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The Supreme Court's Ruling on the Chevron doctrine

In a recent Supreme Court ruling, the Court severely constrained the power federal agencies have in interpreting the laws they administer, ruling that courts should rely on their own interpretation of ambiguous laws instead of leaving legal interpretation to the agencies themselves. The decision has been heralded as one that will have far-reaching effects across the country.

In a 6-3 vote, justices overruled their landmark 1984 decision in ***Chevron v. Natural Resources Defense Council***, which gave rise to the doctrine known as the *Chevron* doctrine. Under *Chevron*, the traditional view was that if Congress had not directly addressed in an explicit manner regarding the question at the center of a dispute in the text of the legislation, a court was required to uphold the agency's interpretation of the statute as long as it was 'reasonable'. But in a 35-page ruling by Chief Justice John Roberts, the justices rejected that doctrine, calling it "fundamentally misguided." Justice Elena Kagan dissented, in an opinion joined by Justices Sonia Sotomayor and Ketanji Brown Jackson, predicting that this ruling "will cause a massive shock to the legal system."

Supreme Court of the United States.

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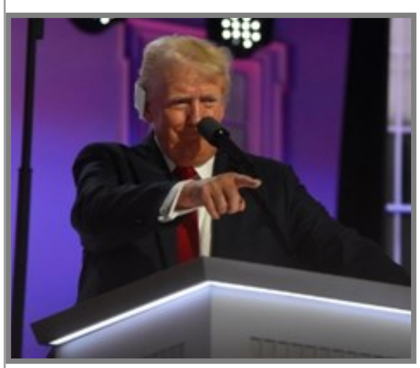
What's inside this Issue?

Supreme Court Ruling, Presidential Politics and Implications for Ag, Farm Debt Levels, Interest Rates, OSHA Standards, Market Situation, and more!

Presential Politics

Former President Donald Trump, in his third acceptance speech since 2016, made sweeping promises to protect American jobs from foreign competition, abolish the Biden administration's clean energy policies he dubbed as the "Green New Scam" and end illegal immigration. Trump started his 1½-hour speech on a unifying note and his recounting, for the first time in public, on how he escaped a recent assassination attempt in Butler, Pennsylvania. He also declared, "I am running to be president for all of America, not half of America, because there is no victory in winning for half of America." But Trump eventually pivoted into priority issues, including trade, energy and immigration.



RNC.

Trump, while not directly talking about his pledge to impose across-the-board tariffs on imported products and duties of up to 60% on China, did promise to bring more auto manufacturing to the United States, threatening to impose tariffs of 100% to 200% on foreign-made autos. "They will be unsellable in the United States," he said.

He also touted his administration's trade record. "We have long been taken advantage of by other countries, and think of it, oftentimes these other countries are considered so-called allies," Trump said. "We lose jobs, we lose revenue, and they gain everything, and wipe out our businesses, wipe out our people. I stopped it for four years, I stopped it." He said his "best" trade deal was an agreement with China, an apparent reference to the China Phase One deal signed in January 2020 that led to increased purchases of U.S. farm commodities.

On energy policy, Trump claimed Biden had wasted trillions of dollars on the "Green New Scam," which he claimed had contributed to inflation, an apparent reference to the Inflation Reduction Act enacted in 2022. The IRA, which included funding for farm bill conservation programs, was estimated to cost well under $1 trillion. Trump proposed redirecting clean energy funding to infrastructure projects. "We will not allow it to be spent on Green New Scam ideas."

Trump also pledged to end what he described as the Biden administration's electric vehicle mandate, a reference to tailpipe emission standards that could accelerate a shift to EVs. "I'm all for electric. They have their application. But if somebody wants to buy a gas-powered car or a hybrid, they're going to be able to do it. And we're going to make that change on Day One," Trump said.

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Supreme Court (cont.)

In its initial decision in the Chevron case more than 40 years ago, the ruling was not necessarily initially viewed as being of particular consequence. But since that time, Chevron has became one of the most important rulings on federal administrative law, cited by federal courts more than 18,000 times.

Although Chevron – which upheld the Reagan-era Environmental Protection Agency's interpretation of the Clean Air Act that eased regulation of emissions – was generally hailed by conservatives at the time, the ruling eventually became a target for those seeking to curtail the administrative state, who argued that courts, rather than federal agencies, should say what the law means. The justices had rebuffed earlier requests (including by one of the same lawyers who argued one of the cases here) to consider overruling Chevron before they agreed last year to take up a pair of challenges to a rule issued by the National Marine Fisheries Service. The agency had required the herring industry to pay for the costs, estimated at $710 per day, associated with carrying observers on board their vessels to collect data about their catches and monitor for overfishing. The agency stopped the monitoring in 2023 because of a lack of funding. While the program was in effect, the agency reimbursed fishermen for the costs of the observers. After two federal courts of appeals rebuffed challenges to the rules, two sets of commercial fishing companies came to the Supreme Court, asking the justices to weigh in.

The justices took up their appeals, agreeing to address only the Chevron question in ***Relentless v. Department of Commerce*** and ***Loper Bright Enterprises v. Raimondo***. (Justice Ketanji Brown Jackson dissented in the Relentless case but was recused from the Loper-Bright case, presumably because she had heard oral argument in the case while she was still a judge on the U.S. Court of Appeals for the District of Columbia Circuit.)

Chevron deference, Roberts explained in his opinion for the court on Friday, is inconsistent with the Administrative Procedure Act, a federal law that sets out the procedures that federal agencies must follow as well as instructions for courts to review actions by those agencies. The APA, Roberts noted, directs courts to "decide legal questions by applying their own judgment" and therefore "makes clear that agency interpretations of statutes — like agency interpretations of the Constitution — are not entitled to deference. Under the APA," Roberts concluded, "it thus remains the responsibility of the court to decide whether the law means what the agency says."

Roberts rejected the notion that agencies, rather than courts, are better equipped to determine what ambiguities in a federal law might mean. Even when those ambiguities involve technical or scientific questions that fall within an agency's area of expertise, Roberts emphasized, "Congress expects courts to handle technical statutory questions" – and courts also have the benefit of briefing from the parties and "friends of the court."

Moreover, Roberts observed, even if courts should not defer to an agency's interpretation of an ambiguous statute that it administers, it can consider that interpretation when it falls within the agency's purview, a doctrine known as Skidmore deference.
Stare decisis – the principle that courts should generally adhere to their past cases – does not provide a reason to uphold the Chevron doctrine, Roberts continued. Roberts characterized the doctrine as "unworkable," one of the criteria for overruling prior precedent, because it is so difficult to determine whether a statute is indeed ambiguous. And because of the Supreme Court's "constant tinkering with" the doctrine, along with its failure to rely on the doctrine in eight years, there is no reason for anyone to rely on Chevron. To the contrary, Roberts suggested, the Chevron doctrine "allows agencies to change course even when Congress has given them no power to do so."

Roberts indicated that the court's decision on Friday would not require earlier cases that relied on Chevron to be overturned. "Mere reliance on Chevron cannot constitute a 'special justification' for overruling" a decision upholding agency action, "because to say a precedent relied on Chevron is, at best, just an argument that the precedent was wrongly decided" – which is not enough, standing along, to overrule the case.

The Supreme Court is expected to rule on when the statute of limitations to challenge agency action begins to run. The federal government has argued in that case, ***Corner Post v. Federal Reserve***, that if the challenger prevails, it would open the door for a wide range of "belated challenges to agency regulation."

