

Volume 76, No. 10 | March 15, 2024

ngfa.org/newsletter | ngfa@ngfa.org | Editor: Sarah Gonzalez, NGFA

Inside This Issue

NEWS

- **1** Biden's budget proposal boosts USDA, lowers Army Corps funds
- 2 <u>Senators urge Biden</u> administration to expand ag trade
- 3 CISA, FBI warn of attacks by ransomware group

EVENTS

4 See you in the sun: Add tours to your NGFA convention schedule

SUPPLEMENTS

- **4** NGFA declares opening of the Mid-Miss
- 5 NGFA adds Regional Safety and Regulatory Compliance Seminars
- **5** Extra Supplements



NEWS

Biden's budget proposal boosts USDA, lowers Army Corps funds

President Joe Biden released his Fiscal Year 2025 (FY25) budget request to Congress on March 11, asking for a 7 percent budget increase for the U.S. Department of Agriculture (USDA) in fiscal year 2025.

The proposal is Biden's plan for FY25, which starts Oct. 1, but it ultimately must be approved by Congress. Spending increases were capped by the 2023 debt limit deal, and the president's proposal aims to reduce the deficit by \$3.2 trillion over 10 years by raising revenue through comprehensive changes in the tax code.

As outlined in the president's proposal, USDA would receive \$29.2 billion, which is \$2 billion more than the actual spending for the department in FY23. USDA's budget request included a \$733 million increase in climate-related funding over fiscal 2023 spending and \$387 million more to the USDA Forest Service. Also included in the climate-related funding is the Natural Resources Conservation Service (NRCS), which received a 7 percent funding boost to implement staffing increases included in the Inflation Reduction Act. Other increases in the proposed USDA spending plan include \$700 million more for the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and a 20 percent increase in agricultural research funding.

Biden also summarized his administration's priorities with the farm bill, including support of new and beginning farmers, climate-smart agriculture and clean energy, and supporting small and independent processors.

"In addition, the administration supports improvements to crop insurance, proactively managing risk from natural hazards, including the permanent authorization of the cover crop incentive program," the budget states.

Reauthorization of the farm bill was extended by Congress last year to Sept. 30. However, barriers to passing a new farm bill this year include the presidential election and budget negotiations in Congress. Lawmakers still must approve the final bundle of appropriations bills for the current fiscal year, which began more than five months ago, by a March 22 deadline.

Army Corps Waterways Funding: The budget requests \$7.2 billion for the U.S. Army Corps of Engineers' Civil Works program, down from FY24's request of \$7.4 billion. The Waterways Council, Inc. summarized the budget request below:

For the Army Corps' Construction account, Biden requested \$1.986 billion, which is a 3 percent decrease from the FY24 request. Out of the (at least) \$150 million balance from the Inland Waterways Trust Fund (IWTF) available in FY25, \$0 was provided for ongoing and new Construction and Major Rehabilitation projects. "A repeat of FY24's budget request, this remains a major disappointment," WCI noted.

For the Army Corps' Operations and Maintenance (O&M) account, Biden requested \$4.16 billion, with \$2.47 billion for all Corps Mission areas except ones funded by the Harbor Maintenance Trust Fund (HMTF); \$930 million is for inland waterways O&M and \$1.73 billion is derived from the HMTF. This represents a \$150 million decrease from FY24's request of \$4.31 billion.

Some inland ports receiving dredging money that were impacted by low water in 2023 include Greenville Harbor, Memphis Harbor, Vicksburg Harbor and Osceola Harbor.

Senators urge Biden administration to expand ag trade

In a <u>March 13 letter</u> to U.S. Trade Representative Katherine Tai and Agriculture Secretary Tom Vilsack, 22 Republican senators urged the Biden administration to increase U.S. agricultural exports and improve the competitiveness of U.S. products abroad.

"We write to express deep concern with the continued erosion of critical markets for U.S. agricultural exports," wrote the senators, noting that in the last fiscal year (FY), U.S. agricultural exports declined by more than \$17 billion. Recent forecasts show a further decline by more than \$8 billion in FY 2024 and U.S. agricultural trade deficit is projected to reach a record \$30.5 billion in FY 2024.

"This decline is unsustainable, and we urge the Biden administration to immediately take action to improve the competitiveness of U.S. agricultural products abroad and reverse this trend," the senators wrote. "While the Biden administration continually refuses to pursue traditional free trade agreements, China, Canada, the European Union, the United Kingdom, and others continue to ink trade pacts that diminish American export opportunities and global economic influence."

International trade is critical to the continued success of U.S. agriculture, the senators added, noting that for the 2023 marketing year, nearly 70 million acres of corn, soybeans, and wheat were planted to meet the demands of foreign customers.

The senators asked the administration to respond with specific actions it plans to take to increase U.S. agricultural exports in 2024 and whether the administration intends to pursue new or improved free trade agreements in 2024.

"We further ask the Biden administration to take steps to analyze and consider the relationship between U.S. competitiveness and market share in foreign agricultural markets with negotiated tariffs, tariff rate quotas, and other market access provisions," they concluded.

