fiscal 2020.**

Tuesday was the final day for bids to provide transportation for 40,000 metric tons of U.S. soft white winter wheat to war-torn Yemen, which the U.S. is donating under Food for Peace. It will be just one of many donations of food assistance this year, but shipments like that were calculated before COVID-19, and farm groups including the USA Rice Federation, say more will be needed.

**“The world was in a tough spot before ... and now we have a natural cause that’s exacerbating the situation in a way that’s so fast,” says Rebecca Bratter, a food security consultant for USA Rice. “We can’t ignore that. We’re all connected here. What happens in the far corners of the world affects every single one of us. The rice industry will always be ready to step up and provide food for food aid.”**

Congress last month approved a \$2 trillion stimulus package to counteract the pandemic, but none of that money is going to boost overseas donations. The bill included \$23.5 billion for the U.S. ag sector. USDA is using a portion of that to provide direct assistance to farmers and ranchers as well as buy up \$3 billion worth of much-needed commodities for food banks and other feeding programs. An additional \$14 billion that the bill authorized for USDA will become available for the department to spend in July.

Officials at USDA and the U.S. Agency for International Development stood ready to accelerate overseas donations when Congress approved the funds, but domestic needs took precedent, according to government officials. Food banks and grocery stores are struggling to keep shelves stocked while farmers are plowing under vegetable fields because the food service industry remains shuttered.

**“We are supporting every effort we can to help feed a troubled and hungry world, whether that’s on the domestic front, where we know we have a lot of our fellow citizens who are in need of food assistance, as well as being mindful of the U.S. and its continued role in**

**feeding those in need around the world,” American Farm Bureau Federation Executive Vice President Dale Moore told *Agri-Pulse*.**

Congress is expected to approve more funding, and there is a growing call that at least some of those funds go toward addressing the international crisis. The Senate will be back in session next week, but the House canceled plans to come back at the same time because of concerns about the spread of COVID-19 in Washington, D.C. House Majority Leader Steny Hoyer, D-Md., said "we hope to come back very soon" to consider coronavirus aid legislation.



Dale Moore, AFBF

There is no timetable yet for the next pandemic relief bill. But four senators, two Republicans and two Democrats, are calling attention to the need for U.S. food assistance.

“We can help protect against this, in part, by providing high-quality, U.S. grown commodities like wheat, sorghum, soybeans, corn or rice to people suffering from hunger and living in places where markets aren’t properly functioning or able to meet demand,” the senators said in a recent letter to Agriculture Secretary Sonny Perdue and Secretary of State Michael Pompeo. “With depressed U.S. commodity prices, these humanitarian exports help American farmers, while also feeding a hungry world.”

**The senators — Jerry Moran, R-Kan., Robert Casey, D-Pa., Tammy Baldwin, D-Wis., and John Boozman, R-Ark. — did not go so far as to demand more funds for USDA and USAID programs, but stressed the agencies “should be taking every possible step to ensure they are able to perform this and other tasks expeditiously and with sufficient resources.”**

But those who focus on the neediest of people around the world are also hoping the U.S. will speed up existing international aid and boost spending.

**“WFP could absolutely put that food to good use,”** WFP spokesman Steve Taravella told *Agri-Pulse*. “WFP welcomes additional donations of food from the US government as we always have — rice, wheat and other commodities. There are many places where US food commodities can help us avert starvation and where we’re already using them. We could especially put other such contributions to use in the Horn of Africa or Yemen, for instance.”

**The U.S. has been the largest donor to the World Food Programme since it was created more than 50 years ago. Last year the U.S. contributed \$3.3 billion out of the \$8 billion in total donations to the WFP. So far this year, the U.S. has donated \$1.06 billion.**

“We expect that figure to grow in the months ahead, given the US government’s long history of responding to crises around the world,” Taravella said.

Ryan Quinn, deputy director of Bread for the World, said he expects the international crisis to be long term as the rise in extreme hunger creates malnutrition on an epic scale.

**“Acute hunger is doubling because of this crisis,” said Quinn. “We’re asking for at least an additional \$12 billion for international relief as part of a future supplemental. ... We’re going to have a real problem on our hands if there isn’t a bigger infusion of cash.”**

## **NRCS hiring 1,000-plus employees to bolster field offices**

Understaffed for years, the Natural Resources Conservation Service is making a push to hire more than 1,000 employees so farmers can be assured of receiving technical assistance on conservation practices.

