

FY 2022-2023 Annual Report July 1, 2022 - June 30, 2023

Letter from NAWG CEO, Chandler Goule

It is hard to believe how quickly another year has flown by for the National Association of Wheat Growers. Over these seven years, we've achieved remarkable transformations, transitioning from paper paychecks to a modern office, expanding our team, and regaining our prominent position among commodity organizations in Washington, D.C. The challenges of the past year, whether in the realm of policy, politics, or other facets, have continued to test the resilience of the wheat industry.

This past year NAWG has seen several huge wins for the industry. Notably and most important for an advocacy organization has been the opportunity to testify in front of Congress three times in one year to convey the needs of the U.S. wheat grower to our congressional representatives. The testimonies mostly focused on the reauthorization of the 2023 Farm Bill. NAWG President Brent Cheyne and Past President Nicole Berg represented the organization in D.C. focusing on a long list of issues that centered around the need for a more effective safety net for wheat growers, strengthening crop insurance, cover crops, voluntary conversation programs, doubling MAP and FMD funding, transportation issues and the need for continued use of crop protection tools.

NAWG continued to host annual fly-ins so that more NAWG members could take advantage of the new NAWG office located by the Capitol and participate in the advocacy and legislative process. We were very pleased this year to start having members of the USW Associates executive committee joining us for these important meetings, including Michael Peters and Clark Hamilton.

One of the biggest issues that NAWG has been working on outside of the Farm Bill has been to address the concern regarding food companies and other end users' lack of communication with the beginning of the supply chain regarding sustainability goals. In September, I was the only person from a commodity organization to attend the Sustainability Marketing Initiative in New York City. Since this meeting, other food companies have taken notice. PepsiCo, the largest food company in the United States invited NAWG and other commodity organizations to meet with their North American CEO to learn about the investments the company is making in agriculture and get feedback from wheat growers concerning their needs.

A highlight for me this year was being the gala speaker at the National 4-H Congress in Atlanta, Georgia. As a past 4-H member and 4-H scholarship recipient, it was an honor to speak to the over 500 4-H members from across the country. I spoke about the importance of setting goals, being flexible and encouraging them to take an interest in public policy. I also stressed the need to help society to overcome the stigma around suicide. We know that farmers/ranchers are at a considerably higher risk of suicide compared to other counterparts and the lack of resources in rural America.

At the end of the year, Taylor Williamson returned to Kansas to begin work for the Kansas Corn Growers. We welcomed Jack Long to the NAWG office in D.C. as he hit the ground running.

The year brought both significant achievements and areas of concern to the forefront. As drought persisted across numerous wheat-producing states, the dedicated NAWG staff worked tirelessly to champion the cause of U.S. wheat farmers before Congress, the Administration, and various non-governmental organizations in Washington, D.C. I want to extend my personal gratitude to the entire team for yet another outstanding year and for the countless hours they've devoted to advocating on your behalf. Looking ahead, the coming year promises to be just as hectic as we aim to finalize the 2023 Farm Bill. Lastly, I'd like to express my appreciation to our officers for their unwavering dedication and, of course, to our members who continue to stand by NAWG and support our mission to enhance the lives of American wheat growers.

Sincerely, Chandler Goule

In the fiscal year 2022-2023, the National Association of Wheat Growers (NAWG) pursued a trajectory of growth and engagement. The year commenced with a major thrust on brand enhancement, marked by the launch of the NAWG Weekly Updates on a new customizable digital platform. This shift led to a significant increase in the open rate, now consistently at 50%. The newly designed newsletter facilitated the introduction of the monthly <u>Wheat World podcast</u>, a vital tool in keeping growers and industry stakeholders informed about NAWG's advocacy efforts.

NAWG also delved into a comprehensive redesign of <u>our website</u>, aiming for a fresh, user-friendly interface. The goal is to make these updates accessible to farmers while they work in the field, enhancing their connection to the industry.

NAWG representatives actively participated in key industry events and conferences, ensuring their presence in strategic discussions. The fall season brought the traditional travel season, with informative tours and engagements. NAWG utilized these opportunities to connect with various stakeholders, discussing policy priorities and industry advancements. As the year progressed, preparations for major conferences like the Winter Wheat Industry Conference and Commodity Classic took center stage. These events provided a platform to review policy priorities, engage with stakeholders, and present a united front for the betterment of the wheat industry, which included Secretary Vilsack addressing a joint NAWG and USW Associates Board of Directors meeting in February

The unveiling of a new website and logo during Commodity Classic marked a pivotal moment, garnering positive feedback for its accessibility and navigational improvements. Concurrently, Mariah Wollweber continued to produce the monthly podcast, reinforcing communication and outreach efforts.

Throughout the year, NAWG maintained a proactive approach to media engagement, resulting in significant coverage across various platforms. This included featuring in over 2,000 articles, reaching 2 billion people and generating ad value equivalency of \$3.7 million. The organization also focused on strengthening corporate relationships within the industry, meeting potential partners, and refreshing their benefits package for the fiscal year.

NAWG representatives testified before Congressional committees, emphasizing crucial Farm Bill priorities and advocating for the wheat industry. The organization remained dedicated to effective internal and external communications, ensuring that members and the general public were kept well-informed through regular reports, newsletters, and press releases.

- <u>View the newsletters</u>
- <u>View the press releases</u>

In retrospect, the fiscal year 2022-2023 exemplified NAWG's commitment to advancing the interests of wheat farmers, strengthening industry ties, and enhancing communication strategies. The ongoing pursuit of brand visibility and the success in media engagement underpin a solid foundation for future initiatives and growth.

Summary of NAWG's outreach efforts .

