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NEWS

STB issues final emergency service order reforms

The Surface Transportation Board (STB) on Jan. 24 issued final rules that strengthen its power to act during rail service emergencies. The final regulations contain several reforms advocated for and supported by NGFA.

Proposed by the Board in 2022, the regulations for “expedited relief in service emergencies” address several flaws and hurdles in previous emergency service order rules.

Reforms supported by the NGFA and included in the final rules are:

- Removal of the requirement that a shipper’s petition for alternative rail service contains a commitment from another available railroad. “The Board has correctly concluded...that these requirements have posed a nearly insurmountable hurdle to rail shippers who are considering seeking this emergency relief for rail service failures,” NGFA noted.
- A shortened process for petitions for emergency service orders and a date by which a Board decision can be expected. “In most cases, the Board can expect shippers to have attempted to exhaust all available commercial remedies prior to seeking Board intervention, often at significant cost to the shipper,” NGFA stated. “Since an STB emergency service order is typically the ‘last resort’ for a rail shipper before severe damage to its business and customers occurs, a short timeline for submitting the petition and rendering a decision is imperative.”

- An accelerated process to handle acute service emergencies presenting potential imminent harm and threatening potentially severe adverse consequences.
- A continuation of the policy to not include any bright-line prohibition on applying relief to contract traffic.

“The final emergency service rules issued today demonstrate that the Board has closely studied and thoughtfully considered the comments of industry stakeholders,” [NGFA stated](#). “These changes will advance the efficiency of the U.S. rail system by enabling the Board to order temporary relief in emergencies more quickly and effectively and to more rapidly ensure that localized problems do not spread to other parts of the rail network, while also providing more certainty that acute issues can be resolved.”

AAFCO conducts 2024 Midyear Meeting

By David Fairfield, Senior Vice President, Feed

More than 450 industry representatives and regulatory officials participated on Jan. 23-25 in the Association of American Feed Control Officials (AAFCO) Midyear Meeting to discuss a variety of animal food regulatory issues. The meeting was conducted in Chattanooga, Tenn.

In a significant development, the Ingredient Definition Committee during the meeting approved a new tentative definition for Hemp Seed Meal, Mechanical Extracted for use in diets of laying hens as a source of protein and fat at an inclusion of no more than 20



AAFCO
Association of American Feed Control Officials

percent of the diet. The ingredient is to be obtained by grinding or milling the cake, which remains after most of the oil is removed from the seeds of *Cannabis sativa* L. by a mechanical extraction process. The product is to be labeled with guarantees for minimum crude protein and maximum crude fat on an as-fed basis. In addition, the product is to contain no more than 20 parts per million (ppm) of total cannabidiol and no more than 2 ppm of total tetrahydrocannabinol. The U.S. Food and Drug Administration (FDA) conducted a scientific review of the safety and utility of the product and concurred its suitability for use in diets for laying hens as detailed in the definition. This action represents the first step for approval of a hemp-derived feed ingredient by AAFCO. The approval by the committee will be considered by the AAFCO Board of Directors, and likely presented to the AAFCO membership for a final vote at the 2024 AAFCO Annual Meeting.

Among the other significant issues addressed during the AAFCO meeting were:

- **Lot Identifiers:** The Model Bills and Regulations Committee considered proposed regulations that would establish requirements to include a “lot identifier” on the labels, invoices or other documents accompanying commercial feeds in distribution to facilitate recalls and accurate tracing of the manufacturing and distribution history of the product. During committee discussion, several concerns were expressed regarding how compliance with the regulations would be demonstrated. In response, the committee requested the Feed Labeling Committee reconsider the proposed regulations and make clarifying recommendations.