**“We need about another 1,200 employees across the board to actually maintain peak performance across the country, so we’ve been very aggressive in working with our HR team all across the country,”** NRCS Chief Matt Lohr said on *Agri-Pulse’s “Open Mic”* podcast April 19. The goal, he said, is to be at 10,600 employees by the end of the year. So far this fiscal year, which ends Sept. 30, NRCS has hired 331 employees.

As of late January, the agency had about 8,800 full-time staff, with about 98% of them outside of Washington, D.C., and the vast majority of those in more than 2,500 offices nationwide.



*NRCS Chief Matt Lohr*

**“We’re making a lot of headway but we’ve got a lot of work to do,”** Lohr said.

The increased hires will be welcome in rural America. New personnel are “a great opportunity to help out landowners and the rural economy,” says Coleman Garrison, director of government affairs for the National Association of Conservation Districts.

**Bruce Knight, who served as NRCS chief from 2002 to 2006 and now heads up Strategic Conservation Solutions, adds that NRCS needs new people to implement conservation programs such as the Environmental Quality Incentives Program, which Lohr calls the agency’s “bread and butter” program.**

Under the 2018 farm bill, EQIP funding is going up from \$1.75 billion in fiscal year 2019 to \$2.025 billion in FY2023, compared to an average baseline of \$1.75 billion over FY 2019-FY2023.

Attrition has been a problem in keeping NRCS staffed, the agency says. “During fiscal years 2016-2019, NRCS had an average attrition of about 730 staff per year, of which about half was due to retirements,” a spokesperson said. **From fiscal years 2014 through 2019, NRCS lost 4,907 employees to attrition, according to USDA budget documents.**

**Agriculture Secretary Sonny Perdue says the problem is department-wide.** At a March 4 House Agriculture Committee hearing, Perdue said in written testimony that “for the fifth consecutive year, attrition at USDA outpaced hiring in fiscal year 2019.

**“Our agencies hired 5,002 permanent employees, while 6,954 employees left USDA, most of whom were field-based,”** he said. **“Already in Fiscal Year 2020, USDA faces a deficit of hiring to attrition of nearly 600 employees.”**



Perdue has received limited “direct-hire” authority from the Office of Personnel Management to expedite hiring for NRCS, the Forest Service, Farm Service Agency and Rural Development, but that authority “is limited by position, location, and duration and retains many restrictive features of the traditional federal hiring process.” He asked for help in obtaining “expanded direct-hire flexibility ... to fill our field and front-line positions.”

Both Garrison and Knight say the increased interest in agricultural sustainability has created a good environment for hiring. “There are greater expectations from the public,” Garrison says, mentioning issues such as hypoxia in the Gulf of Mexico and algal blooms on Lake Erie, caused in part by excess nutrients from farms, lawns and golf courses.

**“A large number of folks are taking sustainability and soil health seriously now,” Knight said. Where in the past it might have been difficult finding soil scientists and engineers, the rise of the “food movement” has led to an increase in qualified candidates, he said.**

Knight offered as an aside that relocations of employees at the Economic Research Service, National Institute of Food and Agriculture, and Interior Department have allowed NRCS to “pick up some really talented conservationists.”

**“Folks who weren’t wanting to leave D.C. are picking up empty positions at headquarters,” which are the most difficult slots to fill.**

Technical assistance is key for NRCS, Garrison said. “We hear a lot anecdotally about farmers not necessarily needing a contract, just the technical assistance,” he said. “Those one-on-one conversations are just as important.”

The COVID-19 crisis has left many recent college grads in a tough spot, Knight said, adding, “It’s a good time to hire.”

But COVID-19 also has thrown a wrench into a program NRCS was hoping to roll out this spring. The Conservation Agricultural Mentoring Program (CAMP) will take recent hires or relocated employees and partner them with farmers over a period of 12 to 18 months.

**The goal, Lohr said, is to help NRCS employees “understand what it’s like to walk in the shoes of that farmer or rancher.”** Many new employees do not have farming experience, and CAMP will give them insight into issues such as labor, crop inputs, equipment, machinery “and the risks producers navigate every day, as well as some of the cultural factors and influences that impact producers,” Gregory Shanahan, a management analyst at NRCS, said in a [webinar](#) explaining the program.

“NRCS was preparing to implement the program in 17 states as the COVID-19 pandemic began,” a USDA spokesperson said. “Due to the pandemic, those states have not been able to roll the program out, so program activities have not begun. We don’t know yet how many farmers may participate.”