34 Press Releases Sent





Mentioned in 2,222 articles that reached over 2 BILLON people and gengerated an Ad Value Equivlanecy of \$3.7 MILLON

Our Tweets earned 56.6k impressions



Instagram gained 600+ followers since launched







































Engagement with the Congress and the Administration

Over the past year, NAWG has had a robust presence on Capitol Hill as Congress reviewed the 2018 Farm Bill and began drafting the 2023 Farm Bill. Wheat growers had multiple opportunities to participate in fly-in activities between the September 2022 Farm Bill fly-in, the winter meeting hill day, the National Wheat Improvement Committee (NWIC) research visit, and the Food Aid Working Group educational visits. As part of the September 2022 Farm Bill fly-in, NAWG held a USDA Roundtable Discussion with senior political staff from FSA, RMA, and NRCS. Additionally, NAWG staff have been ever-present on Capitol Hill, continuing to educate members of Congress on our Farm Bill priorities and lobby for those priorities.

Farm Bill

Since the Board of Directors approved NAWG's initial Farm Bill priorities in June 2022, NAWG followed this action with a formal letter to the four corners of the House and Senate Agriculture Committee outlining these priorities in greater detail. During the ad hoc Farm Bill fly-in, one of the committee staff panelists noted that NAWG's letter was the first commodity organizations to have formalized their Farm Bill request to the committee. The ad hoc fly-in discussing NAWG's Farm Bill priorities included representatives from NAWG and US Wheat Associates and met with over 55 Congressional offices.

In the fall and winter months, NAWG and other commodity organizations worked to form several working groups and efforts to advocate for shared priorities, which revolved around requesting additional budget resources to write the next Farm Bill. The group then followed up with this letter with targeted outreach to key staff on the agriculture committee, budget committee, and Democrat and Republican leadership officers to seek support for these critical investments. Early in 2023, NAWG joined over 400 agriculture organizations in a letter to the House and Senate Committees on Budget requesting additional funds for the Farm Bill. The letter highlights the importance of the Farm Bill and its role in helping protect farmers through safety nets ranging from trade to crop insurance.

Throughout the year, NAWG's policy committees continued to review and make recommendations to build upon its initial top ten Farm Bill priorities. At Commodity Classic, several additional Farm Bill priorities were recognized, and these were formally communicated to the four corners in April.

President Cheyne was in Washington, DC, in April and May, testifying before the House Agriculture Committee's General Farm Commodity, Risk Management, Credit Subcommittee and Senate Agriculture Committee Commodities, Risk Management, and Trade Subcommittee. These two hearings allowed NAWG to showcase our 2023 Farm Bill recommendations and respond to questions from members of the subcommittees. The hearings were well attended by other commodity associations and were widely reported on.

Disaster Aid

NAWG continued working with USDA's Farm Service Agency (FSA) throughout the year to imple-

ment the Emergency Relief Program (ERP) for 2020 and 2021. Additionally, in December, NAWG joined a letter with other commodity organizations calling for additional and adequate resources to be included in the FY23 Omnibus for disaster aid programs in 2022. The letter highlighted the success of the approach taken under ERP Phase I. It urged Congress to use this model for future relief, including for Phase II and 2022 losses, except where a unique approach for a commodity is required. Ultimately, these efforts were successful, and Congress appropriated \$3.7 billion for disaster aid in the calendar year 2022. Following the appropriations of disaster aid resources for 2022, NAWG sent a letter to USDA citing the challenges with ERP Phase II and advocating for a Phase I approach as the USDA crafted the disaster assistance program funded in the 2022 Omnibus. NAWG staff followed this letter with a discussion with senior staff at the USDA.

In May, USDA announced its plan to implement the \$3.7 billion in disaster assistance provided by Congress in the calendar year 2022. USDA is attempting to expedite assistance by retaining the pre-filled applications and is moving forward with an approach that combines Phase I and Phase II of the 2022 Emergency Relief Program. However, at the end of Q4, those pre-filled applications have yet to be mailed out as the agency is finalizing its Notice of Funding Availability.

Trade

NAWG continued to work with its federal and industry on a variety of issues. In particular, since the Expanding Agricultural Exports Act (S. 176) and Agriculture Export Promotion Act (H.R. 648) were introduced in Q3, NAWG has continued to use its grassroots campaign tool to support these bills, which – if enacted – would double the mandatory funding for the Market Access Program and Foreign Market Development program. At the end of Q4, these campaigns sent 375 messages to lawmakers, encouraging them to cosign and support these bills being included in the upcoming Farm Bill. NAWG also joined a coalition letter in support of these marker bills being included in the 2023 Farm Bill and participated in regularly scheduled coalition calls.

Additionally, NAWG and the broader agricultural community were successful in urging the United States Senate to confirm Doug McKalip and Alexis Taylor to their positions at USTR and USDA respectively. Ultimately, these nominations were confirmed in December 2022, following a slow, yet bipartisan, confirmation process. Throughout the year, NAWG engaged with Under Secretary Taylor at a food and agriculture dialogue meeting and welcomed the Chief Agricultural Negotiator McKalip at the NAWG office over the summer.

Further, NAWG continued to be engaged in efforts related to the World Trade Organization (WTO), Trade Promotion Authority (TPA), Indo-Pacific Economic Framework (IPEF), and multiple other areas of interest and importance to wheat growers. In particular, NAWG joined an industry letter to the USTR regarding the interest in future negotiations on agricultural trade liberalization in the WTO and has also worked to elevate our concern with India's wheat and rice subsidy scheme, which saw positive developments earlier this year. Also, the broader agricultural community sent a letter to Congress urging the reauthorization of TPA, which allows the USTR to negotiate and execute free trade agreements with only an up-down vote by Congress. NAWG also joined a letter supporting the UNITED

Act that would grant the President, in consultation with Congress, the ability to seek a comprehensive trade agreement between the United States and the United Kingdom (U.K.). Lastly, NAWG also joined the U.S. Ag Coalition for Cuba coalition hill activities, highlighting barriers to trading agricultural products with Cuba and building support for existing legislation intended to help facilitate trade with Cuba.