Justice Clarence Thomas penned a brief concurring opinion in which he emphasized that the Chevron doctrine was inconsistent not only with the Administrative Procedure Act but also with the Constitution's division of power among the three branches of government.
The Chevron doctrine, he argued, requires judges to give up their constitutional power to exercise their independent judgment, and it allows the executive branch to "exercise powers not given to it."

Justice Neil Gorsuch filed a longer (33-page) concurring opinion in which he emphasized that "Today, the Court places a tombstone on Chevron no one can miss. In doing so, the Court returns judges to interpretative rules that have guided federal courts since the Nation's founding." He sought to downplay the impact of Friday's ruling, contending that "all today's decision means is that, going forward, federal courts will do exactly as this Court has since 2016, exactly as it did before the mid-1980s, and exactly as it had done since the founding: resolve cases and controversies without any systemic bias in the government's favor."

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Supreme Court (cont.)

Kagan, who read a summary of her dissent from the bench, was sharply critical of the decision to overrule the Chevron doctrine. Congress often enacts regulatory laws that contain ambiguities and gaps, she observed, which agencies must then interpret. The question, as she framed it, is "[who decides which of the possible readings" of those laws should prevail?

For 40 years, she stressed, the answer to that question has generally been "the agency's" with good reason: Agencies are more likely to have the technical and scientific expertise to make such decisions. She emphasized the deep roots that Chevron has had in the U.S. legal system for decades. "It has been applied in thousands of judicial decisions. It has become part of the warp and woof of modern government, supporting regulatory efforts of all kinds — to name a few, keeping air and water clean, food and drugs safe, and financial markets honest."

By overruling the Chevron doctrine, Kagan concluded, the court has created a "jolt to the legal system." Kagan also pushed back against the majority's suggestion that overruling the Chevron doctrine would introduce clarity into judicial review of agency interpretations. Noting the majority's assurances that agency interpretations may be entitled to "respect" going forward, she observed that "[i]f the majority thinks that the same judges who argue today about where 'ambiguity' resides are not going to argue tomorrow about what 'respect' requires, I fear it will be gravely disappointed."

Similarly, she questioned the majority's assertion that Friday's decision would not call into question decisions that relied on the Chevron doctrine to uphold agency action. "Courts motivated to overrule an old Chevron-based decision can always come up with something to label a 'special justification,'" she posited. "All a court need do is look to today's opinion to see how it is done."
But more broadly, Kagan rebuked her colleagues in the majority for what she characterized as a judicial power grab. She lamented that, by overruling Chevron, the court had, in "one fell swoop," given "itself exclusive power over every open issue — no matter how expertise-driven or policy-laden — involving the meaning of regulatory law."

Roman Martinez, who argued the case on behalf of one of the fishing companies, applauded the decision. "By ending Chevron deference," he said in a statement, "the Court has taken a major step to preserve the separation of powers and shut down unlawful agency overreach.

Going forward, judges will be charged with interpreting the law faithfully, impartially, and independently, without deference to the government. This is a win for individual liberty and the Constitution,"

But not everyone had such a positive view of the court's recent decision. Kym Meyer, the litigation director for the Southern Environmental Law Center, decried the ruling in a statement. "The Supreme Court today says individual judges around the country should decide the best reading of a statute. That is a recipe for chaos, as hundreds of federal judges — who lack the expertise of agency personnel — are certain to reach inconsistent results on the meaning of federal laws as applied to complex, technical issues."

The court's Chevron ruling came in one of three cases during the 2023-24 term seeking to curtail the power of federal agencies – a conservative effort sometimes dubbed the "war on the administrative state." In October, the court heard arguments in a challenge to the constitutionality of the mechanism used to fund the consumer watchdog Consumer Financial Protection Bureau. Last month the court upheld the CFPB's funding by a 7-2 vote. And on Thursday, the justices pared back the power of the Securities and Exchange Commission and other administrative agencies, holding that the SEC cannot continue to use in-house proceedings to impose fines in securities fraud cases.

Forbes

Presidential Politics (cont.)

Both corn growers and ethanol producers fear that changes in ethanol standards could depress demand for ethanol-blended gasoline, although it's not clear how much and how fast the reduction in demand would be. At the same time, the biofuel industry is looking to preserve tax incentives created by the IRA to subsidize production of sustainable aviation fuel.

Trump, who didn't mention either agriculture or climate change, also indicated that he would increase production of oil and natural gas and drive down energy prices. "We will drill, baby, drill," he said as the crowd cheered and promptly started chanting "Drill, baby drill!" Trump repeatedly returned to the issue of immigration, claiming that illegal immigrants had caused inflation while also taking jobs from American minorities. He promised to launch the "largest deportation operation in the history of our country," asserting that "our cities are flooded with illegal aliens." "We want people to come into our country, but they have to come in legally," he said.

Trump also made a point of praising his running mate, Ohio Sen. JD Vance. He didn't quite anoint him as his successor, but he made clear that Vance shares his ideology. "He's going to be a great vice president, he's going to be great. He'll be with this country and with this movement," Trump said. Vance, a former Never Trumper who harshly criticized Trump in 2016, "is going to be with us a long time," Trump said, adding "JD, you're going to be doing this for a long time; enjoy the ride. The assassination attempt completely changed the tone of the convention – and the message. Speaker after speaker throughout the week attributed Trump's survival of the attack to God's protection.

Republican vice presidential nominee and first-term senator JD Vance recently made a populist, America First case against President Joe Biden Wednesday night, July 17, 2024, at the Republican convention in Milwaukee, Wisconsin, tying him to trade deals that cost American jobs and pledging to stop the replacement of American workers with immigrant labor.


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In his acceptance speech at the Republican National Convention, the 39-year-old Ohioan slammed Biden for supporting permanent normal trade relations with China and the North American Free Trade Agreement, deals that significantly benefited U.S. farm exports but led to a loss in U.S. manufacturing jobs. Vance went on to slam Biden for supporting the invasion of Iraq under the Republican administration of George W. Bush. He also reiterated concerns he has expressed as a senator about U.S. businesses using immigrant workers to drive down their labor costs. Trump renegotiated NAFTA, incorporating elements of the Trans-Pacific Partnership after he withdrew the U.S. from that deal.

President Joe Biden announced on Sunday, July 21, 2024, that he was dropping his bid for reelection but would finish his term in office, endorsing Vice President Kamala Harris to replace him on top of the Democratic ticket. In a letter, Biden said, "It has been the greatest honor of my life to serve as your President. And while it has been my intention to seek reelection, I believe it is in the best interest of my party and the country for me to stand down and to focus solely on fulfilling my duties as President for the remainder of my term," Biden said. He went on to say he would speak to the nation about his decision later in the week.In a statement posted to his campaign account on X (formerly Twitter), Biden put his full endorsement behind Harris. The Democratic National Convention starts August 19th in Chicago.

The pressure on Biden to step aside and allow someone else to carry the banner of the Democratic Party into November had increased as three more senators, Joe Manchin of West Virginia, Martin Heinrich of New Mexico and Sherrod Brown of Ohio, advising Biden to exit the presidential contest with Donald Trump.