## News Briefs:

**Lawsuits challenge new 'waters' of the U.S. definition.** The lawsuits have begun over the government's latest attempt to define "waters of the U.S.," with New Mexico ranchers and Chesapeake Bay conservationists challenging the recently published rule. The New Mexico Cattle Growers Association, while saying the new rule is better from their perspective than the Obama Administration's 2015 rule, has nonetheless supplemented an earlier complaint against EPA and the Army Corps of Engineers to add claims against the new regulations, which NMCG says sweep in isolated, nonnavigable waters used to water livestock and irrigate crops. Among those waters are "intermittent nonnavigable tributaries" that occur frequently on private property that is used for a variety of purposes, including farming, ranching, roads, ditches, wells, pipelines, reservoirs and ponds," the complaint says. "The new rules let federal agencies control ponds, wetlands, and other property far removed from navigable waterways," Pacific Legal Foundation attorney Tony Francois said. "These were never intended by Congress to be covered by the Clean Water Act." The Chesapeake Bay Foundation also has sued, saying the new definition "strips coverage from key waterbodies and wetlands that watershed science has demonstrated to have a significant nexus to downstream waters." In addition, the final rule "removes all ephemeral streams from protection and requires wetlands to maintain a surface water connection to a traditionally navigable water, an interpretation previously rejected by the majority of the Supreme Court."

**Judge dismisses suit challenging California's Prop 12.** The latest challenge to California's Proposition 12, the 2018 law that requires sows have enough space to stand up and turn around, has been dismissed. The National Pork Producers Council and the American Farm Bureau Federation alleged producers nationwide will be forced to change their housing practices in violation of the Commerce Clause. But U.S. District Judge Thomas Whelan said Prop 12 "precludes the sale within California of products produced by hogs not raised in conformity with the requirements of Proposition 12, regardless of where the hogs are raised." Therefore, he said, "It ... does not regulate wholly out-of-state conduct." The regulations for breeding pigs go into effect Jan. 1, 2022. When the suit was filed in December, NPPC Vice President Jen Sorenson argued the standards were arbitrary and "lack any scientific, technical or agricultural basis." She said California represents just 15% of the U.S. pork market but is forcing other farmers to switch to alternative housing if they wish to sell their products in the state. The Humane Society of the U.S., which intervened on the side of the state in the case, applauded the verdict. "This is yet another failed desperate attempt by those who profit off of animal abuse to maintain the status quo and repeal the will of the California people," said Jonathan Lovvorn, chief counsel of HSUS's Animal Protection Litigation department. In November, a federal court in California struck down a similar lawsuit by the North American Meat Institute.

**EU and Mexico conclude negotiations for new trade agreement.** The European Union and Mexico concluded the last outstanding element of their negotiations of a new trade agreement on Tuesday and plan to advance to the signature and ratification phases. Under the new EU-Mexico agreement, practically all trade in goods between the EU and Mexico will be duty-free. A trade deal with Mexico could make it much easier for European producers to export to Mexico and see up to over €100 million a year in tariffs progressively removed, primarily on food and agricultural products and fisheries, according to the EU. The agreement also includes "progressive rules on sustainable development, such as a commitment to effectively implementing the Paris Climate Agreement. It is also the first time that the EU agrees with a Latin American country on issues concerning investment protection. Simpler customs procedures

will further help boost exports,” noted EU officials [in a statement](#). “While most of our efforts have been focused lately on tackling the coronavirus crisis, we have also been working to advance our open and fair trade agenda, which continues to be very important. Openness, partnerships and cooperation will be even more essential as we rebuild our economies after this pandemic,” noted EU Commissioner for Trade Phil **Hogan**.

**Research advocates fault funding shortfall.** The agricultural research funding drought must end, a new report from the [Supporters of Agricultural Research \(SoAR\) Foundation](#) says, citing examples of how targeted federal grants have helped to increase blueberry production, make wheat and barley adaptable to warmer weather, and identify a gene in pigs resistant to porcine reproductive and respiratory syndrome. “Innovations developed today will feed our nation and the world for generations,” SOAR President Thomas Grumbly said. “But scientists need grants to cultivate those advances. We need to keep researchers hard at work now more than ever.” SOAR pointed to funding levels for the Agriculture and Food Research Initiative, “USDA’s flagship program for competitively awarded research grants.” Authorized at \$700 million in the 2008 Farm Bill, SOAR said “budget politics every year prevent the program from hitting that level.” AFRI is funded at \$425 million for fiscal year 2020 and the Trump administration’s FY 2021 proposal is for \$600 million.