- **Poultry Feed Label Requirements:** The Model Bills and Regulations Committee requested the Feed Labeling Committee further consider proposed revisions to model regulations for poultry feed labels to expand the number of animal classes and establish corresponding definitions. The topic likely will be considered again during the 2024 AAFCO Annual Meeting.
- **Inspection Guidance:** A workgroup established by the Inspection and Sampling Committee is working on potential guidance on conducting inspections for compliance with the FDA rule for Current Good Manufacturing Practice, Hazard Analysis and Risk-Based Preventive Controls for Food for Animals. The workgroup likely will provide a report during the committee’s next meeting in August.
- **Pet Food:** The Pet Food Committee discussed a report from a workgroup that considered whether it would be appropriate to establish model pet food regulations to address voluntary “low” copper claims on dog food labels. The report indicated the majority of workgroup members supported model regulations to allow “controlled” copper claims on dog food labels. The Pet Food Committee will consider what actions to take on the workgroup recommendations during its next meeting.
- **Feed Labeling Workshop:** It was announced during the Education and Training Committee meeting that AAFCO will conduct a feed labeling workshop in conjunction with the 2024 AAFCO Annual Meeting. The all-day workshop will be held on Aug. 6 and primarily focus on label requirements for non-medicated feed. Content will be targeted for individuals who have limited experience with feed labeling.
- **Feed Ingredients:** Among the actions taken related to feed ingredients were:
 1. **Gluten-Related Name Changes:** AAFCO membership voted to make official definitions for Corn Protein Meal, Corn Protein Feed, Grain Sorghum Protein Meal, and Grain Sorghum Protein Feed. AAFCO membership previously approved changes to the names of Corn Gluten Meal, Corn Gluten Feed, Grain Sorghum Gluten Meal and Grain Sorghum Gluten Feed to Corn Protein Meal, Corn Protein Feed, Grain Sorghum Protein Meal, and Grain Sorghum Protein Feed, respectively, to reflect that these ingredients do not contain gluten. Industry’s changeover to the revised names currently is to occur by 2025, but an extension to the transition timeframe is being considered.
 2. **Processed Grain By-Products, Collective Terms:** The Ingredient Definition Committee approved the addition of Corn Protein Feed and Corn Protein Meal to the Processed Grain By-Products collective term.
 3. **Use of Feed Terms:** A [presentation](#) was made during the Ingredient Definition Committee on the correct use of feed terms to describe ingredients.

AAFCO is the professional organization of federal and state feed regulatory officials. AAFCO’s actions are significant because most states adopt AAFCO model regulations and policies within their commercial feed regulatory frameworks. The 2024 AAFCO Annual Meeting is scheduled for Aug. 7-9 in San Antonio, Texas.

Lawmakers ask for clarifications on bank capital proposals

Sen. Jerry Moran, R-Kan., led a [bicameral letter](#) signed by 33 lawmakers calling on the Board of Governors of the Federal Reserve System (Board), the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) to answer questions about proposed bank capital reforms by Feb. 16.

In September 2023, the Board, the FDIC, and OCC proposed a rule to increase the capital requirements applicable to large banking organizations and those with significant trading activity. The Board also issued a separate proposal that identifies and establishes risk-based capital surcharges for global systemically important bank holding companies (GSIBs).

The lawmakers' Jan. 19 letter, endorsed by NGFA and several other agricultural groups, asks banking regulators to consider the impact their proposal would have on the derivatives market and the commodities producers who use futures and options, specifically in the agriculture industry. They also note futures and derivatives markets play a stabilizing role for prices, helping to insulate consumers and businesses from market instability while involving minimal risk for end-users.

“The GSIB Surcharge Proposal and Basel III Endgame Proposal substantially exceed the Basel III framework and go significantly further than what is being implemented in other jurisdictions, such as Europe. This will inevitably put end-users seeking to hedge and manage risk on an uneven playing field with competitors in other jurisdictions,” the lawmakers wrote.

“The impact of these bank capital proposals will have a direct effect on the economy and our constituents. It is vital to approach any proposal regarding increased capital requirements, particularly increased capital requirements for hedging and risk management tools, with careful consideration and input from industry as well as a comprehensive cost-benefit analysis,” the lawmakers continued. “With rising economic and geopolitical risks, now is not the time to increase costs for farmers' cooperatives, energy producers, and food processors seeking to responsibly hedge against instability.”

NGFA submitted [comments](#) to the agencies regarding the proposals on Jan. 16, noting that “U.S. banks are major contributors to the clearing system.

“We are concerned a contraction in the availability of clearing services will have a disproportionate impact on agriculture,” NGFA stated. “If the proposals are implemented as currently drafted, NGFA is concerned GSIBs will cease providing futures commission merchant (FCM) services.”

