



# POLICY UPDATES and ISSUE NEWS NOVEMBER 2021 WRAP-UP

# WASHINGTON OVERVIEW

## **Government Shutdown Avoided**

This past week Democrats and Republicans in Congress were able to narrowly avoid a looming government shutdown which would have begun at midnight on Friday, December 3<sup>rd</sup>. Originally, Democrats had intended to pass a continuing resolution extending government funding early in the week after a deal on votes for various amendments had been struck with Senate Minority Leader Mitch McConnell (R-KY). However, a group of conservative senators led by Roger Marshall (R-KS) and Mike Lee (R-UT) threatened to block the passage of the continuing resolution, thereby forcing a government shutdown, unless their amendment preventing the pending federal vaccine mandate for businesses with at least 100 employees was voted on with a 51-vote threshold to pass (as opposed to the more common 60 vote threshold for amendments). As of writing, it seems likely that Majority Leader Chuck Schumer (D-NY) will concede to Marshall and Lee's demands and the Senate will proceed to pass a continuing resolution extending government funding until February 18<sup>th</sup> of next year.

#### **National Defense Authorization Act Faces Headwinds**

The National Defense Authorization Act (NDAA) is the annual bill which is passed to fund the military, and is typically one of the few remaining exercises in bipartisanship in Washington. However, this year the NDAA has been delayed due to disagreements between and within both parties on contentious issues to do with women registering for the draft, renaming of military bases, and dishonorable discharges for members of the military who refuse to be vaccinated. Nevertheless, early in Thanksgiving week Democratic and Republican leadership in the Senate tentatively agreed to move forward with a vote on this year's NDAA. However, delay was caused by last minute disagreements over amendments proposed by Republican senators on the Foreign Relations Committee, most notably Ted Cruz (R-TX) and Marco Rubio (R-FL) which would seek to impose sanctions for the expansion of the Nord Stream 2 pipeline in Europe (a pipeline which would carry natural gas from Russia through central Europe to Germany) and imposing sanctions on companies that are found to be utilizing forced labor from Uyghurs in the Xinjiang province in China. This delay has extended beyond Thanksgiving and into December and as of writing the timeline for passage of the NDAA remains unclear.

## **Build Back Better Act Passes the House**

On November 19<sup>th</sup>, House Democrats were finally able to pass the second major portion of President Biden's legislative agenda, the \$2.2 trillion Build Back Better Act. As passed, the act includes significant funding for climate related programs, the expansion of the child tax credit, childcare and pre-k subsidies, state and local tax deductions, expanded Medicare benefits, prescription price negotiations, and more. To pay for these expenditures the act currently would expand and increase IRS enforcement of tax evasion, and changes/increases to corporate taxes. The bill will now move to the Senate where progressive and moderate

Senators alike will pursue various changes. Currently, Senate Majority Leader Chuck Schumer (D-NY) has indicated that he would like to see the bill pass the Senate by Christmas. However, this seems unlikely due to the depth and breadth of disagreements about the bill within the Senate Democratic caucus.

# **AGRICULTURE AND FOOD**

## **Cattle Prices in the Spotlight**

Delegates to the recent annual National Grange Session in Wichita, Kansas voiced strong support for the Cattle Price Discovery and Transparency Act. Introduced by U.S. Senators Grassley (R-IA), Tester (D-MT), Fischer (R-NB), and Wyden (D-OR), the Act is intended to address current imbalances of price discovery and transparency in the cattle market which led to record profits for processors at the expense of producers and consumers. Producers currently sell cattle primarily in two ways: through open cash bidding or alternative marketing agreements (AMAs) made directly with processors. Critics of AMAs contend these agreements create a lack of information about price discovery for others in the market. The Act creates regional mandatory minimum thresholds of negotiated cash and grid trades to enhance price discovery and transparency. This new cattle markets bill is a compromise between several previous legislative proposals. The National Grange is working to move the Cattle Price Discovery and Transparency Act through Congress as quickly as possible.

## **USDA to Strengthen Local Supply Chains**

USDA will award \$90 million in grants to projects intended to strengthen local and regional markets. Grants will support development of direct producer to consumer markets, local and regional food businesses, processing, distribution, aggregation, and storage of locally or regionally produced food products. Another \$32 million in grants will go to 167 existing meat and poultry processing facilities to support expanded capacity and efficiency. Grants can be used to expand facilities, modernize equipment, meet packaging, labeling, and food safety requirements, and qualify for interstate shipment of products. Focus on underserved producers will yield an additional \$75 million to 20 organizations who have proven track records working with veterans, beginning farmers, limited resource farmers and producers living in high-poverty areas. Services will include business planning, market development, tax planning and land access assistance.

#### "Buy American" School Lunch Rules Need Clarity

School districts are appealing to USDA to create a list of foods that are exempt from Buy American requirements because certain U.S.-made foods are hard to find. Meanwhile, some agricultural groups are telling the Department existing exemptions are too broad and open to exploitation by foreign competitors. Currently two exemptions allow schools to purchase non-American products: if the food product is not produced or manufactured in the United States in sufficient and reasonably priced quantities of satisfactory quality, or if the cost of domestic food product is significantly higher than the non-domestic product. The Buy American provision was added to the National School Lunch Act in 1988 to require school districts to buy food products made and processed in the United States.