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Harris, for her part, praised Biden's decision and committed herself to the race. "With this selfless and patriotic act, President Biden is doing what he has done throughout his life of service: putting the American people and our country above everything else," Harris said in a statement released by the Biden campaign. She went on, "Over the past year, I have traveled across the country, talking with Americans about the clear choice in this momentous election. And that is what I will continue to do in the days and weeks ahead. I will do everything in my power to unite the Democratic Party—and unite our nation—to defeat Donald Trump and his extreme Project 2025 agenda." Project 2025 is a governing agenda proposed by the Heritage Foundation but recently disavowed by Trump.

Harris opposed the U.S.-Mexico-Canada Agreement (USMCA) and focused on farmworkers during her short time in the U.S. Senate between 2016 and 2020. As a former attorney general for the state of California, Harris was elected to the Senate in 2016 to succeed fellow Democrat Barbara Boxer. Her four-year tenure did not produce a long voting record on agriculture and trade policy, but she supported the 2018 Farm Bill and took stands on some rural issues. She also traveled Iowa extensively during her relatively short presidential campaign that ended in December 2019, two months before the Iowa caucuses. She was one of only 10 senators to vote against the USMCA implementing bill. "Trade policy for me is always going to be about protecting American workers, about protecting our environment and having those part of our priorities. It is for that reason and many others that I am not in favor of what I call NAFTA 2.0," she told reporters at the Iowa State Fair in August 2019, explaining her opposition to USMCA.

Trump, Trade, and Tariffs?

Former President Donald Trump's selection of Ohio Sen. JD Vance affirms the ongoing protectionist shift of the GOP, raising the stakes for farmers who would bear the brunt of any trade wars that might surface in a Trump-Vance administration.

Trump has proposed imposing across-the-board tariffs on imported products while increasing already steep duties on China, proposals reflected in the party platform adopted at the Republican's recent National Convention in Milwaukee.

"I'm concerned about a trade war," House Agriculture Committee Chairman "GT" Thompson, R-Pa., said in an interview with Agri-Pulse at the GOP convention after delegates affirmed Vance's nomination by acclamation.

Thompson said he intends to talk to Vance and Trump and urge them not to make agriculture "the low-hanging fruit for countervailing tariffs that other countries put in place … I believe that tariffs can be a great tool, but we should make sure that agriculture in particular" isn't hurt in a trade war.

Trump used USDA's Commodity Credit Corporation to pay farmers $23 billion in compensation for the trade wars he fought in 2018, and Thompson indicated he would support another bailout if farmers are hit by retaliatory tariffs again. However, he pushed for a provision in his committee's farm bill that would suspend USDA's ability to use the CCC for such payments. If that provision were to become law, Congress would have to authorize a new bailout directly.

Rep. Thompson said his priority will be trying to prevent a new round of retaliation against U.S. agriculture. "I don't want there to be a trade war, so [I will] work hard to make sure that doesn't happen," he said.

An Indiana farmer and former ambassador to the UN food and agriculture agencies under Trump, Kip Tom, told Agri-Pulse ahead of the Vance selection that the prospect of new trade disruptions was a major concern of farmers.

"Believe me, this is a hot topic no matter where you go," he said. Speaking of Trump's trade policy, Tom said, "I think it's all about fair trade as much as it is free trade." Raising tariffs "would have a significant impact, probably on our trade with China. At the same time, we need to recognize that China is not playing on a level playing field with us."

Tom also suggested that concerns about the federal deficit may make it harder to win another bailout for farmers.

"We know what happened last time. We dipped into the CCC and tried to make it right. But if we're trying to cut the federal deficit and put these trade tariffs on, [it is] going to get more complicated," he said.

Leslie Heinemann, a retired dentist who farms about 600 acres of corn and soybeans and is the Republican whip in the South Dakota House of Representatives, said in an interview at the GOP convention that Trump's trade war wound up benefitting farmers, because of the Market Facilitation Program, which paid producers of commodities directly affected by retaliation.

"He reinvested with the farmers, and I think the farming community was very excited about ... the benefit of having shared in those tariffs," Heinemann said, adding that "if Trump does what he did before, it will help the farming community."

The tariff revenue wasn't actually transferred to farmers through the MFP. USDA is reimbursed by Congress for CCC spending through appropriations. But a 2020 analysis by the Council of Foreign Relations estimated that the farm bailout amounted to 92% of tariff revenue collected.

To be sure, President Joe Biden hasn't reduced Trump's duties on China. In fact, he announced in May that he was increasing tariffs on a range of products, from steel and aluminum to semiconductors and medical products. Biden also hasn't pursued any new multilateral free trade agreements that could lower tariffs on U.S. exports.

But Biden doesn't support Trump's proposal for an across-the-board tariff on imports. In a recent analysis, the White House Council of Economic Advisers said across-the-board tariffs would provoke retaliation from affected countries and harm the U.S. economy.

Such a tariff would "raise the prices of imported consumption goods and imported inputs used to produce output that is sold both domestically and internationally," the analysis said, citing another analysis that estimated the inflation rate would increase by 0.75 percentage point.

Scott Lincicome, vice president for general economics and trade at the Cato Institute, a free-market oriented think tank, said U.S. trade law gives the president broad authority to apply tariffs beyond statutes Trump has already used.

Lincicome sees the International Emergency Economic Powers Act, which Richard Nixon to apply broad tariffs on imports, as a particularly powerful tool Trump could use in a second term.

And Congress can't rein in that authority without two-thirds majorities necessary to override a presidential veto, noted Lincicome, who advised John McCain's 2008 presidential campaign on trade policy.

"The fact is that Republicans today, at least publicly, they love low taxes except when they're tariffs, and that's the party line right now," Lincicome said.

There is little overt opposition to Trump's protectionist policy at the GOP convention or in the party.

"What we have right now is a situation that is not reciprocal and not fair, and where that exists we've got to fix it," said Sen. Bill Hagerty, a Tennessee Republican who was ambassador to Japan during the Trump administration.

Ohio Governor Mike DeWine, a former senator himself, said Vance's selection reflects a turn in the GOP's trade philosophy.

"This is a balance that we always have to work on. You know, we don't want to get run over by other countries. But we want to be able to trade, we want to sell our products, and agricultural products are obviously very important," DeWine said.

He went on, "It's not just Sen. Vance. It's not just President Trump. We saw this sped up during President Trump's first run for the presidency the first time. There's been more of a feeling among certainly Ohioans that we do need to be careful. We need to be tough. I think that's a stronger feeling today.

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Trump, Trade, and Tariffs? (cont.)

Former Vance also said that it will take time to realize the benefits of raising tariffs. "The American heartland wasn't destroyed in four years, it's not gonna be rebuilt in four years. But you really need to double down on this policy of bringing good jobs back to the heartland and, more importantly, making stuff in America. We have to be self-reliant as a country," he said.

Of interest to farmers, Vance also criticizes businesses that hire undocumented immigrants to save labor costs.

In an interview with the New York Times columnist Ross Douthat, Vance said that "the economics profession is fundamentally wrong about both immigration and about tariffs. Yes, tariffs can apply upward pricing pressure on various things — though I think it's massively overstated — but when you are forced to do more with your domestic labor force, you have all of these positive dynamic effects."

Defenders of Trump's trade policy say his willingness to negotiate bilateral trade deals can help U.S. farmers build new markets.

The Trump administration negotiated an agreement with Japan after Trump pulled the United States out of the Trans-Pacific Partnership negotiated during the Obama administration.

Beef producers were the biggest winners in the deal but Japan also eliminated all tariffs for commodities like almonds, blueberries, walnuts, sweet corn, sorghum and broccoli. The country also began phasing out tariffs on pork, wine, cheese, whey, ethanol and oranges and erecting new quotas for U.S. wheat, malt, potato starch, glucose, fructose, corn starch and insulin.