Food Aid

In November, NAWG, U.S. Wheat Associates, North American Millers' Association, and American Soybean Association joined forces in having a food aid fly-in that focused on education and spreading awareness of the key role commodities play in the food aid programs. NAWG hosted a hill briefing before the group went to Capitol Hill and met with over a dozen hill offices, the four corners of the ag committee, USDA Foreign Agriculture Service Associate Administrator Brooke Jami¬son, USAID Bureau of Humanitarian Deputy Director Greg Olsen, and World Food Program USA Executive Director Rebecca Middleton.

Throughout the winter, spring, and summer months, NAWG, US Wheat, North American Millers Association, American Soybean Association, USA Rice, representatives from the maritime industry, and others participated in over 100 meetings aimed to explore greater US commodity purchases as part of the next Farm Bill, to counter the erosion of commodity purchas¬es in favor of flexibility and cash as components of Farm Bill food aid programs. These meetings include ag committee staff, foreign affairs committee staff, individual offices, USDA, and USAID.

Food aid efforts culminated on June 22, with Representatives Tracey Mann (R-KS-01), John Garamendi (D-CA-08), Rick Crawford (R-AR-01), and Jimmy Panetta (D-CA-19) introducing the American Farmers Feed the World Act of 2023. The Act focuses on transparency and accountability by ending the program's dependence on cash transfers overseas and reducing programmatic overhead costs. By preserving resources to purchase life-saving food, this legislation would ensure that at least 50 percent of the budget is allocated to acquiring American-grown commodities and delivering them to the destination country. NAWG and coalition staff continued working with Senate partners to introduce a bipartisan companion bill.

Crop Protection Tools

Throughout the year, NAWG engaged with the EPA and Capitol Hill on multiple advocacy and educational efforts that worked to maintain and update the availability of crop protection tools. NAWG has continued throughout the last year to maintain and update the availability of crop protection tools. Throughout the year, NAWG joined a coalition regarding the petition to revoke tolerances and cancel registrations for certain Organophosphates. Furthermore, NAWG joined a letter with fellow ag groups to urge the EPA to reject the remaking for pesticidal seed treatment. This letter was seen as a success as the EPA published a response stating that they had rejected the petition. Between the Pesticide Registration Improvement Act, appropriations requests, the Chlorpyrifos lawsuit, and the Endangered Species Act, NAWG remained busy. NAWG also continually engaged with a myriad of issues through the Pesticide Policy Coalition

In September, NAWG joined a coalition comment regarding a petition to revoke tolerances and cancel registrations for certain Organophosphate uses. In October, NAWG circulated a call to action from CropLife America Action regarding FY23 Pesticide Registration Improvement Act (PRIA) Appropriations. Additionally, NAWG worked with the stakeholder community to get PRIA 5 enacted before the end of the 117th Congress. Meanwhile, the EPA released an Endangered Species Act (ESA) Workplan Update that outlines major steps to increase protections for wildlife and regulatory certainty for pesticide users. The goal for this workplan is to ensure that EPA will comply with ESA regulations. However, this proposal has large ramifications for how product labels look and how farmers need to comply with the labels. NAWG worked alongside CropLife America and the Pesticide Policy Coalition to create comments that were submitted to the EPA regarding the ESA Workplan update. NAWG will continue to work alongside organizations to address ESA concerns and ensure that farmers can properly utilize crop protection tools.

NAWG also joined a PPC Farm Tour in June, where the group visited FMC's Stine Research Center in Newark, Delaware, and Harborview Farms in Rock Hall, Maryland. On tour were other industry representatives from the PPC and staff from the EPA who were looking to learn more about how the regulatory process impacts farm operations. Additionally, NAWG joined multiple PPC legislative and regulatory update calls and numerous Farm Bill priority calls as the coalition worked to identify their 2023 Farm Bill priorities.

Research and Technology

NAWG staff has been actively participating in research and technology initiatives this past year. Staff traveled to Aimes, IA, for the Agriculture Genome to Phenome Initiative and USDA's National Institute of Food and Agriculture (NIFA) workshop. Furthermore, in September NAWG staff traveled to London with U.S Wheat Associates on a Wheat Gene Editing Learning Trip where they participated with the United Kingdom's Department of Environment Food and Rural Affairs (DEFRA), USDA Foreign Agriculture Service (FAS), UK National Farmers Union, UK Flower Millers, and toured Rothamsted Research, where they are conducting field trials of gene-edited wheat (CRISPR technology). NAWG President Brent Cheyne and staff also participated in a dinner with Bruce Knight and representatives from Bioceres to receive a regulatory update and learn about their progress with HB4 drought tolerant Wheat.

NAWG and the American Malt Barely Association met earlier this year to discuss a strategy for joint engagements around our shared 2023 Farm Bill research priority. This priority is to increase funding authorization for the U.S. Wheat and Barley Scab Initiative from \$15 million annually to \$20 million annually. This increase is crucial as research costs rise and the necessity for research increases in areas of high impact.

Throughout the year, NAWG continued to work with the Ag Biotech Alliance (ABA) and remained engaged on the Environmental Protection Agency's new PIPs exemption rule, "Pesticides; Exemptions of Certain Plant-Incorporated Protectants (PIPs) Derived from Newer Technologies." The EPA rule is expected to create differential treatment for products due solely to the methods of development (i.e.,

biotechnolo¬gy vs. conventional). This rule will only create more hurdles and subject products created with biotechnologies to additional regulatory and documentation requirements.