**California’s State Fair and Food Festival cancelled due to COVID-19.** Cal Expo’s board decided to cancel the 2020 California State Fair and Food Festival scheduled for July 17 – August 2, 2020 until the following year, due to the extensive challenges posed by the COVID-19 public health crisis. “While we had remained hopeful the California State Fair would be able to continue our 166-year tradition of showcasing the best of California and entertaining the state’s residents and families, it’s clear the impact of COVID-19 will continue to be felt for the foreseeable future and that large gatherings should be postponed at this time,” explained Cal Expo General Manager and CEO Rick Pickering on behalf of the Cal Expo Board. However, cancelling the fair and many of the 200 year-round events at Cal Expo creates its own set of economic challenges. “We are sensitive to the fact Cal Expo is a regional, economic engine that generates sales tax revenue and employs over 800 seasonal workers. Our staff is working diligently on a strategy to safely reopen when appropriate and we look forward to the time when we can all gather again safely to celebrate the great things Californians have done and will do in the future,” noted Pickering. Currently, Cal Expo is playing a regional role in the effort to combat the virus, including serving as a drive-through testing site, as well as a temporary emergency isolation trailer facility for homeless individuals who have been exposed or infected.

## **Farm Hands West: Newsom appoints two ag advisors to his economic recovery task force**

Gov. **Gavin Newsom** has now added two leaders from the California agricultural community to his 80-member economic recovery task force. Almond Alliance President **Elaine Trevino** has now joined the advisory group alongside **Don Cameron**, who is the general manager of Terranova Ranch and president of the State Board of Food and Ag.

**Andy Tudor** has opened AT Ag Consulting in Yakima, Wash. He will offer marketing strategies, business development planning and other services. Tudor previously worked in the role of vice president of business development at Rainier Fruit Co. in Selah, Wash. Tudor joined Rainier Fruit in 2012.

**Scott Horsfall**, CEO of the of the California Leafy Greens Marketing Agreement, has announced his retirement next March. Horsfall has a 40-year career in California agriculture. Horsfall was the vice president of international marketing for the California Table Grape Commission from 1983-1997 and president of the California Kiwifruit Commission. He was also the CEO of the Buy California Marketing Agreement.



*Tate Bennett*

The White House has yet to announce the move, but **Tate Bennett** has been tapped to serve as the Special Assistant to President **Donald Trump** for agriculture and agricultural trade, according to sources with knowledge of the appointment. She will fill a position left vacant since **Ray Starling** departed to serve as USDA chief of staff in June of 2018. Most recently, she served as Agriculture Adviser to the EPA Administrator. Prior to that, she worked for the National Rural Electric Cooperative Association and was on the staff of Senate Majority Leader **Mitch McConnell**, R-Ky.

**Sharon Bomer Lauritsen** has retired from the United States Trade Representative (USTR). Her last day with the U.S. government is April 30. As of April 25, **Julie Callahan** stepped in to serve as acting assistant U.S. trade representative for agricultural affairs. She previously was serving as the deputy assistant. To learn more about Lauritsen's career, click [here](#) to watch her Meet the Farm Hand interview.

**Terri Nintemann** has been named deputy administrator of USDA's Food Safety and Inspection Service. Nintemann has been serving as the acting deputy administrator since March 12.

**Suzanne Heywood** has been appointed as the acting CEO of CNH Industrial, in addition to her role as chair of the board. Heywood will serve as CEO until a replacement has been identified. Heywood is also the managing director of Exor and has been chair of CNH Industrial since July 2018. She takes over following the resignation of **Hubertus Mühlhäuser** ... CNH Industrial also added **Oddone Incisa** as chief financial officer, in addition to his current role as president, financial services. Incisa succeeds **Max Chiara**, outgoing chief financial and sustainability officer.

CNH Industrial N.V. has also announced the temporary appointment of **Brad Crews** as general manager, North America. Crews will also temporarily join the company's Global Executive Committee. He brings over 25 years of experience with CNH Industrial. Crews held the position of chief operating officer, NAFTA from 2014-17, and was president, agricultural equipment product segment from 2015-17.

**Randolph Legg** has been selected as the new head of U.S. commercial business for Boehringer Ingelheim Animal Health. He most recently served as the head of U.S. pet vet business at Boehringer Ingelheim.

The National Ocean Industries Association (NOIA) board of directors has elected **Galen Cobb** to serve as chairman and **Matt McCarroll** to serve as vice chairman for the 2020-21 term. Cobb is the vice president of industry relations at Halliburton and McCarroll is the president & CEO of Fieldwood Energy.

Aviagen has tapped **Marc de Beer** as the president of the company's North American operations. He began his career as a nutritionist for Aviagen in 2007, and later became global head of nutrition. He joined DSM Nutritional Products in 2011 before working at Elanco Animal Health, where he was senior vice president of food animal and global nutritional health, United States.



Randolph Legg

**Best regards,**

**Sara Wyant**  
**Editor**

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