OSHA Announces Heat Standards Proposal

The Occupational Safety and Health Administration (OSHA) recently proposed (July 2nd) a heat standard that would require employers to develop plans for protecting workers from excessive temperatures such as those sweeping the U.S. this week.

"Workers all over the country are passing out, suffering heat stroke and dying from heat exposure from just doing their jobs, and something must be done to protect them," Assistant Labor Secretary for Occupational Safety and Health Doug Parker said.

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"Today's proposal is an important next step in the process to receive public input to craft a 'win-win' final rule that protects workers while being practical and workable for employers."

The standard, which applies to indoor and outdoor workers and has been in the works at OSHA since the beginning of the Biden administration, sets 80°F as the "initial heat trigger" and 90° as the "high heat trigger." Among the requirements: At 80 degrees, employers would have to ensure their workers have cool drinking water and break areas with cooling measures, according to an OSHA fact sheet.

Specifically, "The employer must provide access to potable water for drinking that is placed in locations readily accessible to the employee; suitably cool, and of sufficient quantity to provide access to 1 quart of drinking water per employee per hour," the proposal says.

At 90 degrees, employers would have to provide rest breaks of 15 minutes at least every two hours (an unpaid meal break can count as a rest break), and conduct observation for signs and symptoms of heat-related illness, OSHA said.

All employers would have to "develop and implement a work site heat injury and illness prevention plan (HIIPP) with site-specific information to evaluate and control heat hazards in their workplace," OSHA said. They also would have to identify heat hazards in both outdoor and indoor work sites. "For outdoor work sites, employers would be required to monitor heat conditions by tracking local heat index forecasts or measuring heat index or wet bulb globe temperature."

The wet bulb globe temperature is a measure that takes into account "ambient temperature, humidity, radiant heat from sunlight or artificial heat sources, and air movement," according to the definition in the proposal, which comes with a 120-day comment period.

"Heat is the leading cause of death among all hazardous weather conditions in the United States," OSHA says on its rulemaking website for the heat standard.

"Excessive heat in the workplace can cause a number of adverse health effects, including heat stroke and even death, if not treated properly. According to the Bureau of Labor Statistics, 479 workers in the U.S. died from exposure to environmental heat from 2011-2022, an average of 40 fatalities per year."

Also during that time period, "there were 33,890 estimated work-related heat injuries and illnesses that resulted in days away from work. However, these statistics for occupational heat-related illnesses, injuries, and fatalities are likely vast underestimates."

The Occupational Safety and Health Administration says farmers can afford to implement a proposed new heat standard for workers, because the annual cost for most ag operations would be less than 1% of their revenue.

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OSHA Heat Standards (cont.)

The head of the National Council of Agricultural Employers says most of his members are already doing what is proposed in the rule that was released Tuesday – providing water, shade and rest breaks when temperatures get too high. “This looks similar to what we have been anticipating,” NCAE President Michael Marsh said, noting that his group has held two webinars on the topic of heat and plans to have another when the proposed rule is published in the Federal Register.

“Additionally, farmers and ranchers have heat protocols included in their existing injury and illness prevention programs,” Marsh said. “NCAE regularly reminds members in our publications to ensure their protocols are in place and up-to-date as temperatures warm.”
The proposal, which allows a 120-day comment period, would require employers to develop heat illness and injury prevention plans and take certain actions to protect workers at two heat triggers — 80 degrees and 90 degrees Fahrenheit. Clean and cool water, rest breaks and acclimatization plans are among the requirements.

OSHA’s economic analysis accompanying the proposal includes estimated costs based on farm business classes of the North American Industry Classification System (NAICS). Estimated costs per affected operation include oilseed and grain farming (costs of $1,172, or 0.11% of annual revenue); vegetable and melon farming ($5,242, 0.37% of revenue); fruit and tree nut farming ($2,819, 0.32% of revenue); cattle ranching and farming ($1,724, 0.19% of revenue); and “other crop farming” ($1,714, 0.51% of revenue). Although agriculture “would be expected to have relatively large impacts under the proposed standard, due to the prevalence of outdoor work, … the costs of their compliance with the proposed standard would not generally be expected to exceed 1% of revenues when all cost offsets (e.g., current practices to address heat hazards, productivity gains outside of rest breaks) are considered, based on available empirical evidence,” OSHA said.

The exceptions are sheep and goat farming (NAICS 1124) and “other animal production” (NAICS 1129) where estimated costs exceeded 1% of revenues. Only five of 298 industries examined had estimated costs above that threshold. OSHA said it believes the 1% threshold was exceeded “as a result of data limitations, rather than a real finding” that the proposed rule is not economically feasible to implement.
In addition, NAICS 1124 and NAICS 1129 “are both heavily weighted to very small family-owned farms,” OSHA’s analysis said, and a 32-year-old appropriations rider prohibits OSHA from conducting enforcement activities on small farms.

“Based on the size and organization of these farms, and because a longstanding appropriations rider generally prevents OSHA from enforcing its standards against most small farm operations with 10 or fewer employees, it is unlikely OSHA would enforce the proposed standard in those industries,” the analysis said. Climate change has led to a series of record hot years, and 2024 appears to be no exception. Analysis by the National Oceanic and Atmospheric Administration sees “a 55% chance that 2024 will rank as the warmest year on record and a 99% chance that it will rank in the top five.”

OSHA said its estimates are likely to be much lower than reality. A Los Angeles Times investigation in 2021 found that 3,900 people died in California from heat exposure from 2010 to 2019 — six times the state’s official estimate. The United Farm Workers and the UFW Foundation said OSHA had followed the lead of existing heat safety standards in California, Oregon and Washington, “all of which were implemented following the deaths of farm workers killed on the job by extreme heat.” “The federal government put itself on the right side of history by seeking, for the first time, to establish the precedent that every worker in America has the right to shade, water, and rest while working in temperatures that could kill them,” UFW President Teresa Romero said.

U.S. Seasonal Farm Price Outlook

The following table represents national seasonal average farm prices ($/unit), as per the USDA WASDE report.

Crop	2020/21 Estimate	2021/22 Estimate	2022/23 Estimate	2023/24 Estimate	*2024/25 July*
Corn	**$4.53**	**$6.00**	**$6.54**	**$4.65**	$4.30
Cotton	**$0.663**	**$0.914**	**$0.848**	**$0.760**	$0.680
Rice (Long Grain)	**$12.60**	**$13.60**	**$16.70**	**$16.00**	$14.50
Rice (Southern Medium Grain)	**$13.00**	**$13.90**	**$18.20**	**$17.70**	$15.00
Sorghum	**$5.04**	**$5.94**	**$6.38**	**$4.90**	$4.30
Soybeans	**$10.80**	**$13.30**	**$14.20**	**$12.50**	$11.10

USDA ERS report: farm debt is rising but so are asset values

Farm sector debt is increasing, but rising asset values are helping to keep operations solvent, according to the Agriculture Department's Economic Research Service. Total farm debt is expected to reach $547.6 billion this year, a 40% increase since 2017 and a 5.2% increase from last year. But the value of assets — real estate and machinery, for instance — is predicted to be $4.283 trillion in 2024, a 42% jump from 2017.