Appropriations and Budget Activity

NAWG remained active with Capitol Hill to ensure close contact with our FY2024 appropriations requests ahead of House and Senate Appropriations Committee activities. NAWG and NWIC held its annual appropriations committee hill visits in March, where the group met with key offices and USDA Agricultural Research Service (ARS) to discuss industry research priorities. NAWG also submitted our appropriations priorities to lawmakers and the committee, which included \$1.6 million for a new Wheat Resiliency Initiative, an increase of \$750,000 for wheat rust, and maintaining funding for the U.S. Wheat and Barley Scab Initiative (USWBSI) and Small Grains Genomic Initiative at \$15 million and \$3.6 million respectively. In the spring, NAWG sent a letter opposing cuts in the President's budget for ARS and supporting full funding of the USWBSI. In June, the House and Senate advanced their versions of the FY 2024 Ag Appropriations Bill. Both included several NAWG / NWIC priorities, like continuing funding for the US Wheat and Barley Scab Initiative, small Grains Genomic Initiative, and \$1 million in new funding for the Wheat Resiliency Initiative, which supports additional research the to Wheat Stem Sawfly and Hessian Fly.

NAWG also joined hill meetings with folks from the National Predictive Modeling Tool (NPMTI) who were in Washington, DC, for hill meetings to discuss FY2024 appropriations requests and 2023 Farm Bill goals. The group convened at the NAWG office on Wednesday morning and then walked to the Senate side for six meetings. On Thursday, the group went to the House side for six more meetings. As you may recall, the NPMTI was first funded in FY2020 at \$5 million and is work¬ing to develop and validate predictive models that support wheat disease management decisions.

Transportation and Infrastructure

Throughout the year, NAWG has remained active in advocating for a safe, healthy, and efficient transportation system. For the first half of the fiscal year, NAWG was engaged in coalition letters advocating for improvements in the Waterways Resources and Development Act (WRDA) of 2022. The 2022 WRDA included important provisions for improving the infrastructure of US waterways and builds upon the 2020 WRDA. Major priorities that NAWG supports included a cost share change in Section103, amending the cost-share for inland waterway projects to 75% general revenue and 25% from the Inland Waterways Trust Fund. The 2022 WRDA also blocks attempts to breach the Lower Snake River Dams. Ultimately, this legislation was enacted in December 2022.

NAWG also worked alongside coalitions to ensure that Class I Railroads and Rail Laor Unions reached a settlement on a collective bargaining agreement. In July, NAWG sent a letter to the President asking him to appoint a Presidential Emergency Board (PEB) to help with negotiations. Furthermore, NAWG spent considerable effort meeting with Congressional offices, encouraging them to be prepared to act should an agreement not be reached before the deadline. Shortly before the deadline, an agreement was reached between the rail workers and the rail companies. Throughout the ratification window, NAWG was engaged with stakeholders to get a sense of processes and possible outcomes

to keep Congress informed of the importance of a healthy rail system. When the unions ultimately vetoed the agreement, NAWG was actively meeting with key leaders in Congress and the Administration, stressing the importance of avoiding a rail shutdown. NAWG also launched a grassroots letter writing campaign that sent over 180 letters to Congress, urging them to take action to avoid a shutdown. We were ultimately successful when Congress passed bills enforcing the Collective Bargaining Agreement, which President Biden signed on December 2, 2022.

Additionally, NAWG remained engaged as the Surface Transportation Board (STB) deliberated the merger of the Kansas City Southern and Canadian Pacific Railroads. In the fall, NAWG submitted final briefs urging the STB to eliminate the adverse impacts the transaction will have on wheat shippers that are large rail shippers in the United States, while highlighting the challenges that wheat growers have faced in the rail market. Unfortunately, the STB ruled in favor of the merger, which proceeded in March 2022.

In February, NAWG joined the BNSF Agriculture and Rail Business (ARB) Council meeting in Kansas City. During the meeting, members of the ARB discussed the needs of the agriculture industry and learned more about the rail business. Members also discussed the upcoming policy challenges facing the rail industry.

Farm Bill Conservation

NAWG was invited to testify before the Conservation Subcommittee of the House Agriculture Committee in September. NAWG President Nicole Berg testified and shared information on wheat growers' use of the Farm Bill Conservation programs. NAWG supports voluntary, incentive-based conservation programs, technical assistance and sufficient staffing and training for those staff members in the local NRCS and FSA offices. NAWG also continued outreach on Capitol Hill regarding the Farm Bill and NAWG's conservation priorities.

NAWG participated in a Farm Bill session hosted by Field to Market and held at the American Farm Bureau Federation office. Several panels discussed Farm Bill priorities including representatives from the House and Senate Agriculture Committees, Conservation and Wildlife Groups and Commodity organizations. Keira Franz participated in representing NAWG, outlining overall farm bill priorities and taking questions on the conservation title programs and the Inflation Reduction Act funding.

NAWG continued to prepare for the next Farm Bill by providing input to Congressional offices on NAWG priorities. NAWG is interested in greater recognition of the environmental benefits that winter wheat provides, including a living cover over winter, breaking pest cycles and a durable crop residue. NAWG also had ongoing discussions with other conservation and commodity groups about conservation title priorities in the Farm Bill.

NAWG was also invited to participate in a Field to Market meeting on sustainability and regenerative agriculture in Orlando during Commodity Classic. Unfortunately, the meeting conflicted with the NAWG board meeting, but National Wheat Foundation Chairman Bernard Peterson was able to par-

ticipate in the grower panel to represent wheat growers.

Climate & Sustainability Issues

Each September, "Climate Week" meetings were held in New York City. As part of Climate Week in 2022, the Sustainable Markets Initiative hosted a discussion on their efforts related to wheat, potatoes and rice. NAWG was invited to attend, and NAWG CEO Chandler Goule participated at the request of Sustainable Markets Initiative (SMI) member, Bayer. SMI also includes wheat customers Cargill, Mondelez, Mars and many others. SMI expects to release a report on Wheat and how to increase the adoption of regenerative agriculture practices in wheat production. NAWG was the only grower-based organization to participate in the discussion.

The Field to Market Plenary session was held in June in St. Louis and NAWG attended to hear the latest in agriculture sustainability and meet with several industry partners and food companies about their wheat supply chain projects. Field to Market will be updated several sustainability metrics in the near future and is in the process of implementing a Climate Smart Commodities Grant received from USDA.

