



PRODUCERS *Rice Letter*

P.O. Box 1248 - Stuttgart, Arkansas 72160 - (870) 673-4444 EOE M/F/Vet/Disabled Volume 32, No. 6 January 2019

2019 Calendar of Events

Feb. -Mar.	Family Nights/Meetings scheduled
February 12	Mississippi Rice Winter Meeting, Cleveland, MS
Mar. 1-2	MidSouth Farm and Gin Show, Cook Convention Center, Memphis, TN

2019 FAMILY MEETING DATES

The Wilmot meeting will be held at 11:30 A.M. on Feb 12th & the Cleveland meeting will follow at 6:00 p.m. that same evening.
The other meetings will all begin at 6:00 p.m.

ARKANSAS RICE ANNUAL MEETING



The Arkansas Rice Council and Arkansas Rice Farmers held their annual meeting and trade show Tuesday, January 9th, at the Grand Prairie Center in Stuttgart, AR. More than 400 people attended, including vendors and business

interests that support rice farming, as well as state officials and legislators on hand to discuss a variety of topics, from the proposed restructuring of the state government to the recently passed Farm Bill.

In keeping with the meeting's theme of "Family Farming," USA Rice President & CEO Betsy Ward talked about the USA Rice mission of being the family's "out of town" voice, fighting in Washington for sound policies, and advocating for U.S.-grown rice in markets here and around the world. "I appreciate the opportunity to share with folks in Arkansas what we are doing on their behalf and to hear firsthand their concerns and priorities," said Ward. "It was also nice to be able to share some good news -- bipartisan passage of the 2018 Farm Bill and positive developments in Iraq and China."

The event concluded with a lunch for registered attendees.

SECOND ADVANCE MAILED

Your board of directors approved a second advance on your 2018 rice crop that was mailed on January 8th. The following is a summary of the average second advance and the total advances to date:

AVERAGE PER BUSHEL

<u>Regular (Eligible) Seasonal Pools</u>	<u>Second Advance</u>	<u>Advances To Date</u>
Long	\$0.48	\$ 4.00
Medium	\$0.57	\$ 4.05

Depending on milling yield, your advance in the eligible seasonal pools could vary slightly with the overall average. The second advance includes our annual capital retainage of 13¢ per bushel. Members who have patronized Producers for at least 10 years participated in a \$6.8 million equity redemption last November. Additional advances will be made as more rice is milled and marketed.

<u>Date</u>	<u>Facility</u>	<u>Meeting Location</u>
Feb. 12	Wilmot	Wilmot Baptist Church
Feb. 12	Cleveland, MS	Bolivar Cty. Extension Serv.
Feb. 19	DeWitt	DeWitt High School Cafeteria
Feb. 21	Pine Bluff	Waterfront Meeting Facility
Feb. 28	Wynne	U of A Technology Center
Mar. 7	Stuttgart	Grand Prairie Center

All Producers' members are invited to attend. Spouses and children are also welcome.

Following a catered meal, there will be a short meeting to provide an update on your cooperative and information regarding the rice industry.

- Members at Eudora are invited to the Wilmot meeting.
- Members at Tyronza, Wilson, and Fair Oaks are all invited to the Wynne meeting.
- If you have questions about a meeting location, please call your local elevator manager for directions.

FSA OFFICES TO REOPEN

All Farm Service Agency (FSA) offices will be reopening on a limited basis in an effort to help farmers who have been caught in the political crossfire surrounding the partial government shutdown. FSA is making every effort to provide much needed assistance by reopening FSA offices to carry out several programs important to rice, even with the shutdown still ongoing.

Beginning on Thursday, January 24, all FSA offices will be open for business providing limited functions. The following two weeks, the weeks of January 28 and February 4, FSA will operate five days per week. The ensuing weeks would be three-day work weeks (Tuesday - Thursday). However, this is all contingent on the duration of the shutdown.

A few of services that will be provided by FSA offices include: administration of the Price Loss Coverage (PLC) and Agricultural Risk Coverage (ARC) programs, including making payments on backlogged rice PLC payments; processing of new direct and guaranteed operating loans; issuance warehouse receipts for existing Marketing Assistance Loans; processing of new Marketing Assistance Loans; and acceptance of applications/process payments for the Market Facilitation Program (signup deadline also delayed until February 14).

When USA Rice inquired about the past-due rice PLC payments that were delayed due to apportionment issues, USDA Under Secretary for Farm Production and Conservation Bill Northey said those payments are a high priority, and that USDA is aware that those PLC payments are one of the first things that need to be done once offices reopen.

"USA Rice is thankful that FSA offices will be reopening so our farmers can complete some of their business leading up to planting season, as well as the fact that rice PLC payments will be a high priority on these offices' to-do lists once they reopen," said Ben Mosely, USA Rice vice president of government affairs. "We appreciate the work of Secretary Perdue and Under Secretary Northey for making this happen during a time of critical need."

Hope to see you at our Family Meetings!