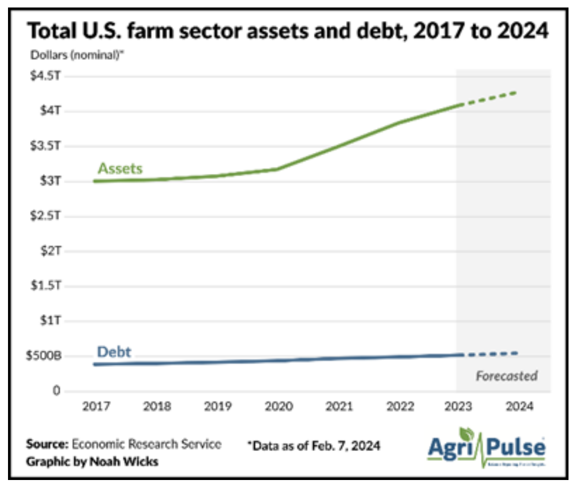
Rising farmland and machinery prices are one factor likely driving the growth in outstanding loans, though growing farm sizes are probably contributing, said Brad Zwilling, vice president of data analysis at Illinois Farm Business Farm Management. Low interest rates in 2020 and 2021 could have factored into farmers' decisions to take out loans in those years. The Federal Reserve began upping rates in 2022 to combat inflation. “Debt has really been increasing,” Zwilling said of a trend he has noticed in his home state. “The reason why debt has been increasing is because asset values have been really increasing.”

Real estate is one asset that has seen its value expand over the past seven years, with U.S. farmers’ land holdings going from an estimated $2.472 trillion in value in 2017 to a predicted $3.611 trillion in 2024, according to ERS data. Machinery and motor vehicle assets, meanwhile, increased from $272.3 billion in value in 2017 to a predicted $383.4 billion in 2024.

“Asset values have been relatively good, and I think you can point to farmland values on that,” said Matt Erickson, agricultural economic and policy adviser at Farm Credit Services of America. He noted that farmland prices have been holding steady amid limited supplies and interest from investors, who see land as a hedge against inflation. Erickson added, however, that asset values can change “relatively quickly” based on a number of variables outside of a farmer's control, such as commodity prices and interest rates.

The average debt-to-asset ratio, used to gauge farm solvency, has seen an overall decline since 2017, according to ERS. It’s determined by dividing a farmer's debt for a year by the farm's assets. A lower debt-to-asset ratio is generally seen as better for farmers, as it indicates a “greater capacity to pay off debt,” according to a recent ERS report. The average debt-to-asset ratio rose from 12.99% in 2017 to 13.96% in 2020, before settling slightly lower at 13.73% in 2023. It is expected to reach 12.78% this year.

“ERS said farmers 44 years of age or younger tend to have higher debt-to-asset ratios than older producers, though debt-to-asset ratios for all age groups either fell or remained steady in 2022. “A higher debt-to-asset ratio is OK for a young, beginning farmer, because they have a lot longer period of time to repay that debt and have a lot more earnings potential as well,” Zwilling said.

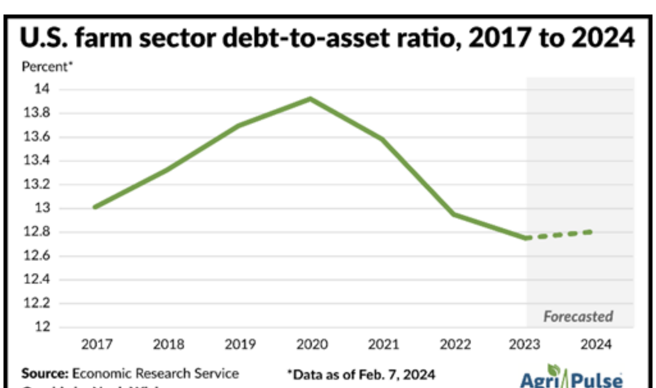


Hog, poultry and dairy operations of all sizes — small, midsize and large — had higher average debt-to-asset ratios than all farm businesses generally. Beef cattle and specialty crops were the only categories with average debt-to-asset ratios lower than the average across all sizes. The average debt-to-asset ratios last year were 2.3% for small family farms, 5.1% for midsize units and 6.4% for large farm operations, according to ERS.

The average debt of a large family farm, classified as making $1 million or more in annual gross cash farm income, was more than $1.8 million in 2022, the report said. The average for midsized family farms between $350,000 and $999,999 in annual gross cash farm income was $783,500, while the average for small family farms earning less than $350,000 was $239,567.

Operations whose owners reported farming as their primary occupation hold 88% of the total debt in the farm sector, despite representing only 48% of all farms, ERS said. These farms, however, also hold more than 70% of U.S. farm assets.

Interest rates have also increased since the Federal Reserve increased the short-term federal funds rate between March 2022 and July 2023, which ERS says, has made farmers’ debt “more expensive.” Fed Chairman Jerome Powell has said the increases were meant control inflation.



In a statement to Agri-Pulse, American Bankers Association Senior Vice President for Agricultural and Rural Banking Policy Ed Elfmann said the U.S. is seeing “a return to the cyclical ag conditions that were present before the surge of government support during the pandemic." Farmers have “worked through the liquidity they built up over the past few years” to keep up with rising input costs and are “naturally turning to credit to finance their ag operations,” he said. “Given they were less reliant on credit the past couple years compared to normal times, it’s not surprising that we are seeing a return to historically normal debt levels,” he added.

What does Biden's Bowing Out of the Presidential Race Portend for Agriculture?

After Joe Biden's bombshell announcement Sunday afternoon, a number of DNC delegates and other top Democrats — including the president himself — quickly endorsed Vice President Kamala Harris to take over the top of the ticket. Harris said Sunday she intends to win the nomination, giving her the responsibility to decide the Democratic Party's biggest priorities. And if you're anything like us here at Morning Ag, your first question might be: What does this all mean for agriculture? The vice president's track record as a California attorney general, U.S. senator and Biden's second-in-command gives us limited clues about how she might lead. Though her native California ranks first in agricultural production, Harris hasn't been too vocal on any federal ag policy.

Animal welfare history: Harris' past position aligning with aggressive positions on animal welfare laws could put her at odds with politically powerful agriculture groups during the campaign, Meredith reported. As California's attorney general, Harris appealed a federal ruling that struck down California's ban on the sale of foie gras. She also defended state laws that said eggs sold in California must come from free-range or similarly humanely raised hens. Other end of the spectrum: Biden's Justice Department in 2022 backed a move to block a new California livestock welfare law, and his administration filed a brief to back two major agriculture groups' challenge of the California law. The Supreme Court ultimately allowed it to stand.


Politico.

United Farm Workers President Teresa Romero said in a statement on Sunday that "the United Farm Workers endorses Vice President Kamala Harris as the best leader to defeat Donald Trump and to continue the transformative work of the Biden-Harris administration."

"The Biden-Harris administration has worked tirelessly on behalf of farm workers, from championing state legislation to strengthen farm workers' right to join a union, to ensuring undocumented essential workers were eligible for COVID vaccines and relief payments, to working to raise wages and increase legal protections in the exploitative H2A agricultural guest worker system, to proposing the nation's first ever federal standards to protect farm workers from dying during extreme temperatures," Romero said. "President Biden deserves the gratitude and respect of all Americans for his lifelong service to our country and his fierce dedication to working people across America."