Committee Meetings

The NAWG Environment and Research Committee (ERC) and the Special Climate and Sustainability Committee (SCSC) met to continue discussing the Farm Bill and the Inflation Reduction Act legislation and regulatory issues. ERC met in November in Salt Lake City, Utah and heard from several guest speakers and discussed farm bill and a variety of policy issues. Phoenix Dugger with Ardent Mills joined the committee to share Ardent Mills' approach to regenerative agriculture. Megan Provost, President of the Responsible Industry for a Sound Environment (RISE) shared an update on the Pesticide Registration Improvement Act (PRIA) that the industry was seeking legislative action on prior to the end of the year. (The bill was subsequently passed and signed into law). The committee discussed several conservation program bills, or "marker bills", in preparation for the next Farm Bill. The committee also heard an update on biotech wheat and a staff trip to the United Kingdom to discuss gene editing. Discussions on WOTUS, pesticide legal issues and the Securities and Exchange Commission's proposed rules on the Enhancement and Standardization of Climate Related Disclosures for Investors rounded out the committee's work for the Fall meeting. SCSC also met during the same time and discussed several actions USDA has taken to provide funding for climate related projects. The committee provided input on NAWG's comments on the use of funding provided from the Inflation Reduction Act for NRCS conservation programs. The committee also discussed the grant awards made by USDA for Climate Smart Commodities. Several of the programs will involve wheat and growers might hear of these programs in 2023 once USDA negotiates the final agreements with the grant award winners. The committee also heard an update on the Life Cycle Assessment Project.

ERC also met during the Winter meeting in Washington, DC, the committee heard from CHS Industries on Biofuels and from USDA and CropLife American regarding the ESA workplan for pesticide registrations and from Callie Eideberg with the Senate Agriculture Committee. At the committee meeting in Orlando ahead of Commodity Classic, the committee heard from NRCS Chief Terry Cosby,

discussed resolutions, and provided additional input on Farm Bill priorities and programs. The Special Climate and Sustainability Committee met in Washington, DC during the NAWG Winter Conference. The committee heard from several speakers including one of the USDA authors of the Drought Monitor, the USDA Climate Hubs office and from USDA's Dr. Adam Chambers regarding the COMET Farm USDA greenhouse gas modeling tool. COMET will be used to quantify the benefits of the practices implemented using the Inflation Reduction Act Conservation program funding.

issues, including the potential for a rail labor strike. Additionally, the committee heard from two speakers. Roger Hsieh, from BNSF, provided an update on BNSF's service and performance metrics. Additionally, Roger provided an outlook on the STB's timeline for a decision on the proposed CP-KCS rail merger and where the rail labor unions are in the ratification process for the collective bargaining agreement. The second DTPC speaker was Elizabeth Boylan, who is the lead Government and Industry Affairs individual at FMC. Elizabeth provided an industry perspective on the administrations' trade agreements, existing tariffs and their impacts on domestic manufacturing and capacity, ongoing issues with USMCA, and the potential opportunities for Congressional action on trade. The committee also recapped the September Farm Bill fly-in, and staff provided an update on cross-commodity work to engage Congressional leadership to secure an increase in budget authority that would help achieve several NAWG 2023 Farm Bill policy goals. The committee also discussed several thoughts and ideas seeking to identify further outline NAWG's Farm Bill priority that seeks to enhance crop insurance as part of the 2023 Farm Bill. The committee also discussed the final briefs NAWG submitted recently on the proposed CP-KCS merger and multiple letters NAWG joined or sent urging the administration and Congress to remain engaged in finding a solution that prevents a rail strike. The committee also discussed the disaster aid disbursement from the Emergency Relief Program (ERP).

During the winter meeting, DTPC welcomed several speakers who discussed current and forthcoming policy issues that impact agriculture. First, Farm Service Agency Administrator Zach Ducheneaux joined the committee and gave an overview of the ERP Phase 2 program, clarifying some misconceptions and miscommunications about needing Schedule F tax information in the application. The committee then engaged in a lengthy discussion with the Administrator on the challenges they faced with ERP, what to expect in ERP Phase 2, and the recently passed 2022 disaster aid. Next, Trevor White from the House Agriculture Committee joined DTPC to discuss the House Majority's outlook for the 2023 Farm Bill. Trevor gave us a great overview of what can be expected from the House in terms of what the process will look like, the possibilities of getting the bill done on time, and how the cut-go processes might work. The last guest speaker was Jeff Sands, the Assistant Vice President for the Rural Community Insurance Services, who gave us an overview of what they looked at in the Farm Bill. In addition to speakers, there was robust Farm Bill policy discussion, and NAWG endorsed including language in Farm Bill reauthorization to allow enterprise units to differentiate between the two practices.

Life Cycle Assessment

NAWG, the National Wheat Foundation (NWF), and US Wheat Associates worked to finalize an agreement for the research to develop a Life Cycle Assessment (LCA) of Wheat. This is a joint effort

between the organizations with NAWG and NWF fundraising for their portion of the project. The LCA will identify the environmental attributes of wheat production and will aid NAWG, NWF and USW to position domestically produced wheat in policy, markets and other promotion discussions. As policy and wheat customers continue to focus on climate smart conservation practices and regenerative agriculture or sustainable agriculture practices, it is important to understand the positive contributions that wheat production is making in these areas.

The work on the LCA has been ongoing throughout the year with requests to state associations for production information in specific counties.

Inflation Reduction Act

In December, NAWG submitted comments on USDA's request for input on the Inflation Reduction Act (IRA) funding. Specifically, the IRA provided \$20 billion in funding for the conservation programs administered by the Natural Resources Conservation Service (NRCS) and additional funding for technical assistance and quantification of the climate benefits of the conservation practices adopted. NAWG's comments focused on supporting the voluntary, incentive-based approach for conservation delivery and the need for ongoing training and mentoring of NRCS staff. NAWG also stressed the need to expand conservation options for producers. NRCS must ensure that there are opportunities for dryland farming operations to adopt climate-smart practices and mitigate the impact of drought. Expanded conservation options should include new technologies that are demonstrating climate-smart benefits for growers. NRCS should continually expand the conservation options available for cost-share, incentives, and enhancement payments. The funding provided through the IRA supplements the Farm Bill conservation program funding, nearly doubling the funding available for several programs over the next 5 years.