EVENTS

NGFA Members: Join Feb. 1 webinar on NGFA's new member portal

To improve efficiency for its members, NGFA has launched a new database and communications system. NGFA members will be prompted to create a new account to pay dues, register for events and access members-only sections of the website.

A walk-through and overview of this new system will be available during a short webinar on **Thursday, Feb. 1 at 1 p.m. Eastern/Noon Central**. If you have not yet created a new account or have questions about the new system, please **save the webinar access information below** and join on Feb. 1.

Webinar Access

When: Feb 1, 2024, 01:00 PM Eastern Time (US and Canada)
Topic: NGFA's New Member Portal

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/85728557039>

Or One tap mobile :

+13052241968,,85728557039# US

+13092053325,,85728557039# US

Webinar ID: 857 2855 7039

Convention early bird rate ends Jan. 28

The early bird discounted registration fee for [NGFA's 128th annual convention](#) ends on **Jan. 28**.

Join hundreds of industry members on March 17-19 in Orlando, Fla., at the Omni Orlando Resort at Championsgate. Confirmed speakers include Scoular CEO Paul Maass; Norfolk Southern CEO Alan Shaw; and Nathan Gonzales, the publisher and editor of Inside Elections.

CAP Leadership: The 2024-25 class of the Committee Apprentice Program (CAP) will attend the convention, where several NGFA committees will meet for the first time. NGFA also will host a leadership workshop for incoming and outgoing CAPs on March 17.



Go to ngfa.org/annual-convention to register.

SUPPLEMENTS

NGFA accepting applications for 2024-25 CAP class until Feb. 1

NGFA is accepting applications to its [Committee Apprentice Program](#) (CAP) **until Feb. 1**.

Apply for the 2024-25 CAP class [here](#). Applicants will be notified by Feb. 16.

CAP is designed to develop future leaders within the industry and the NGFA by allowing early-career professionals (ideally between 5 – 10 years of work experience) to become apprenticed to an NGFA committee. After 12 years of the program, former CAPs are represented in all facets of NGFA leadership, including on the Board of Directors and Executive Committee.

Extending the “Apprentice” Experience: CAPs can continue their experience into a second year by enrolling in “CAP Year 2,” an elective program offered to all graduating CAPs.

CAP Year 2 participants enroll in a year-long leadership development program, facilitated by People Spark Consulting. The People Spark Leadership Transformation Program is a 12-month program that goes beyond learning leadership skills and tools to implementing those skills and tools into daily habits.

This is accomplished through an 8-week intensive learning process, followed by 10 months of support to sustain and reinforce the skills and tools throughout the year. CAPs are placed in cohorts together and are encouraged to think about how the material can apply to NGFA participation. There also is an in-person workshop for CAP Year 2 participants hosted in conjunction with both NGFA's annual convention in March and the annual conference in December. Learn more at ngfa.org/cap.

Extra Supplements

NGFA in the news:

Fox News: [House Republicans unveil effort to block Biden admin from tearing down key hydro dams](#)

Gorge Country Media: [Newhouse to Biden Admin: 'You've crossed the line'](#)

World Grain: [NGFA wants revision to bank capital rules that increase cost](#)

American Ag Network: [STB Issues Final Emergency Service Order Reforms; NGFA Responds](#)

Feedstuffs: [Surface Transportation Board issues final emergency service order reforms](#)

Agri-Pulse: [Agency finalizes emergency rail service regulations](#) *(log in)*

World Grain: [NGFA supports new rail rules](#)

Other news:

LA Times: [Groundwater depletion is worsening worldwide](#)

Reuters: [Ukraine's Black Sea grain export success tested by Red Sea crisis](#)

Tampa Bay Times: [Florida lawmakers look to ban lab-grown 'cultivated' meat products](#)

Reuters: [Fight brewing over Biden climate funds that help farmers in Republican-leaning states](#)

Bloomberg: [Soybean Oil Rises With More US Demand Forecast for Biofuels](#) *(log in)*

RFD-TV: [Ethanol production slows as cold snap disrupts natural gas supply](#)

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