Politico's Liz Crampton, Zack Colman, Meredith Lee Hill, Robin Bravender, Daniel Payne and Declan Harty reported that "large group text chains of alarmed USDA staff started to light up the night of Biden's disastrous debate, as administration officials shared their panic over the president and the future of his administration, according to two current USDA officials and one former Biden USDA official." "Some USDA staff are now openly talking with colleagues about making plans to leave their posts early, according to the three current and former USDA officials," the Politico reporters wrote. "'One set of folks that seem to be the most concerned and bewildered would be the civil servants within USDA, who have endured so much and that really went out of their way to carry out the Biden rural agenda,' said one of the USDA officials. 'Those are the folks that really seemed to be like, do they stay or do they go? Because they just cannot endure another phase of uncertainty.'"

Ag Secretary Tom Vilsack, a close Biden ally, has since said that he favors Congress pursuing legislation to clarify that law to avoid chaos in the national markets. Power players of ag industry groups are still trying to overturn the California animal welfare law, which dictates how farmers elsewhere in the country can raise pigs and other animals destined to be sold inside the state's borders.
Harris may be more inclined to direct USDA to press Congress to allow the California law and similar state measures to stand, while pushing for new animal welfare regulations.

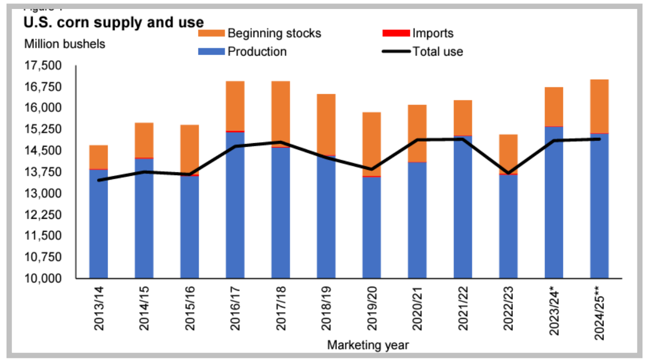
The Democratic Party's unprecedented turmoil has prompted USDA employees to game out how to prepare for a change at the White House, as Meredith and our other colleagues reported. As Biden contemplated dropping out in recent weeks, some USDA staff openly talked with colleagues about making plans to leave their posts early, according to the three current and former USDA officials.
"One set of folks that seem to be the most concerned and bewildered would be the civil servants within USDA, who have endured so much and that really went out of their way to carry out the Biden rural agenda," said one of the USDA officials. "Because they just cannot endure another phase of uncertainty." Several USDA branches have already had significant turnover of senior career staff this year and are currently operating with a number of vacancies.

Crop Market Situation for the Current Marketing Year

The information that is presented in this market update reflects current information as of July 20, 2024.

Corn

The 2024/25 U.S. corn supply is projected at 17,002 million bushels, up 95 million bushels from the June WASDE forecast. This supply increase reflects competing changes in production and beginning stocks. More specifically, higher U.S. corn acreage drives a 240 million bushel increase in U.S. corn production expectations, on unchanged yields from the June WASDE report.



The Acreage report (released on June 28th by USDA's NASS) forecasted 91.5 million acres of corn planted in the United States for the 2024/25 marketing year. U.S. planted corn acres increased by 1.4 million acres from what was reported in NASS's Prospective Plantings on March 28th. Most U.S. corn producing States reported having higher or unchanged acres relative to intentions.

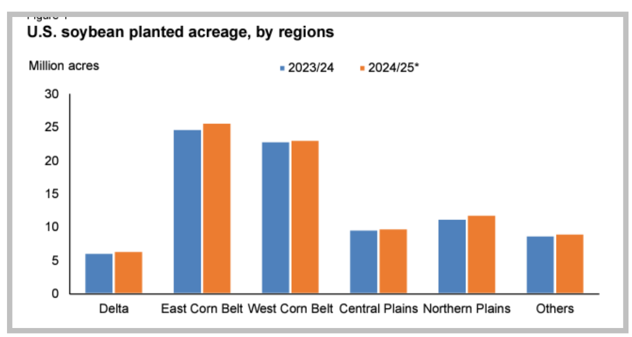
Beginning stocks for the 2024/25 U.S. corn marketing year are estimated at 1,877 million bushels, a reduction of 145 million bushels from the June WASDE estimate. June 1 inventories provided by NASS's June 28 Grain stocks report help estimate domestic corn use for 2023/24. As of June 1st, U.S. corn inventories totaled 4,993 million bushels in all positions (on-farm and off-farm inventories), well above last year's inventories of 4,103 million bushels. Notably, most of the year-on-year increase in corn inventories was held on farms, with 2023/24 June 1 on-farm inventories 890 million bushels above the previous year. When compared to the last ten marketing years, the quantities of corn stored on farms were the highest they have been (3,026 million bushels) and accounted for the highest share of total inventories (60.6 percent). With U.S. corn prices lower than the last 3 marketing years, farmers have seemingly been unmotivated sellers thus far, although on farm inventories may include bushels which have already been forward priced.

Due to raised usage estimates, the corn stocks-to-use ratio for 2023/24 is estimated at 12.6 percent, down 1.1 percentage points from the June WASDE report. Considering average prices received by farmers reported through May by NASS Agricultural Prices report, the 2023/24 corn season-average price remains estimated at $4.65 per bushel.

U.S. corn demand for 2024/25 is also expected higher. Larger U.S. corn supplies in 2024/25 are expected to help keep prices low and incentivize demand. Feed and residual use is raised by 75 million bushels, to 5,825 million bushels. In addition, U.S. corn exports are expected to remain strong in 2024/25, particularly with a reduced production outlook for Canada. Mexico is expected to continue to import corn as the country is building back supplies from low production in 2023/24. Thus, as U.S. corn is expected to be competitive and continue capturing export market share. U.S corn exports are raised by 25 million bushels for 2024/25, to total 2,225 million bushels.

Soybeans

USDA, NASS estimates the U.S. soybean planted acreage at 86.1 million acres and harvested acreage at 85.3 million acres. The U.S. soybean planted acreage was up in all soybean growing regions with the Corn Belt and Northern Plains regions gaining the most acreage, up 1.2 million acres and 0.6 million acres, respectively. The Delta and Central Plains regions increased their planted acreage by 0.3 million acres and 0.2 million acres, respectively. USDA, NASS' Acreage report noted that the acreage estimates were based on data provided by respondents who were surveyed between May 30-June 16, 2024. Nationally, the soybean acreage left to be planted in the United States totaled 12.8 million acres, and corn 3.36 million acres.



The U.S. soybean supply for marketing year (MY) 2024/25 is forecast at 4.8 billion bushels, 8 percent higher than MY 2023/24 but down 20.0 million bushels from last month's forecast. According to the USDA's National Agricultural Statistics Service (NASS) Acreage report released on June 28, 2024, 86.1 million acres of soybeans were planted in the United States for MY 2024/25, up 3 percent from last year. The U.S. soybean yield forecast remains unchanged this month at 52.0 bushels per acre. Crop conditions as of July 7, 2024, are better than the same time last year with 68 percent of the crop rated in good-to-excellent condition, compared with 51 percent last year. U.S. soybean production for MY 2024/25 is forecast at 4.4 billion bushels, down 15.0 million bushels from last month but 270.3 million bushels higher than production in MY 2023/24. With a lower production forecast and unchanged soybean crush and exports forecasts, U.S. ending soybean stocks for MY 2024/25 are projected at 435.0 million bushels for MY 2024/25, down 20 million bushels from last month's forecast. The U.S. season average soybean price forecast for MY 2024/25 is lowered 10 cents this month to $11.10 per bushel.