The Natural Resources Conservation Service (NRCS) held state-based signup for conservation programs based on the Inflation Reduction Act funding. NAWG met with NRCS regarding the IRA funding and outreach in the states to continue to reach more producers. NRCS is looking to engage with grower organizations and others in each state to promote programs and encourage growers to sign up.

Waters of the United States

NAWG expected the new Clean Water Act Waters of the United States (WOTUS) definition to be released in 2022, and the Environmental Protection Agency and the U.S. Army Corps of Engineers met their internal deadline, releasing the final regulation on December 30, 2022. The regulation was released despite the ongoing Supreme Court case on the Clean Water Act's wetland jurisdiction. In April 2022, NAWG joined several other agriculture organizations in filing an Amicus Brief before the Supreme Court in the Sackett vs. EPA case. The Sackett case involves a homeowner building a house on property that the EPA determined had a wetland and while not an agriculture case, the decision will have implications on the interpretation of the Clean Water Act and will impact agriculture.

The new WOTUS regulation reverted back to the confusing "significant nexus" determination, making waters subject to a case-by-case determination. The regulation does specify that prior converted

cropland is exempt from WOTUS as long as the land stays in agricultural use, or is available for agricultural production (and not developed). The regulation also clarified that ditches excavated wholly in and draining only dryland and that do not carry a relatively permanent flow are exempt from WOTUS. NAWG is concerned about the broad reach of the scope of the new WOTUS regulation. The regulation goes into effect on March 20, 2023.

TheWOTUS regulation released at the end of 2022 went into effect in March 2023. A series of lawsuits followed the March 20 effective date of the regulation. As a result of the legal challenges, the implementation of the regulation was stayed (put on hold) in Kentucky until May 10, 2023. Texas and Idaho were also granted an injunction halting the rule in those states. On April 12, 2023, a district court judge in North Dakota issued an order preliminarily enjoining in twenty-four states the 2023 rule issued by EPA and the Army Corps of Engineers.

In May the U.S. Supreme Court ruled in the Sackett case related to Clean Water Jurisdiction. NAWG had been awaiting the court decision and was pleased with the ruling. NAWG released a press statement recognizing that the court rejected the confusing and expansive "significant nexus" test that broadened the jurisdiction of the Clean Water Act.

Farm, Ranch and Rural Communities Federal Advisory Committee

In May 2022 NAWG submitted the name of Board member and Special Climate and Sustainability Chair Clay Pope to serve of the Environmental Protection Agency's Farm, Ranch and Rural Communities Advisory Committee (FRRCC). In December 2022 EPA announced the members selected and Clay was selected to represent NAWG on the committee. NAWG is excited about having Clay Pope serve on the EPA's advisory committee, which plays a key role in telling the story about how wheat producers are having a positive impact on the environment and have increased resource-efficient practices in land, water and energy use. The committee's 2-year term will consider how EPA's tools and programs can best advance the agriculture sector's climate mitigation and adaptation goals, ensuring EPA can best support farmers and ranchers in their efforts to reduce emissions and accelerate a more resilient food and agriculture system.

In January, the Environmental Protection Agency's (EPA) Farm Ranch and Rural Communities Advisory Committee met for the first time under this administration and with a new charge. NAWG Board Member Clay Pope was in Washington, DC to participate in the meeting.

Biofuels

NAWG joined several meetings with Administration officials to understand the Administration's goals on aviation fuel and the impacts on production and research needs.

EST. 1977

NATIONAL VIERAT FOUNDATION



Bernard Peterson, chair of the foundation, from Loretto, KY, Scott Brown, vice-chair from Soda Springs, ID, and Gary Broyles, secretary/treasurer from Rapelje, MT

The National Wheat Foundation was established by the industry to serve as the national center for wheat research, education and outreach. The Foundation works to advance the wheat industry through strategic research, education and outreach collaborations, guided by core values of grower centeredness, integrity, honesty and trustworthiness.

The Foundation is a 501(c)3 non-profit organization incorporated and headquartered in Washington, D.C., governed by a nine-member Board of Directors, overseen by Chandler Goule, Executive Director and managed by Anne Osborne, project manager, who is assisted by the staff of the National Association of Wheat Growers, the Foundation's sole member.

Questions and Answers with National Wheat Foundation Board Chairman, Bernard Peterson.

Q: Bernard, you have served on the Foundation Board for 5 years. What are some of the accomplishments that you are most proud of?

A:One of the first things that happened when I got on the Foundation Board was to get the office building sold, that was a big help to get out of that. The relationship between NAWG and NWF has improved over the time I have served, whether that is due to me.... Getting Anne hired to put full time emphasis on the NWF work has been very helpful, the yield contest is growing and we are learning from it- which is our goal.

Q: You have been Chair of the Foundation for a year now. What are the highlights of the year for you?

A:Farm tour in Maryland has been good, I have done that twice now. Officer training in Kentucky was especially fulfilling for me, having those meetings in different locations gives people the opportunities to broaden their view and educate them. Some of the learnings from the yield contest, such as quality attributes of the winning wheat, has been very interesting and helps to unite the industry around the need for the contest.

Q: You have a very diverse 9-member board. How are you using all of their skills and experiences to further the mission of the Foundation?

A:The board is broad geographically and we have a broad representation with industry partners – researchers, suppliers, end users and with that we are getting good insight on what the needs

of the industry are. Everyone on the board is willing to speak their mind and we can disagree in a healthy way. Each member participates and shares their opinions. If everyone thinks the same-no-body's thinking. I really like the makeup of our board.

