



NATIONAL GRANGE OF THE ORDER OF PATRONS OF HUSBANDRY

American Values. Hometown Roots.

View from the Hill



POLICY UPDATES and ISSUE NEWS MARCH 2024 WRAP-UP

WASHINGTON OVERVIEW

A blessed Good Friday to you from Washington where Congress is on Easter recess. The Grange youth and junior leadership team and Grange president Christine Hamp were in DC mid-March where they saw the cherry blossoms at their peak, participated in the Grange virtual fly-in, spent time in congressional offices on Capitol Hill, celebrated Ag Day, met with Ag Secretary Vilsack, toured the White House and participated in leadership training with the national 4-H and FFA leadership teams. Congress passed and President Biden signed a \$1.2 trillion spending package to keep the government open through September. The package includes funding for USDA to design a new data system to track foreign purchases of U.S. farmland, boost funding to hire more Border Patrol agents, and increase immigrant detention capacity from 34,000 to 42,000 beds, no money was allocated to continue the broadband Affordable Connectivity Program (ACP).

AGRICULTURE AND FOOD

USDA Issues Tighter “Product of the USA” Label

A new regulation by the Department of Agriculture requires any meat, poultry or egg packaging bearing “Product of the USA” or “Made in the USA” terminology must come from animals that are born, raised, processed and packaged in the United States. This issue has been widely debated since the 2015 repeal of mandatory country-of-origin label was repealed. That action was taken to avoid retaliation by Canada and Mexico following a World Trade Organization (WTO) ruling against the United States. Without the mandatory language, concern spread among producers about the use of “Product of the USA” terminology on foreign-born meat that was only packaged or processed in the U.S. The National Grange has strong policy supporting the new label and appreciates USDA issuing the final regulation.

USDA Bars Discriminatory Contracts

A new rule from USDA’s Packers and Stockyards division will prohibit contracting companies from taking regulatory or discriminatory action against producers. The rule bans false or misleading statements or omissions of material information when companies write or terminate contracts with producers or when performance is being evaluated. The agriculture industry is split over the issue with some producer and processor groups concerned about the potential for additional litigation under the new rule governing contracts. However, in some segments of the ag industry, there have been cases of clear evidence of price-fixing and unfair practices. National Grange has policy supporting such a rule and has been working for several years for such action by USDA.

Bird Flu Found in Dairy Cows

Highly Pathogenic Avian Influenza or bird flu has been detected in some dairy cows in Kansas, New Mexico and Texas. The virus appears to have been introduced by wild birds. Dairy farmers first became concerned when milk production dropped sharply, the cows were lethargic, and their feed consumption fell. However, the cows appeared to recover in a week or so on their own and the affected cows did not appear to be transmitting the virus to other cows within the same herd. Initial testing by the National Veterinary Services Laboratories has not found changes to the virus that would make it more transmissible to humans which would indicate the current risk to humans is low. Pasteurization of milk also kills viruses and bacteria, and the process is required for milk sold through interstate commerce. In addition, the bird flu virus cannot be transmitted to humans by eating properly cooked meat and poultry products.

CONSERVATION AND ENVIRONMENT

Climate Disclosure Rule Scaled Down

The Securities and Exchange Commission (SEC) has finalized requirements for large corporations to disclose their Scope 1 and Scope 2 emissions, those the company produces itself and those associated with its energy consumption. However, the SEC walked back on its proposed requirement to disclose Scope 3 emissions which originate in the company's supply chain. Including Scope 3 emissions would have meant a food company would have to track the emissions associated with the milk, meat and crops used in its products. Scope 3 disclosure record-keeping and reporting would be excessively burdensome and expensive for farmers and ranchers, particularly small producers. The National Grange and most of agriculture strongly opposed the inclusion of Scope 3 emissions in the SEC regulations.

HEALTH CARE

Congress Urged to Pass Drug Price Reform

The National Grange and nearly 100 patient, disease, community and consumer groups are urging Congress to pass Pharmacy Benefit Manager (PBM) reform legislation. PBMs play a role in driving up the price of medications by distorting the list price to support their profit margin. PBMs make money by favoring medications with an artificially inflated list price coupled with a large rebate. However, these rebates are not passed on to the patient at the pharmacy counter. PBMs also control which prescription medications are available to patients, both in the Medicare program and commercial health plans. The largest three PBMs (Express Scripts, CVS Caremark and Optimum Rx) control 80% of the prescription drug marketplace. Passing PBM reform has been and will continue to be a high priority for the National Grange in its battle against high drug prices.