CISA, FBI warn of attacks by ransomware group

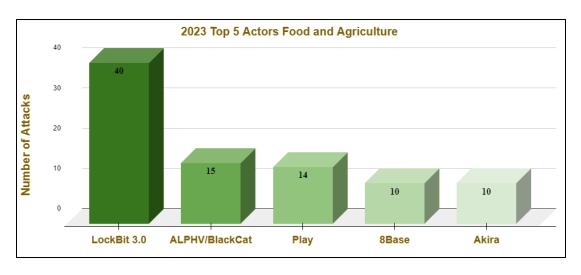
As part of the <u>#StopRansomware</u> campaign, the Federal Bureau of Investigation (FBI) and Cybersecurity and Infrastructure Security Agency (CISA) published an advisory on the Play (or Playcrypt) ransomware group.

Since June 2022, Play has impacted a wide range of businesses and critical infrastructure in North America, South America, and Europe, the advisory said. As of October 2023, the FBI was aware of approximately 300 affected entities allegedly exploited by the ransomware actors.

There were 14 attacks by Play against the Food and Ag sector in 2023. They are the third most prolific group watched by the Food and Ag Information Technology-Information Sharing and Analysis Center (IT-ISAC) in terms of attacks by volume. Already in 2024, there are four documented attacks against the sector by Play, according to IT-ISAC.

The Play ransomware group is presumed to be a closed group, designed to "guarantee the secrecy of deals," according to a statement on the group's data leak website. Play ransomware actors employ a double-extortion model, encrypting systems after exfiltrating data. Ransom notes do not include an initial ransom demand or payment instructions, rather, victims are instructed to contact the threat actors via email.

The FBI and CISA encouraged organizations to implement cybersecurity recommendations to reduce the likelihood and impact of ransomware incidents, including requiring multifactor authentication, maintaining offline backups of data, implementing a recovery plan, and keeping all operating systems, software, and firmware up to date.



EVENTS

See you in the sun: Add tours to your NGFA convention schedule

NGFA's 128th annual convention begins this weekend in Orlando, Fla.!

More than 650 members and guests will gather at the Omni Orlando Resort at ChampionsGate on March 17-19 to conduct NGFA business, hear from agribusiness, transportation and political speakers, and meet during several receptions, tours and the National Grain and Feed Foundation Golf Tournament.

Local tours that benefit the Foundation still have space available. Between sessions, take advantage of two special opportunities during the convention:

- Explore the headwaters of the Florida Everglades on the Wild Florida tour on Monday, March 18.
- Discover the day-to-day workings of space exploration at <u>the Kennedy Space Center</u> on Tuesday, March 19.

Email <u>ngfa@ngfa.org</u> to register for tours. Ticket prices benefit the National Grain and Feed Foundation and projects to fund grain safety resources and young scholars in agriculture.





SUPPLEMENTS

NGFA declares opening of the Mid-Miss

Pursuant to NGFA Barge Freight Trading Rule 18(J), the special three-person committee officially declared the opening of the Mid-Mississippi River for navigation this year as of 7 a.m. on March 12, after the *MV Philip M. Pfeffer* reached Dubuque at 02:27 a.m. on March 7, with at least one empty dry cargo covered barge suitable for loading. Serving on the committee are Jeff Webb, Chair (Cargill); Jamie Clendenin (Viserion Grain) and Matt Tomayko (Ingram Barge).

NGFA adds Regional Safety and Regulatory Compliance Seminars

NGFA hosted another seminar in its ongoing series of Regional Safety and Regulatory Compliance Seminars with the North Dakota Grain Dealers Association on March 12 in Fargo, N.D.

Through the NGFA's alliance with the Occupational Safety and Health Administration (OSHA), staff from the OSHA's Fargo Area Office attended and answered questions from more than 50 industry attendees on OSHA's priority inspection program for grain handling facilities and OSHA's rulemaking priorities. NGFA's safety consultant Joe Mlynek also participated.

Previous seminars include those hosted with the Montana Grain Elevator Association on Jan. 23 and the California Grain and Feed Association on Oct. 26.

Register: Upcoming seminars include two hosted with <u>Kansas Grain and Feed Association</u> in York, Neb., on May 15 and Salina, Kan., on May 16.

Each year, NGFA jointly sponsors regulatory compliance seminars with affiliated state and regional grain and feed associations. The one-day seminar focuses on emerging and evolving regulatory issues from the Occupational Health and Safety Administration (OSHA) as well as overviews of implementing operational, quality and safety and health management best practices for grain handling facilities.

Extra Supplements

NGFA in the news:

World Grain: NGFA lauds SEC decision on emissions

Feed & Grain: SEC finalizes climate reporting rule

Other news:

ABC News: Biden signs a package of spending bills passed by Congress just hours before a shutdown

deadline

Reuters: US soybean exports under scrutiny amid worst sales run in years

Agri-Pulse: Rounds eager for solution to foreign farmland ownership issue

Agri-Pulse: Opinion: Pet food makers want a modern, 21st Century regulatory system

NGFA | 1400 Crystal Drive | Suite 260 | Arlington | VA | 22202