Q: How has the Foundation been collaborating with other wheat industry allies to advance the industry?

A:We have several partners who support us to do our activities. Our Bayer Leadership program gets good participation from all the states and interest is high, we have had more applicants than spots which says we have a good program. Our relationship with the millers and bakers is strong and our diverse board members help us in those areas. Wheat 101 in Washington DC brings the industry together with the legislative arm and education is the key to begin discussions on all kinds of topics important to the wheat industry. BNSF has been a valuable partner in helping us in this area. Transportation and the wheat industry are key partners, more than most people realize.

Q: How do the finances look for fiscal year 24 and 25?

A: Tight and optimistic. We need to continue our work on our gifts of grain and other partners. Our investment policy is set up to sustain us into the future, it won't give us all we want but it will be consistent for years to come. Only 40% of our budget for FY24 comes from our earnings on our investment account, the rest we raise. If you look at the last 5 years and where we have had money from our partners and supporters you can see a steady increase in support.

Q: What are the biggest challenges facing the Foundation for this upcoming year?

A: Budget is always a concern. But I don't think that is an unsurmountable challenge. Improving relationships with other wheat organizations and industry partners is important, these groups are all representing the same farmers and we have to do a better job at working together.

Q: How can people support the Foundation?

A: Let people you know on the Foundation Board about some of the challenges in your world, share ideas for programs that can help the wheat industry. And, of course, a donation of 10-1000 bushels of wheat will be helpful. We promise to use those funds to help support the wheat industry through education and research.

Q: Is there anything else you would like to tell people about the Foundation?

A: We wish to recognize and remember all the contributions of our friend, Joe Kejr. Joe served on the board of the National Wheat Foundation for 6 years and was an officer and chairperson for several years. Joe hoped to get more communication and cohesion between the National Association of Wheat Growers and the Foundation, through some of our activities and Joe's steady leadership we strengthened the relationship and continue on the path to work together to benefit the whole wheat

industry. We miss Joe, he was a tremendous leader and a good friend. Our industry and our lives are better because of Joe's passion and commitment.

National Wheat Yield Contest began in 2016 with the goal of improving productivity of United States wheat growers. Since then, the contest has added the goals of quality and marketability. The contest now seeks to educate and communicate to all segments of the wheat industry the importance of yield, quality, and profit. Another objective since the inception of the contest is to develop and share best management practices to achieve high yield, high quality, and higher profit wheat. The contest runs over the fiscal year. For FY23, the entry numbers were down some due to drought in key areas such as the central plains. Still, the contest produced the highest yields ever. The Bin Buster in winter irrigated, Rylee Reynolds from Idaho attained a record yield of 231.37 bushels per acre while still having top quality. Reynolds wheat was recognized with a Top Quality award as well as the great yield. This was the first ever Top Quality Awards for the contest. The 24 National winners were all required to send in their saved wheat samples and analysis was done for milling and baking qualities. A panel of judges ranked the wheats by class and the top 3 in each class received an extra award. Education is the goal and growers were happy to learn more about industry desired quality in an exclusive webinar about wheat quality. Congratulations to all the Yield and Quality Winners! The 2023 contest is off to a great start with 417 entries! Thank you to all our partners, we could not have the contest without you!

| National Wheat Yield Contest 2022 Winners | | | | | | | | | | | | |
|-------------------------------------------|----------------|------------|----------------|-------|--------------|-----------------------------|---------------|-------------|--------|------------|-------------------------------|--|
| | | | | | | | | | | | | |
| | First Name | Last Name | <u>City</u> | State | Field County | Variety | Variety Name | Wheat Class | Yield | County Ave | % Increase over County Ave | |
| Winter Wheat-Dryland | | | | | | | | | | | | |
| Bin Buster | Gene | Warren | Dayton | WA | Columbia | Limagrain Cereal Seeds | LCS Shine | SWW | 166.12 | | | |
| 1st | Derek | Berger | Carlton | OR | Yamhill | Oregon State University | Rosalyn | SWW | 164.10 | | | |
| 2nd | Kurt | Druffel | Puliman | WA | whitman | WestBred | Keldin | HRW | 151.45 | | | |
| 3rd | Darren | Grumbine | Lebanon | PA | Lebanon | Pioneer | 25R74 | SRW | 143.20 | | | |
| 4th | Erik | Olson | Bonners Ferry | ID OI | Boundary | The McGregor Company | M-Press | SWW | 138.67 | | | |
| Sth | Nick | Suwyn | Wayland | M | Kent | AgriPro | Branson | SRW | 138.06 | | | |
| 1st-% Over County | Doug & Janelle | Fitterer | New England | ND | Adams | WestBred | W84309 | HRW | 115.69 | 35.04 | 230.17 | |
| 2nd-% Over County | Zach | Balahtsis | Tonkawa | OK | Grant | Limagrain Cereal Seeds | LCS Atomic AX | HRW | 110.44 | 33.61 | 228.59 | |
| 3rd-% Over County | Dylan | Lindsey | Lamont | OK | Кау | Limagrain Cereal Seeds | LCS Julep | HRW | 94.11 | 31.24 | 201.25 | |
| 4th-% Over County | Chris | Carlson | Mott | ND | Hettinger | WestBred | Keldin | HRW | 107.71 | 43.13 | 149.73 | |
| 5th-% Over County | Brett | Oelke | Hoxie | ĸs | Sheridan | WestBred | W8-Grainfield | HRW | 106.34 | 42.90 | 147.88 | |
| Winter Wheat- Irrigated | | | | | | | | | | | | |
| Bin Buster | Rylee | Reynolds | Castleford | D | Twin Falls | AgriPro | SY Ovation | SWW | 231.37 | | | |
| 1st | Joel | Zwainz | Reardan | WA | Lincoln | Limagrain Cereal Seeds | LCS Shine | SWW | 214.26 | | | |
| 2nd | Gary | Reynolds | Castleford | ID OI | Twin Falls | AgriPro | SY Ovation | SWW | 209.65 | | | |
| Spring Wheat-Dryland | | | | | | | | | | | | |
| Bin Buster | Bruce | Ruddenklau | Amity | OR | Polk | WestBred | W89668 | HRS | 125.08 | | | |
| 1st | Trevor | Stout | Genesee | D OI | Latah | WestBred | W89303 | HRS | 116.40 | | | |
| 2nd | Matthew | Krueger | East Grand For | MN | Polk | WestBred | W89590 | HRS | 113.51 | | | |
| 3rd | Jon | Wert | New England | ND | Hettinger | University of Minnesota | MN-Torgy | HRS | 108.05 | | | |
| 1st-% Over County | Jordan | Christman | Hettinger | ND | Adams | WestBred | W89606 | HRS | 98.01 | 35.04 | 179.71 | |
| 2nd-% Over County | Austin | Kautzman | Mott | ND | Grant | WestBred | W89719 | HRS | 94.96 | 34.84 | 172.56 | |
| 3rd-% Over County | Greg | Messer | Richardton | ND | Stark | WestBred | W89590 | HRS | 104.99 | 41.84 | 150.93 | |
| Spring Wheat-Irrigated | | | | | | | | | | | | |
| Bin Buster | Derek | Friehe | Moses Lake | WA | Grant | AgriPro | AP Venom | HRS | 195.40 | | | |
| 1st | Dallin | Wilcox | Rexburg | D | Madison | WestBred | W87589 | HWS | 160.63 | | | |
| 2nd | Wes | Vandyke | Cornelius | OR | Washington | Washington State University | Tekoa | SWS | 93.45 | | | |