*Attendees will have a chance to win a
Producers 75th Anniversary
Commemorative RNT Duck Call !!*

MANAGER'S MESSAGE



During the week of February 4th, USA Rice will hold its annual Government Affairs Conference (GAC) in Washington, D.C. The conference is a great opportunity to discuss important rice issues with members of Congress, USDA and Administration officials. The current partial budget shutdown, if not resolved before the Conference, will complicate and reduce the productivity of this year's trip, since many of the USDA employees are furloughed from working. Nevertheless, members of Congress and high ranking Administration officials will be available for meetings. One of the top priorities of this year's conference is to especially thank members of Congress and the Administration for the passage and signing of the new 2018 Farm Bill. In this Manager's Message, I will share with you some of the other important issues and official positions USA Rice will share with members of Congress and the Administration.

Farm Bill:

- **Thank you for supporting the U.S. rice industry by passing the 2018 Farm Bill.** The new farm bill includes improvements to the farm safety net and solidifies Congress' commitment to the rice industry for another five years. This is truly significant as it has kept rice farmers in business despite a 46 percent drop (from \$123.8 billion in 2013 to \$66.3 billion projected for 2018) in net farm income over the past five years. Congress should work to ensure that USDA follows the legislation's intent when drafting implementing regulations.
- **Price Loss Coverage (PLC) is working.** PLC, the primary risk management tool for rice farmers, is simple, predictable, and functions as intended by providing assistance in times of multi-year price declines.
- **Relief from burdensome and costly regulations to family farms.** We fully support the expansion of the family definition in regards to "Actively Engaged in Farming" rules to include first cousins, nephews, and nieces.
- **The 2018 Farm Bill acknowledges the importance of rice production to the conservation of wildlife habitat and water quality** by reauthorizing voluntary, incentive-based and cost share conservation programs.
- **Increased mandatory funding for the Regional Conservation Partnership Program (RCPP).** USA Rice is hopeful to continue to utilize this program through our Rice Stewardship Partnership with Ducks Unlimited. Under current RCPP awards, over 770,000 acres of rice and rice-rotation lands will be positively impacted, and \$80 million in financial assistance towards habitat-focused conservation practices on working rice lands.
- **Creation of the Agricultural Trade Promotion and Facilitation Program.** This "umbrella" program guarantees annual mandatory funding for the Market Access Program (MAP) and Foreign Market Development (FMD) Program, among other programs, which USA Rice utilizes to successfully carryout promotional activities to maintain and develop international markets for U.S. rice.
- **General maintenance of in-kind U.S. rice donations through international food aid programs.** While food aid only constitutes about 3% of U.S. rice exports, it's an important part of what we do and with the introduction of fortified U.S. rice into food aid programs. We expect additional sales of U.S. rice in the future under these important programs.
- **We encourage USDA and USAID to prioritize milled and fortified milled rice** when they are programming commodity shipments. These products are proven to be healthy and nutritious options for food aid programs.

Trade Issues: Trade is vital to the economic health of the U.S. rice industry. Over 50 percent of the rice grown in the U.S. is exported each year. USA Rice supports multilateral and bilateral trade agreements that provide commercially meaningful and significant improvements in market access for U.S. rice while maintaining the appropriate safety net for U.S. producers.

- Any disruption in trade has a major impact on the profitability and viability of U.S. rice farmers and the industry infrastructure that supports farming, milling, and exporting.
- U.S. rice farmers have invested millions of state check-off dollars and USDA/Foreign Agricultural Service funds prying open new markets for rice and promoting the high quality, reliability, and strong food safety record of the industry.
- The rice industry has worked with the U.S. government for many years on eliminating trade barriers in markets where opportunity would exist for additional exports if free and fair trade were present in those markets.

Specifically, USA Rice:

- Encourages the quickest possible completion of the **United States, Mexico and Canada Agreement (USMCA)** to preserve the best trade deal ever negotiated for U.S. rice. USMCA represents 30 percent of U.S. rice exports with Mexico being the largest market and Canada our fifth largest.
- Continues to be cautiously optimistic about trade opportunities in China. The Government of China's indication that rice will finally be imported is encouraging, as is the approval of a small number of U.S. rice mills to ship to that market. We are working closely with USTR and USDA to ensure that the full list of approved mills is accepted by China.
- Continues working to open up the European Union market where high and discriminatory tariffs have kept out U.S. long-grain milled rice.
- Supports the recent agreement between the U.S. and Japan to start bilateral trade negotiations and commends the President for bringing Japan to the table.
- Encourages the Administration to be aggressive in pressing countries to live up to their WTO obligations and pursue enforcement actions within the WTO. China, India, Turkey, and Vietnam are exceeding their WTO commitments on rice subsidies.
- Urges the administration to consider the impact on U.S. rice from the tariffs and diversification of supply resulting from trade uncertainty.

Rice Standard of Identity: USA Rice supports the development of an FDA Standard of Identity for rice to prevent products from using the word rice to describe non-rice foods. We have spent a lot of time and effort educating consumers about the nutritional content of rice and the ways it can fit into their diet. It is misleading for consumers to then see "rice" on a product that does not have comparable nutrients to rice. The existing CODEX definition for rice should be used as a basis for developing a standard of identity. Rice is whole or broken kernels obtained from the plant species *Oryza sativa* L. and the four species of grasses from the genus *Zizania* that are called wild rice.

As you can see, there are still a lot of important issues that will be debated in Washington, D.C. that could potentially affect U.S. rice farmers. We are very fortunate to have USA Rice in D.C. to monitor these developments on a daily basis and fight on behalf of U.S. rice farmers and the industry as a whole.

Sincerely,

A handwritten signature in cursive script that reads "Keith Glover".

Keith Glover