Continued next page

Crop Market Update (cont.)

The information that is presented in this market update reflects current information as of July 20, 2024.

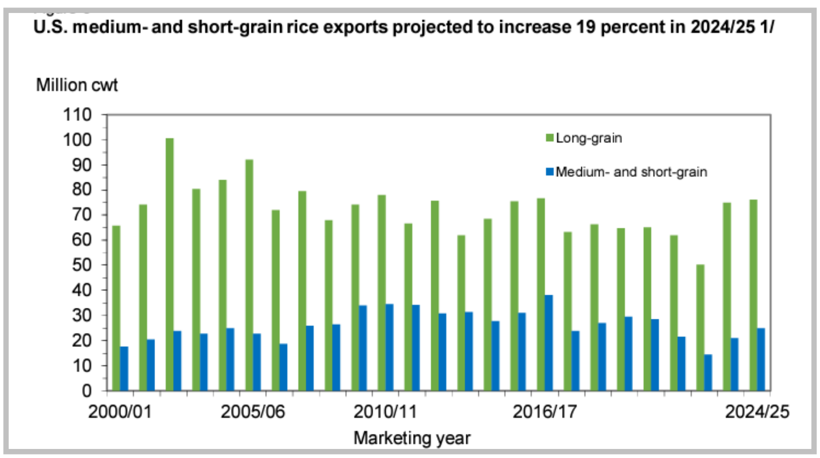
<u>Rice</u>

The 2024/25 U.S. rice crop is projected at 221.7 million hundredweight (cwt), up 1.5 million from the previous forecast and almost 2 percent larger than a year earlier. The upward revision is primarily due to a 16,000-acre increase in the harvested area estimate to 2.90 million acres, up 46,000 acres from a year earlier. The revised harvested area estimate is based on a survey by the USDA, National Agricultural Statistics Service (NASS) of growers conducted in early June asking how many acres of rice were planted this year. Plantings are raised this month for California and Louisiana but lowered for Arkansas. The revised planted and harvested area estimates for the United States by class and by State were released by NASS on June 28th in its Acreage report.

By class, U.S. 2024/25 long-grain production is projected at 168.0 million cwt, down 1.3 million from the month earlier forecast but still 9 percent above a year earlier. The month-to-month reduction is primarily due to a reduced long-grain harvested area estimate for Arkansas. The year-to-year increase is due to an area expansion in all southern reported States, with Arkansas accounting for almost half of the area increase. Combined medium- and short-grain production is projected at 53.7 million cwt, up 2.8 million from the previous forecast but nearly 17 percent smaller than a year earlier. Medium- and short-grain plantings are raised this month for Arkansas, California, and Louisiana. The year-to-year projected production decline is based on smaller plantings in the South. Demand for southern medium- and short-grain rice is weak, with large supplies from the 2023/24 unsold.

U.S. rice exports in 2024/25 are projected at 101.0 million hundredweight (cwt), up 1.0 million from the previous forecast and 5 percent larger than a year earlier and the highest since 2016/17. Exports of both long-grain and medium- and short-grain rice are projected to expand in 2024/25, with medium- and short-grain accounting for 80 percent of the expansion. In 2024/25, U.S. long-grain exports are projected at 76.0 million cwt, up 1.0 million cwt from the previous forecast and 1.0 million cwt above a year earlier and the highest since 2016/17. The slight upward revision is based on stronger-than-expected sales and shipments through late June to markets in the Western Hemisphere continuing into the 2024/25 marketing year. On a year-to-year basis, the small increase in long-grain exports is mostly based on stronger sales to Latin America, with rough-rice accounting for the majority of these shipments. The expected expansion of U.S. sales to Latin America is driven by more competitive prices and larger U.S. supplies.

Combined medium- and short-grain exports in 2024/25 remain projected at 25.0 million cwt, up 4.0 million from a year earlier. The increase is based on an expected decline in U.S. medium grain milled-rice trading prices, which have already dropped more than 50 percent from September record highs. Japan, South Korea, and Taiwan account for the bulk of U.S. medium- and short-grain exports, with Jordan, Canada, and Mexico accounting for most of the remainder. U.S. 2024/25 rough-rice exports are projected at a record 45.0 million cwt, up 1.0 million from the previous forecast and up 3.0 million cwt from the year-earlier revised forecast. Both the upward revision and annual increase are based on expected stronger sales of long-grain rice to Latin America, primarily to Mexico, Central America, and Venezuela, a result of larger U.S. supplies and lower prices. Long-grain accounts for the bulk of U.S. rough-rice exports. U.S. milled-rice exports are projected to increase 2.0 million cwt to 56.0 million, the highest since 2020/21. East Asia is expected to account for the bulk of the increase and to remain the largest export market for U.S. milled rice. Haiti, Canada, Iraq, and Saudi Arabia are the next largest markets for U.S. milled rice, with Israel, the European Union, and the Dominican Republic taking much smaller quantities.



In 2024/25, SAFPs for both classes of rice are projected to decline from a year earlier. The declines are largely based on larger U.S. supplies. The long-grain 2024/25 SAFP is projected to drop $1.50 per cwt from 2023/24 to $14.50, the lowest since 2021/22. The 2024/25 California medium- and short-grain SAFP is projected to decline $6.00 per ton from 2023/24 to $22.00, the lowest since 2019/20. California's prices had been elevated by drought that sharply reduced rice production in both 2021/22 and 2022/23. In the South, the 2024/25 medium- and short-grain SAFP is projected to decline $2.70 per cwt from 2023/24 to $15.00, as demand for this type of rice remains weak. The 2024/25 U.S. medium- and short-grain SAFP remains projected at $19.80 per cwt, down $4.50 from this year. The U.S. all-rice 2024/25 SAFP remains projected at $15.60 per cwt, down $2.10 from 2023/24 and the lowest since 2020/21.

Continued next page

USDA WASDE Report Release Dates for 2024

World Agricultural Supply and Demand Estimates (WASDE) Report: Jan. 12, Feb. 8, Mar. 8, Apr. 11, May 10, Jun. 12, Jul. 12, Aug. 12, Sep. 12, Oct. 11, Nov. 8, and Dec. 10.

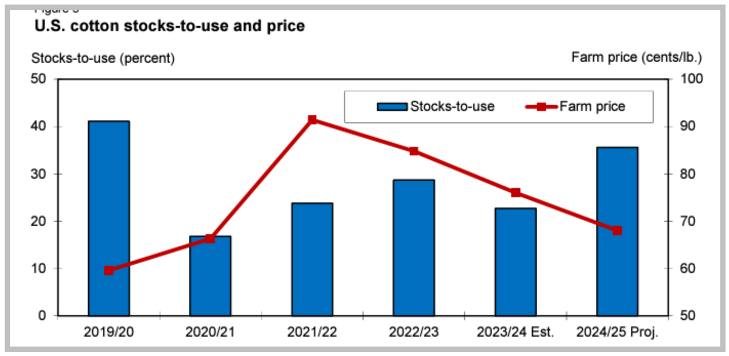
Crop Market Update (cont.)

The information that is presented in this market update reflects current information as of July 20, 2024.

Cotton

U.S. 2024/25 cotton production is projected at 17.0 million bales this month, up 1 million bales from the June projection and nearly 5 million bales (41 percent) above the 2023/24 crop. Based on the USDA NASS's Acreage report released June 28, U.S. producers planted or intended to plant approximately 11.7 million acres to cotton for 2024/25. This is 1 million acres (9 percent) above the March indications and 14 percent higher than the final 2023 plantings. Relatively lower competing crop prices this spring were a major contributing factor to the increased cotton planted area in 2024.