National Wheat Yield Contest 2022

Quality Awards

Top 3 Wheats in each class selected by a group of industry experts



Hard Red Winter

- Doug & Janelle Fitterer New England, ND WestBred WB4309 115.69bu/ac 230.17% over county = 1st % over county
- Chris Carlson Mott, ND WestBred Keldin 107.71 bu/ac 149.73% over county = 4th % over county
- Brett Oelke Hoxie, KS WestBred WB-Grainfield 106.34 bu/ac 147.88% over county = 5th % over county

Hard Red Spring

- Matt Krueger East Grand Forks, ND WestBred WB9590 113.51 bu/ ac= 2nd Spring Wheat Dryland
- Trevor Stout Genesee, ID WestBred WB9303 116.40 bu/ac = 1st Spring Dryland
- Derek Friehe Moses Lake, WA AgriPro AP Venom 195.4 bu/ac = Bin Buster Spring Irrigated

Hard White Spring

 Dallin Wilcox Rexburg, ID WestBred WB7589 160.63 bu/ac= 1st Spring Irrigated

Soft White Winter

- Rylee Reynolds Castleford, ID SY Ovation 231.37 bu/ac= Bin Buster Winter Irrigated
- Gene Warren Dayton, WA LCS Shine 166.12 bu/ac = Bin Buster Winter Dryland
- Gary Reynolds Castleford, ID SY Ovation 209.65 bu/ac= 2nd Winter Irrigated

Soft Red Winter

 Nick Suwyn Wayland, MI AgriPro Branson 138.06 bu/ac = 5th Winter Dryland

| Entry Category | <u>2016</u> | <u>2017</u> | 2018 | <u>2019</u> | 2020 | <u>2021</u> | 2022 | 2023 |
|-------------------------|-------------|-------------|------|-------------|------|-------------|------|------|
| Winter Wheat- Dryland | 74 | 177 | 177 | 220 | 244 | 252 | 198 | 284 |
| Winter Wheat- Irrigated | 27 | 52 | 53 | 73 | 71 | 73 | 62 | 61 |
| Spring Wheat- Irrigated | 9 | 14 | 17 | 30 | 17 | 11 | 12 | 13 |
| Spring Wheat- Dryland | 18 | 44 | 71 | 74 | 86 | 51 | 63 | 59 |
| Totals | 128 | 287 | 318 | 397 | 418 | 387 | 335 | 417 |

Education is a key mission of the Foundation. Wheat 101 and the Farm Tour seek to educate policy makers about wheat and the value of the wheat industry. Bayer Leadership Program and the Syngenta Leadership at its Best educate our members and future members and leaders for the important work of our industry now and in the future. Parliamentary Procedure training was held to help ensure our meetings are efficient, effective and everyone's voice is heard. Wheat Growers in the yield contest learn about best practices and why both yield and quality are important. Industry partners in the wheat yield contest learn about growers needs and what they can do to help growers achieve yield, quality and profit. Eric Spates generously welcomed us to his farm during wheat harvest in June to host a farm tour. Our guests were congressional staff and USDA staff, Maryland Extension service and county ag officials. Fifty people attended the tour and learned all about wheat farming and its risks and rewards. Everyone enjoyed seeing the combine run and harvest wheat. Relationships were formed and the Foundation thanks Eric for offering his time and farm for this important educational event.

The National Wheat Foundation became a MyPlate National Strategic Partner. This

provides a wealth of resources and collaborative opportunities to educate people about the advantage of consuming wheat and grains as part of a balanced diet. One of the Foundation's strategic priorities is Nutrition through Wheat and this partnership will help disseminate factual, scientifically grounded information about wheat foods. We will partner with other MyPlate partners to help spread the word about MyPlate and how grains are a critical part of a healthy diet.

The spending policy of the Foundation board is to use up to 4.5% of the investment account, thus ensuring a revenue source for future generations of wheat growers. For FY23, this amount was \$308,131 which equals 41% of the total annual budget. The rest of the income is generated through partnerships, donations, and rental of one office space. Expenses include building rent for the NAWG office, management fee for NAWG employees (including the NWF project manager-Anne Osborne), professional fees, travel, meeting costs and foundation projects. Interested donors can give through our gifts of grain program or contact Anne Osborne (aosborne@wheatworld.org) for more information.

























