



NATIONAL GRANGE

OF THE ORDER OF PATRONS OF HUSBANDRY

American Values. Hometown Roots.

View from the Hill



POLICY UPDATES and ISSUE NEWS

AUGUST WRAP-UP

OVERVIEW

Inflation Reduction Act Becomes Law

On August 16th, President Biden signed the Inflation Reduction Act of 2022 into law, marking the completion of a lengthy effort by Democrats in the House and Senate to pass a bill addressing their climate and spending priorities. As outlined in greater detail in last month's newsletter, the bill raises an estimated \$739 billion through select tax increases, increased funding for tax enforcement by the Internal Revenue Service, and prescription drug price negotiation for Medicare. This money will then be used to fund extended Affordable Care Act premium subsidies, and significant spending on climate and energy related priorities, with the remainder allocated to deficit reduction. The Inflation Reduction Act is likely to be the last major piece of legislation passed by the current Democratic congressional majority as only a few more months remain before a new Congress is sworn in next year.

President Biden Orders Student Loan Forgiveness

In late August, President Biden signed an executive order providing partial debt forgiveness on many federally owned student loans. Specifically, individuals earning less than \$125,000 annually (\$250,000 for married couples) will have \$10,000 of their federal student loans forgiven. Furthermore, for individuals who were the recipients of Pell Grants they will see \$20,000 in loan forgiveness. Non-governmental groups have estimated that the total cost of forgiving these loans will be around \$500 billion across the next ten years. Beyond immediate loan forgiveness, President Biden also announced a December 31, 2022 end for the student loan payment moratorium which had been initiated at the onset of the COVID-19 pandemic. As well, the executive order included provisions intended to change the current repayment structure for federal student loans and address future concerns over the initial loan price.

Congress Shifts Focus to Fall Elections

With August ending, the majority of states have completed their primary elections and Congressional candidates are turning their focus towards the final months of campaigning before the November 8th general election. Between the end of July and election day the House will only be in for a total of 3 weeks and the Senate a total of 6, with members taking August and October as times to focus on work in their districts and campaigning. As a result, it is unlikely that much more serious legislation will come to pass until after election day during the lame duck period before a new Congress is sworn in come January of 2023. The amount of legislative work that is done during the lame duck period is highly dependent on the outcome of the midterm elections. If Democrats are able to keep or expand their congressional majority then they will likely push their legislative work into the next Congress, however if they lose either the House or Senate then it is likely that they will try to complete any major legislative priorities which they can before the end of the year.

AGRICULTURE AND FOOD

Poultry Contracting Practices Under Review

USDA has released the first of three proposed rules to strengthen enforcement of the Packers and Stockyards Act. The rule targets the poultry industry system of processors contracting with growers on the so-called “tournament system”. Under that common practice, grower contractors in a given region are compensated based on a ranking formula between growers which means the lower the rank, the less compensation the farmer receives. The rule, if adopted, would require poultry processors to provide details of the inputs the processor provides each farmer and information about the input differences among farmers being ranked. Contracts would also be required to contain guaranteed annual flock placements and density. The tournament system has long been criticized by growers as being unfair, deceptive, discriminatory, and anticompetitive.

More Cattle Market Bills Introduced

House Agriculture Committee Chairman David Scott (D-GA) introduced the Small Family Farmer and Rancher Relief Act to compensate producers when their share of the retail dollar drops below 51.7% and make funds available to small producers and cooperatives to market meat products locally. Senators Thune (R-SD) and Tester (D-MT) introduced the American Beef Labeling Act to more accurately label the country of origin where beef is raised. It would require the Secretary of Agriculture and U.S. Trade Representative to develop a “Product of the U.S.A” beef labeling plan that includes only beef produced domestically yet is compliant with World Trade Organization rules. These bills come on the heels of the introduction of the bipartisan Cattle Price Discovery and Transparency Act and other legislative efforts.

