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American Association of
Grain Inspection and Weighing
Agencies

June 23, 2020

The Honorable Pat Roberts
Chairman
Senate Agriculture Committee
328A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Debbie Stabenow
Ranking Member
Senate Agriculture Committee
328A Russell Senate Office Building
Washington, D.C. 20510

Dear Chairman Roberts and Ranking Member Stabenow:

The American Association of Grain Inspection and Weighing Agencies (AAGIWA) writes in support of the pending legislation, "United States Grain Standards Reauthorization Act of 2020."

AAGIWA is the national professional association representing the public and private agencies that are designated and delegated by USDA's Federal Grain Inspection Service to weigh, inspect, and grade the Nation's grain. AAGIWA's member agencies are located throughout the United States and perform 90 percent of all inspections under the United States Grain Standards Act. The official agencies employ over 2,000 dedicated individuals.

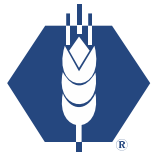
Prompt passage of this legislation will ensure continued stability for the national grain inspection system, thereby benefiting continued marketing of grain both for domestic use and for export.

We commend your leadership in bringing this legislation forward in a bi-partisan manner especially amid the difficulties presented by the current pandemic. We believe American agriculture from producer to grain handler to processor and exporter will benefit from passage of this legislation.

Respectfully,

Thomas Dahl, President
tomd@scigrain.com

P.O. Box 26426
Kansas City, MO 64196
Phone (816) 912-2084



National Grain and Feed Association

www.ngfa.org | ngfa@ngfa.org



June 23, 2020

The Honorable Pat Roberts
Chairman
Committee on Agriculture, Nutrition and Forestry
United States Senate
Washington, DC 20510

The Honorable Debbie Stabenow
Ranking Member
Committee on Agriculture, Nutrition and Forestry
United States Senate
Washington, DC 20510

Dear Chairman Roberts and Ranking Member Stabenow:

The National Grain and Feed Association (NGFA)¹ and North American Export Grain Association (NAEGA)² appreciate and commend your bipartisan leadership to reauthorize the U.S. Grain Standards Act (USGSA), and strongly support and urge prompt enactment of USGSRA 2020.

First signed into law in 1916, the USGSA benefits the entire agricultural value chain. Congress periodically reauthorizes this legislation to maintain and further enhance America's Official grain inspection and weighing system.

Stakeholders – ranging from producers to grain handlers and processors to end-users and consumers – benefit when the Federal Grain Inspection Service (FGIS) and its delegated and designated state and private agencies provide state-of-the-art, market-responsive Official inspection and weighing of bulk grains and oilseeds, and do so in a reliable, uninterrupted, consistent and cost-effective manner.

Committee consideration of USGSRA 2020 is timely, as several provisions and existing authorities in the current law expire on September 30, 2020. These include the ability for Congress to collect appropriations for standardization and compliance activities, authorization for the U.S. Department of Agriculture (USDA) Grain Inspection Advisory Committee to operate, as well as the

¹Established in 1896, the NGFA is a U.S.-based nonprofit trade association that consists of more than 1,000 grain, feed, grain processing, export and other grain-related firms that operate more than 7,500 facilities and handle more than 70 percent of the U.S. grain and oilseed crop. Also affiliated with NGFA are 33 state and regional grain, feed and agribusiness associations.

² NAEGA promotes and sustains the international trade of grains and oilseeds from the United States. Established in 1912, NAEGA's members include private and publicly owned companies and farmer-owned cooperatives serving the bulk grain and oilseed exporting industry. NAEGA represents the industry in communications with foreign buyers, U.S. and foreign governmental bodies, and before international institutions. NAEGA-member companies ship and support the vast majority of the highly competitive and fungible U.S. grain export supply.

current statutory limitation on administrative costs. We support reauthorizing all expiring provisions of the current law for another five years.

In addition, USGSRA 2020 includes a number of improvements advocated by NGFA and NAEGA, which we strongly support:

- **Requiring Delegated States to notify users of Official inspection or weighing services at least 72 hours in advance of any intent to discontinue service:** The 2015 reauthorization of the USGSA required the Delegated states to provide such pre-notification to the Secretary of Agriculture, and USGSRA 2020 extends this same requirement to the direct users of Official services that would be most affected by such actions so they can make appropriate plans.
- **Ensuring FGIS user fees are directed solely to inspection and weighing services:** The user fees that grain handlers pay for inspection and weighing services should be directed only toward those activities. We appreciate Congress consistently appropriating funds for establishing and maintaining the U.S Grain Standards, as well as for internal monitoring of FGIS' grain quality-assessment methods and compliance activities – all of which have broad societal benefits.
- **Reporting requests for waivers, exceptions and other specific services received and granted by FGIS:** This information-sharing will increase transparency and help users better understand the demands on the Official system, which will be beneficial especially for those that pay the user fees that finance the system.
- **Reauthorizing the USDA Grain Inspection Advisory Committee:** This advisory committee provides expert advice to FGIS in helping the agency fulfill its core mission of ensuring that Official inspections are performed in a reliable and uninterrupted manner to facilitate U.S. grain exports.
- **Directing FGIS to complete a comprehensive review of the current boundaries for the officially designated grain inspection agencies in the domestic marketplace:** Such a review has not occurred since FGIS was established in 1976, and the resulting data will inform the agency and stakeholders about potential efficiencies and improvements to the system.