Why is Rural Health So Hard

Bill Frist is a physician, a heart transplant surgeon, a former U.S. Senator from Tennessee and a vocal rural health care advocate. In an article in *Forbes*, he focuses on issues which must be addressed to improve the health of over 60 million people who are falling further behind in access and quality health care. Health systems simply put, he says, are designed for urban and suburban communities, not rural. While campaigning for his underdog Senate race in 1994, Frist visited all 95 Tennessee counties. It was then he discovered the remote communities he visited had severely limited primary and secondary health care access. For many he met with, it had been years since a physician set foot in their town or community. Thirty years later, the rural health care conundrum has only gotten worse. Dr. Frist points to a confluence of factors – increasing rural hospital closures, an aging population, a persistent opioid epidemic, and an explosion of lifestyle-driven diseases – have made rural communities even more

vulnerable and more challenging to serve. Frist says rural health care solutions are complex and must begin with sensitivity to culture, with heavy emphasis on establishing personal trust and establishing convenient, affordable care closer the home. Solutions must start from the vantage point of the patient, not the provider, not the insurance company, not the urban policy maker. Solutions will require new, more innovative models of health care delivery, targeted federal and state government commitment and incentives, and a willingness to meet rural Americans where they are with the care they need.

TELECOMMUNICATIONS

Broadband Speed Benchmarks Raised

The Federal Communications Commission (FCC) is upping its benchmark for high-speed fixed broadband to download speeds of 100 megabits per second and upload speeds of 20 megabits per second. The 100/20 benchmark is a substantial increase from the commission's current 25/3 standard. The \$42.45 billion Broadband Equity, Access, and Deployment Program (BEAD) already requires 100/20 Mbps speeds. The new requirement assures all states receiving BEAD funds will deploy the same broadband speed standard, which is also sufficient to support precision agriculture.

Rural America 5G Fund Proposed

The FCC plans to launch a \$9 billion program to extend voice and 5G mobile broadband services to rural areas that will not receive the service without subsidization. Funding sources for the rural mobile 5G program will come from government appropriations, revenue generated from spectrum license auctions, and contributions from telecommunications companies participating in the program.

Opposition to Pole Rules Change

Broadband providers and trade groups are opposing a utility company petition asking the FCC to remove a provision in its updated pole attachment rules that require pole owners to provide their most recent inspection reports to prospective attachers. When a broadband provider wants to deploy infrastructure like fiber, they often must attach it to poles owned by incumbent utilities companies. These poles need to be prepared for the new attachment, which may involve replacing the entire pole for structural or zoning reasons. The FCC's sharing of inspection reports requirement is intended to mitigate disputes between utility companies and broadband providers on the need for pole replacement. The National Grange filed several petitions with the FCC in 2023 urging the adoption of such rules.

OF INTEREST

"Transparency" law Bad for Small and Independent Businesses

Congress inserted the Corporate Transparency Act into the National Defense Authorization Act in 2021 in an effort to combat illicit financial activity. The Act requires businesses to report their beneficial ownership to the Financial Crimes Enforcement Network at the Treasury Department. However, the law doesn't define ownership as actual ownership but in effect requires even the smallest companies to report just about everyone who works for them as a beneficial owner. It also exempts many lines of businesses like banks, broker dealers, utilities, accounting firms and more that are more able to abuse the financial system than farms, ranches and other small Main Street businesses. The U.S. District Court for the Northern District of Alabama ruled the Corporate Transparency Act unconstitutional March 1. The federal government has filed a notice of appeal. The National Grange and 94 small

business groups, state and national associations, and more are urging the Senate Banking Committee to pass legislation that would delay the Act's filing deadline requirement during the Appellate Court process. The House previously adopted similar delay legislation by a vote of 420-1.

PERSPECTIVE

“ *Faith is the strength by which a shattered world shall emerge into the light.* ~ **Helen Keller** ”

“ *Faith is to believe what you do not see; the reward of this faith is to see what you believe.* ~ **St. Augustine** ”

“ *Faith consists in believing when it is beyond the power of reason to believe.* ~ **Voltaire** ”

“ *Faith and prayer are the vitamins of the soul. Man cannot live in health without them.* ~ **Mahalia Jackson** ”

“ *Stand straight, walk proud, have a little faith.* ~ **Garth Brooks** ”