White House Schedules Food Conference

For the first time in 53 years, a White House food summit dubbed the Conference on Hunger, Nutrition, and Health will be held September 28. It aims to bring government leaders, academics, activists, and others together with the goal of ending hunger and reducing diet-related diseases by 2030. A task force established to advise the conference issued recommendations in late August that included requiring nutrition labeling on the front of food packages, easing SNAP eligibility rules, and making school meals free to more students.

ENVIRONMENT AND CLIMATE CHANGE

Inflation Reduction Act Spends Big on Rural, Ag

Congress’ revived budget reconciliation package, dubbed The Inflation Reduction Act, allocated \$40 billion to agriculture, forestry and rural community programs. Approximately \$20 billion will go to USDA programs that incentivize green farming and limit greenhouse gas emissions such as the Environmental Quality Incentive Program, Conservation Stewardship Program, Regional Conservation Partnership Program, and the Agricultural Conservation Easement Program. Additional funding will go to support rural electric cooperatives transition to cleaner energy, help rural communities and businesses invest in renewable energy, expand infrastructure for home-grown biofuel, expand forest health projects on both public and private forests, and plant trees in urban communities. A Princeton University analysis estimates the bill will close two-thirds of the emissions gap between current policy and the Biden administration’s 2030 climate target.

HEALTH CARE

HHS Invests in Rural Health Care

The Department of Health and Human Services is spreading about \$60 million across 63 organizations to target rural staffing shortages and quality of health care in rural areas. Projects are to help expand rural workforce development, establish new rural physician residency programs, improve quality and delivery of care, and improve access to health care services for rural veterans.

TELECOMMUNICATIONS

USDA Releases Next Round of Broadband Funding

USDA's Rural Development division is offering more than \$1 billion from its Reconnect Program to further expand rural broadband connectivity and will begin taking applications in September. The Rural Utility Service has added a new funding category for projects where 90% of households lack access to high-speed internet. Applications submitted under this category will not be required to provide matching funds.

TRANSPORTATION

Regulators Tell Railroads to Haul Grain

In late August, the Surface Transportation Board notified major Class I railroads it expects them to outline plans to move grain to market during the coming fall harvest season. The National Grange and the Agriculture Transportation Working Group called for this action earlier this summer. Major railroads have experienced major delays this year which rail executives have blamed on shortage of workers.

Freight Rail Shipping Bill Introduced in House

The *Freight Rail Shipping Fair Market Act* has been introduced by Payne (D-NJ), Chair of the Subcommittee on Railroads, Pipelines, and Hazardous Materials, DeFazio (D-OR), Chair of the Committee on Transportation and Infrastructure, Scott (D-GA), Chair of the Agriculture Committee, and Costa (D-CA), Chair of the Subcommittee on Livestock and Foreign Agriculture. The bill strengthens the Surface Transportation Board's authority to address rail service emergencies, gives the Board clear direction to resolve common carrier obligation complaints, and requires rail contracts to include service delivery standards and remedies. The National Grange supported the bill and worked to secure the bill's cosponsors.

FOR YOUR INFORMATION

Rural Groups Seeking Federal Grants Face Challenges

Federal programs targeted to help farms, ranches and other rural businesses have complicated application processes and/or payment structures that may render them useless to their targeted recipients. At a House Agriculture Committee hearing this summer, it became clear that the competitive design of federal programs gives the advantage to organizations large enough to have a professional grant writer. In addition, recipients are often asked to front the money then seek reimbursement. Reimbursable grants disadvantage smaller applicants who do not have the cash flow to spend the money first then then wait four weeks to four months

for reimbursements. Hearing witnesses suggested making the application process simpler and providing technical assistance that can help applicants walk through the process.

PERSPECTIVE

“ A journey is best measured in friends, rather than miles. ~ **Tim Cahill** ”

“ In wisdom gathered over time I have found that every experience is a form of exploration. ~ **Ansel Adams** ”

“ Adventure isn't hanging on a rope off the side of a mountain. Adventure is an attitude we must apply to the day-to-day obstacles in life. ~ **John Amatt** ”

“ Life is a blank canvass, and you need to throw all the paint on it you can. ~ **Danny Kaye** ”