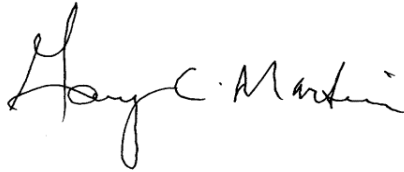
Finally, as the committee is aware, NGFA and NAEGA members remain very concerned about ongoing non-tariff trade barriers related to the services provided under the Act that have restricted exports of U.S. grains and oilseeds. The USGSA already contains an important provision, which would be retained under USGSRA 2020, that prohibits the use of false or misleading grade designations for U.S. grain exports. We look forward to working with you to raise further awareness about the misleading use of grade factors in contravention of this prohibition that currently is occurring through the inappropriate use of an additional declaration on foreign material on U.S. official phytosanitary certification of soybean exports to China. In this regard, we strongly support the insertion of language signaling Congress's disapproval of the misuse of grain quality factors in the committee report accompanying USGSRA 2020.

Again, we urge support for USGSRA 2020, and its prompt enactment. Thank you for your leadership and consideration on this important policy matter.

Sincerely,

A handwritten signature in dark ink, reading "Randall C. Gordon". The signature is written in a cursive style with a large, sweeping "R" and a trailing flourish.

Randall C. Gordon
President
National Grain and Feed Association

A handwritten signature in dark ink, reading "Gary C. Martin". The signature is written in a cursive style with a large, sweeping "G" and a trailing flourish.

Gary C. Martin
President and Chief Executive Officer
North American Export Grain Association

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Chairman
Senate Agriculture Committee
Washington, D.C. 20510

The Honorable Debbie Stabenow
Ranking Member
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Dear Chairman Roberts and Ranking Member Stabenow,

Thank you for your efforts to reauthorize the Grain Standards Act (USGSA), which sets the framework for the functioning of the U.S. Department of Agriculture's Federal Grain Inspection Service. With the impending expiration of the USGSA at the end of September, it is critically important that Congress finalize the reauthorization process. We believe the bill under consideration will maintain confidence in our inspection system, which is a key element of our success in export markets.

The United States' grain inspection system provides certainty to our foreign customers that all U.S. grains and oilseeds have been inspected and certified by an independent agency and provides great value to U.S. commodities, thereby enhancing our competitiveness in the world market. This certainty and reliability have helped grow export markets for U.S. commodities and serve as a significant advantage for U.S. products versus commodities from other origins.

A properly functioning grain inspection system is critical, and we urge Congress to reauthorize the Grain Standards Act this year. Despite the significant impacts of tariffs on exports, U.S. commodities have maintained some competitiveness in the international market in part thanks to the premium international buyers place on the U.S. grain inspection system. Given the current uncertainty in trade agreements and many of the bearish factors working against U.S. farmers, it is critical we maintain one of our key advantages. Our customers, foreign and domestic, see tremendous value in our grain inspection system, and reauthorization of the Grain Standards Act will ensure this value continues for U.S. grain exports.

Again, we sincerely appreciate your work to move forward with the reauthorization process and to craft a bipartisan bill that can be supported by both chambers of Congress. We hope that Congress will be able to act quickly on this bill to ensure no lapse in authorization.

Sincerely,

American Farm Bureau Federation
American Soybean Association
National Association of Wheat Growers
National Barley Growers Association
National Corn Growers Association
National Sorghum Producers
National Sunflower Association
U.S. Canola Association

CC: Members of the Senate Agriculture Committee



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Dear Chairman Roberts and Ranking Member Stabenow,

As members of the Kansas agriculture industry, we thank you for your efforts to reauthorize the Grain Standards Act (USGSA), which sets the framework for the functioning of the U.S. Department of Agriculture's Federal Grain Inspection Service. With the Act expiring in September, it is imperative that action be taken in a timely fashion and the USGSA be reauthorized. As written, this bill will maintain confidence in our inspection system, which is a key element of Kansas agriculture's success in export markets.

Kansas exports up to \$2.5 billion in grain annually. The current grain inspection system provides certainty to our foreign customers that all Kansas and U.S. grains and oilseeds have been inspected and certified by an independent agency and provides great value to U.S. commodities, thereby enhancing our competitiveness in the world market. This certainty and reliability have helped grow export markets for U.S. commodities and serve as a significant advantage for U.S. products versus commodities from other origins.

A properly functioning grain inspection system is critical, and we urge Congress to reauthorize the Grain Standards Act this year. Despite the significant impacts of tariffs on exports, U.S. commodities have maintained some competitiveness in the international market in part thanks to the premium international buyers place on the U.S. grain inspection system. Our customers, foreign and domestic, see tremendous value in our grain inspection system, and reauthorization of the Grain Standards Act will ensure this value continues for U.S. grain exports.

Again, the Kansas agriculture community sincerely appreciates your work to move forward with the reauthorization process and to craft a bipartisan bill that can be supported by both chambers of Congress. We hope that Congress will be able to act quickly on this bill to ensure no lapse in authorization.

Sincerely,

Kansas Grain and Feed Association
Kansas Corn
Kansas Farm Bureau
Kansas Grain Sorghum Producers Association
Kansas Soybean Association
Kansas Wheat
Renew Kansas Biofuel Association