For 2024/25, U.S. cotton mill use is forecast at 1.9 million bales, slightly above the year before but still one of the lowest levels on record. Increased U.S. supplies for 2024/25 are expected to boost export prospects 12 percent during the upcoming season, with exports projected at 13.0 million bales. However, larger supplies in several other exporting countries—mainly Brazil—are expected to limit the gain in U.S. cotton exports and the U.S. share of world trade in 2024/25. The U.S. share of global trade is projected at approximately 29 percent in 2024/25, compared with 26 percent during the previous year and 34 percent in 2022/23.



Based on USDA's July supply and demand estimates, 2024/25 U.S. cotton ending stocks are projected at 5.3 million bales, 2.25 million bales above the year before and the highest since 2019/20 when ending stocks were 7.25 million bales. The 2024/25 stocks-to-use ratio, at 36 percent, is forecast 13 percentage points above 2023/24, its highest in 5 years. Based on current U.S. supply and demand estimates, cotton prices are expected to weaken in 2024/25. The average U.S. upland farm price is forecast to decline for the third consecutive season from the recent high in 2021/22. For 2024/25, the U.S. farm price is projected at 68 cents per pound as stocks build compared with 76 cents per pound estimated for 2023/24.

Sugar

The U.S. 2024/25 sugar supply was raised last month by 250,000 STRV to 14.250 million as a 262,000-STRV increase in beginning stocks and 125,000-STRV increase in beet sugar production more than offset the 137,000-STRV reduction in imports. The anticipated reduction of imports from Mexico (407,000 STRV)—per the terms of the suspension agreements—outweighs the increases from additional specialty tariff-rate quota sugar (up 231,000 STRV), high-tier duty sugar (up 27,000 STRV) and imported molasses in raw sugar terms (12,000 STRV). With total use unchanged at 12.555 million STRV, ending stocks are at 1.695 million and the stocks-to-use ratio is 13.5 percent, also up 2 percentage points from last month.

The 2024/25 fiscal year beet sugar production is increased 125,000 STRV to 5.236 million STRV, representing a 1-percent increase from 2023/24 and would be the second largest output since 2017/18 (5.279 million STRV). The adjustment is due to increases in three variables— area harvested, yield, and sugar output from desugared molasses.

The 2024/25 U.S. cane sugar production of 4.089 million is unchanged from last month, reflecting a 1-percent increase from 2023/24's newly adjusted 4.041 million STRV. Florida, where the drought risk has subsided after torrential rains in June, is forecast to produce 2.004 million STRV. If realized, Louisiana's 2.085 million-STRV forecast would be a record, reflecting an 8-percent increase (149,000 STRV) from its 2023/24 drought-affected production, and would overtake Florida for a third year.

For 2024/25, U.S. total imports are reduced by 137,000 STRV to 2.939 million, which are 680,000 STRV lower (19 percent) than 2023/24. The anticipated 407,000-STRV reduction of imports from Mexico to 790,000—per the terms of the suspension agreements to meet the 13.5 percent stocks-to-use ratio target—outweighs the 270,000-STRV combined increases from the additional specialty tariff-rate quota sugar that USDA announced for 231,485 STRV2 in June, high-tier duty sugar (up 27,000 STRV to 243,000), and imported molasses in raw sugar terms.

This year would mark the sixth consecutive year of sustained growth of high-tier duty sugar imports, which were traditionally comprised of high-value, refined sugar that is difficult to source. While historically the smallest import category, high-tier imports in 2023/24 would comprise about 27 percent of the total imports, thus overtake imports from Mexico as the second largest category behind raw sugar tariff-rate quota (TRQ) imports. This market trend reflects the growing role of high-tier sugar imports, particularly in filling U.S. raw sugar requirements of import-based refiners. This role was highlighted this year due to the drought-reduced raw cane sugar imports from Mexico and sustained U.S. sugar prices, which makes it economical to bring in the sugar despite the high duty.

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Crop Market Update (cont.)

The information that is presented in this market update reflects current information as of July 20, 2024.

Sugar (cont.)

Also stemming from the observed increase in pace, the base volume for high-tier duty refined sugar imports in 2024/25 is increased from last month by 27,000 STRV to 243,000; high-tier tariff raw sugar imports are forecast at zero.

July 2024

WASDE - 650 - 16

U.S. Sugar Supply and Use 1/

	2022/23	2023/24 Est.	2024/25 Proj. Jun	2024/25 Proj. Jul
	1,000 Short Tons,Raw Value			
Beginning Stocks	1,820	1,843	1,724	1,986
Production 2/	9,250	9,220	9,200	9,325
Beet Sugar	5,187	5,179	5,111	5,236
Cane Sugar	4,063	4,041	4,089	4,089
Florida	1,985	2,065	2,004	2,004
Louisiana	2,001	1,936	2,085	2,085
Texas	76	40	0	0
Imports	3,614	3,619	3,076	2,939
TRQ 3/	1,862	1,798	1,415	1,647
Other Program 4/	141	288	200	200
Non-program	1,611	1,533	1,460	1,092
Mexico	1,156	504	1,197	790
High-tier tariff/other	455	1,029	263	302
Total Supply	14,685	14,682	14,000	14,250
Exports	82	241	100	100
Deliveries	12,589	12,455	12,455	12,455
Food	12,473	12,350	12,350	12,350
Other 5/	116	105	105	105
Miscellaneous	171	0	0	0
Total Use	12,843	12,696	12,555	12,555
Ending Stocks	1,843	1,986	1,445	1,695
Stocks to Use Ratio	14.3	15.6	11.5	13.5

1/ Fiscal years beginning Oct 1. Data and projections correspond to category components from "Sweetener Market Data" (SMD). 2/ Production projections for 2023/24 and 2024/25 are based on Crop Production and/or processor projections/industry data and/or sugar ICEC analysis where appropriate. 3/ For 2023/24, WTO raw sugar TRQ shortfall (44) and for 2024/25 (94). 4/ Composed of sugar under the re-export and polyhydric alcohol programs. 5/ Transfers accompanying deliveries for sugar-containing products to be exported (SCP) and polyhydric alcohol manufacture (POLY), and deliveries for livestock feed and ethanol. Total refiner license transfers for SCP and POLY inclusive of WASDE-reported deliveries: 2022/23 -- 304; estimated 2023/24 -- 291; projected 2024/25 -- NA.

Newsletter Information

A group of growers inquired about a quarterly newsletter being delivered to them containing relevant market news and agricultural policy events. As a result, this publication is delivered electronically per the release schedule. Please contact Dr. Mike Deliberto at mdeliberto@agcenter.lsu.edu to be added to the email distribution list. The subscription is free of charge.

QUARTER	Reporting Period	Release Date
1	January 1 through March 31	April 15
2	April 1 through June 30	July 15
3	July 1 through September 30	October 15
4	October 1 through December 31	January 15

Please direct questions and comments to Dr. Michael Deliberto, Department of Agricultural Economics and Agribusiness, LSU AgCenter. Mailing Address: 101 Martin D. Woodin Hall, LSU Campus, Baton Rouge, LA 70803. Office Phone: 225-578-7267. Email: mdeliberto@agcenter.lsu.edu *Staff Report 2024-60 July 2024.*