



California Association of Wheat Growers

Newsletter

January 6, 2017

**Thank you for your commitment to
the future of agriculture and our membership.**

Federal Policy Update



Trump Silent on Ag Secretary Pick; Congress Off to Rocky Start

The hits just keep on coming in the vetting process for agriculture secretary by President-elect Donald Trump's transition team, and while former Georgia Gov. Sonny Perdue looked to be the final pick earlier this week, new faces showed up in New York City this week, shifting the selection dynamic.

No one on the Trump team has unofficially or publicly blessed the Perdue selection, though the former degreed veterinarian, grain trader, transportation executive and two-term governor was an early Trump supporter, sits on his agriculture advisory committee and did yeoman's work on behalf of the Trump-Pence ticket across the South during both primaries and the general election campaign. Georgia aggies are quick to point out Perdue "understands agriculture and its importance," and then governor, "always had an open door policy toward farmers."

Sen. Pat Roberts (R, KS), easily reelected chair of the Senate Agriculture Committee this week, met with Vice President-elect Mike Pence to talk agriculture secretary nominations. Roberts said the process remains "fluid."

Complicating the final selection are relatively new names being vetted by the Trump camp. This week, ag advisory committee member, corn and soybean farmer and Indiana agribusinessman Kip Tom was spotted at Trump Tower in New York. Tom, who's told Indiana media his name is in the mix for agriculture secretary, wouldn't confirm to New York media why he was there. Some speculate Tom, who's a good friend of former governor, now Vice President-elect Mike Pence, may be talking about an inside-the-White House job advising Trump on food, agriculture and trade. The other candidate name getting ink is former California Lt. Gov. Abel Maldonado, a giant fruit and vegetable grower, and a long shot for the job, but who would allow Trump to name a Hispanic to his cabinet.

Meanwhile, Congress formally convened its 115th session, focusing on the procedural process necessary to begin dismantling and replacing the Affordable Care Act (ACA), a pledge made by Trump and just about every other Republican running for reelection last November.

The first step in "repealing and replacing" ACA is a budget resolution tied to a reconciliation package. Reconciliation is when a committee must take its overall budget allocation and cut or reduce program spending to meet that number. By targeting the ACA as a center for cost-cutting, loss of operating funds means program shutdown. The next step will be setting a schedule for transitioning from ACA to another health care program, as yet unannounced. House Speaker Paul Ryan (R, WI) also confirmed this week the reconciliation measure will eliminate federal funding for Planned Parenthood.

At the same time, a new package of House rules - the parameters under which the chamber will operate - was unveiled early this week, including a move to dismantle the independent, bipartisan ethics office, with critics claiming the operation was biased. So loud was the negative outcry over that proposal - even Trump weighed in to join House Speaker Paul Ryan (R, WI) in condemning the move - that House GOP supporters abandoned the action.

Ag Transition "Landing Team" Grows to Five

The list of volunteer supporters of President-elect Donald Trump, willing to take time off from their day jobs to aid in agriculture transition efforts, has grown from just a single player a week ago to five players as of this week.

Brian Klippenstein, executive director of Protect the Harvest, an anti-activist group funded by oilman Forrest Lucas, toiled as the only ag transition worker for the last several weeks. Klippenstein is a former Hill staffer, having served as chief of staff to retired Sen. Kit Bond (R, MO). Late last week, the Trump transition office confirmed he's joined by Cassie Castille, a former associate commissioner and advisor to the Louisiana Commissioner of Agriculture Mike Swain. Swain currently sits as president of the National Association of State Departments of Agriculture (NASDA).

Joining Castille last week is Lance Kotschwar, chief ethics and compliance officer and vice president for government and industry affairs for the Gaviion Group in Omaha, Nebraska. Kotschwar is well known and respected among Washington, DC ag interests, serving as legal counsel on both the House and Senate Agriculture Committees, holding a similar position with the House Energy & Commerce Committee, and as a senior member of the National Cattlemen's Beef Assn. (NCBA) Washington government affairs team.

Joining that trio is Washington, DC, veteran Russell Laird, a former executive with the American Trucking Assn. (ATA), the National Rural Utilities Cooperative Finance Corp. (NRUCFC), Phillip Morris International, and a professional staffer with the House Agriculture Committee under former chair Rep. Larry Combest (R, TX). Also new to

the team is Stephen Valen, a Yale Law School graduate, an associate working in government regulation and litigation for Jones Day, a Washington, DC, law firm.

Lighthizer Gets Trump Nod to Be USTR

Former Reagan Administration appointee Robert Lighthizer has been picked by President-elect Donald Trump to be U.S. Trade Representative (USTR).

Lighthizer will join Secretary of Commerce-designate Wilbur Ross and Peter Navarro, head of Trump's recently announced White House National Trade Council, to create and implement "policies that shrink the deficit, expand economic growth, strengthen our manufacturing base and help stop the exodus of jobs from our shores." Also named this week was Rolf Lundberg, former U.S. Chamber of Commerce trade guru, who will become deputy director of the National Trade Council.

Under President Reagan, Lighthizer was deputy USTR, and prior to joining the administration was chief of staff on the Senate Finance Committee. He currently heads the international trade law practice at a Washington, DC, law firm.

Ryan Pledges More Action as House Passes First of Regulatory Reform Bills

House Speaker Paul Ryan (R, WI), who along with his leadership team was handily reelected this week, said at his weekly press conference that regulatory reform - "steps Republicans are taking to address the onslaught of regulations coming out of Washington" - is a major priority shared by his caucus and President-elect Donald Trump. Ryan said the flood of regulatory action by the Obama Administration has put "coal mines in the Rust Belt, paper mills out West or workers in the Midwest...in jeopardy."

Echoing Trump in calling for an overhaul of the federal regulatory system, Ryan said Congress will use the Congressional Review Act (CRA) where possible. The CRA allows Congress, based on simple majority votes and a presidential signature, to force agencies to suspend regulations. It's only been used successfully once when Congress forced President Clinton to kill a one-size-fits-all ergonomics standard for the nation's workplaces.

This week the House, moving to "stop the Obama administration's last-minute regulatory onslaught altogether," approved a bill that amends the CRA allowing Congress to nullify with a single vote any so-called "midnight" rules promulgated by the Obama White House in the last 60 days. Supporters pointed out the House, Senate and the President must agree on rules targeted by the resolution. Democrats opposed the bill, saying there's been no hearings and no chance for amendment to legislation "this controversial."

Citing Trump's support, the House this week also approved the REINS Act, a bill that seeks to reform the regulatory system by providing greater accountability and transparency before major rule or regulations can take effect.

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