# **CLIMATE CHANGE/ENVIRONMENT**

#### **Return to Pre-2015 WOTUS Interpretation**

EPA and the Army Corps of Engineers will now interpret Waters of the U.S. based upon pre-2015 regulations and Supreme Court decisions. This is a return to longstanding 1986 Corps regulations while the Biden Administration works on a new WOTUS rule. Neither the 2015 Obama rule nor the 2020 Trump rule were well received by the courts.

#### **Methane Emissions in the Crosshairs**

The Biden administration is taking aim at methane, a greenhouse gas that is more potent than carbon dioxide. The new efforts will include additional regulations targeting oil and gas drilling and pipelines. Methane is the main component of natural gas. The USDA will pursue voluntary, incentive-based approaches for agriculture to adopt alternative ways to manage manure and innovative ways to tackle additional methane emissions.

#### Farmers Say Carbon Payments Too Low

A new Agri-Pulse survey indicates farmers will require incentive-based payments from carbon markets of at least \$40 an acre to participate. This is far more than is currently being offered. The survey found a majority of U.S. farmers are somewhat concerned about climate change, and nearly half are using or considering practices to reduce greenhouse gasses.

# HEALTH CARE

#### Older Americans in Rural Communities Need Affordable Vaccines

National Grange president Betsy Huber was featured in the Washington newsletter Morning Consult calling for Medicare to step in the gap to keep people out of the hospital. Patients with Medicare Part D may have to pay significant out-of-pocket costs of \$100 or more for immunizations, while younger, employed adults typically pay nothing. The Protecting Seniors Through Immunization Act (H.R. 1978) would ensure that all CDC-recommended vaccines would be available to Medicare Part D patients at no cost.

#### Support for Multi-Cancer Early Detection Screening

The National Grange joined patient groups on a letter to health care committee leadership in the House and Senate requesting their support for the Medicare Multi-Cancer Early Detection Screening Coverage Act (S. 1873/H.R. 1946). The bills call for the Centers for Medicare and Medicaid Services to cover blood-based multi-cancer early detection tests once they are approved by the Food and Drug Administration. Blood-based testing enables patients to be screened for dozens of cancers based upon a simple blood draw. Treatment of late-stage cancer is two times more costly than treatment before the cancer metastasizes.

#### Save Our Air Medical Services

The National Grange was featured in a full-page display in Washington's Politico newsletter calling on the Department of Health and Human Services to amend its rule on surprise medical billing that jeopardizes emergency air ambulance services. The interim final rule appears to favor insurance companies over critical-need patients. Rural residents need access to emergency air medical services for life-saving time to critical care hospitals far away. The Grange enthusiastically supported passage of the No Surprises Act that protects patients from massive, unexpected bills from doctors and hospitals outside their insurance company network, but the HHS rule appears to have an unintended consequence.

## INFRASTRUCTURE

#### Infrastructure Bill Becomes Law

The Biden \$1.2 trillion Infrastructure Investment and Jobs Act will provide federal funding for rural broadband expansion and construction of roads, bridges, waterways, and Western water projects. Tucked into the Act's language is an additional 150 air-mile exemption from the hours-of-service regulation for livestock haulers to

move animals to their destination as quickly as possible. Infrastructure funding includes \$110 billion for roads and bridges, \$17.3 billion for ports and waterways, \$4.4 billion for aging water infrastructure, water storage, groundwater storage, and conveyance projects. Another \$9.6 billion goes to the Army Corps of Engineers priorities and \$8.3 billion for Western water needs. Of the \$65 billion for broadband expansion, \$42.45 billion will be distributed to states, territories, and tribes and \$2 billion is designated for USDA's existing broadband programs. Funds will also be available to provide reliable long-term broadband benefit to low-income communities. Projects funded under the bill must provide minimum speeds of 100 megabits download, 20Mbps upload and projects will be required to prioritize unserved areas. This broadband deployment action caps a years-long priority initiative for the National Grange.

# **TELECOMMUNICATIONS**

#### What's Next for Rural Broadband?

National Grange telecommunications attention now turns from prioritizing and funding broadband deployment to effective and efficient rollout and implementation. While we are a year away from seeing this broadband infrastructure funding deployed, billions in broadband funding have already been appropriated and are available now. Next steps for the Grange will be:

- Work with the National Telecommunications and Information Administration (NTIA), Federal Communications Commission (FCC) and USDA's Rural Utilities Service (RUS) to coordinate current broadband projects with rollout plans for the infrastructure funds.
- Ensure timely completion of accurate updated FCC broadband availability maps
- Become familiar with NTIA process to give guidance and oversight to state broadband programs receiving infrastructure funds
- Assure that RUS projects are not overbuilt in some areas and absent in other areas
- Review all agencies' implementation plans to be sure their priority is to serve the unserved first.
- The Grange objective is to reach the last mile of rural America with reliable, affordable high-speed broadband service

# PERSPECTIVES

66	The most important thing in the world is family and love. ~ John Wooden	
66	What can you do to promote world peace? Go home and love your family. ~ Mother Teresa	99
66	To us, family means putting your arms around each other and being there. ~ Barbara Bush	99
66	The family is the first essential cell of human society. ~ Pope John XXII	
66	A happy family is but an earlier heaven. ~ <i>George Bernard Shaw</i>	99
66	You don't choose your family. They are God's gift to you, as you are to them. ~ <b>Desmond Tutu</b>	33