



## Louisiana Conservation and Commodity Updates

### March 2021- Issue -3

#### Debt Relief Package for Minority Farmers

The new \$1.9 trillion stimulus package includes an estimated \$22.7 billion in agriculture and nutrition assistance provisions, including \$4 billion in debt relief for socially disadvantaged farmers, which provides for \$1 billion for technical assistance and improved access to land. USDA will pay up to 120% of the amount due on loans made directly to minority farmers through USDA loan guarantee programs. An additional 20% will cover taxes associated with debt relief.

#### Workforce Modernization Act

The bill related to alien farmworkers passed the House. The bill makes various changes to the H2-A program. The highlights in the Act include an establishment of the certified agricultural worker (CAW) status criteria for workers – these criteria include

- Performed at least 1035 hrs of ag. work during the two years before March 8, 2021
- CAW status will be valid for 5.5 years and can be extended
- One with a pending CAW application may not be detained or removed until a final decision is made

Other proposed changes include streamlining H2A related case processing, a modification to the H2A minimum wage calculations, guarantee minimum work hours, making the program available for more permanent agricultural work, and reserving an allocation of the H2-A visa for the dairy industry.

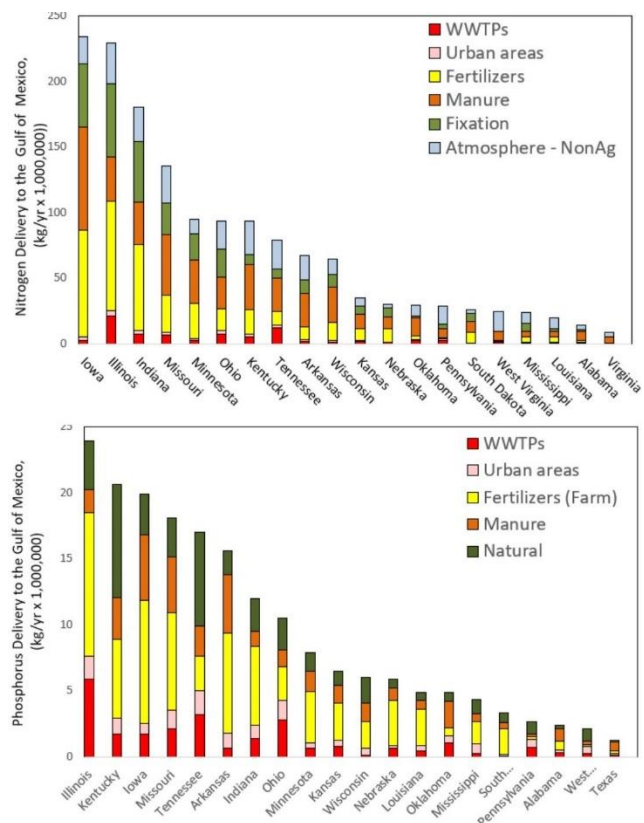
#### Soil Moisture Data through NASA-USDA Partnership

The USDA and NASA are spearheading an initiative to provide high-resolution soil moisture data in a user-friendly format. The data is currently used to provide crop progress reports. Data availability is expected to help with planting, forecast yields, evaluate preventive planting conditions at the field level.

The model can be found here  
[\(https://cloud.csiss.gmu.edu/Crop-CASMA/\)](https://cloud.csiss.gmu.edu/Crop-CASMA/)

#### Study publishes N and P Delivery into the Gulf of Mexico

A 2021 study by USGS ranks the Mississippi river basin states based on the amount of N and P delivered to the Gulf of Mexico.



#### Is Carbon a “Commodity?”

Climate policy continues to dominate the Senate Agricultural Committee discussions. Members continue to propose an expansion of conservation programs and climate-friendly practices. Some support the idea of an Ag-carbon bank and using USDA’s commodity credit corp.’s spending authority to buy carbon credits. In contrast, some other members argue carbon credits are a service, not a commodity.

Despite the arguments, several states are developing programs to appeal to farmers and foresters to address

climate change. Louisiana is one among those many states. The Biden administration is also considering a carbon-border tax to help mitigate carbon emissions in global trade. The consensus is that farmers must get a fair share of the value of the carbon credits generated through land management practices.

### Spotlight on Environmental Justice

There is renewed interest from the new administration in investigating complaints from communities that are unfairly harmed by industrial pollution and waste disposal. Over the years, communities of color lodged complaints related to landfills and poor air quality. Most of these complaints have been dismissed, citing a lack of proof. Critics demand that the EPA Office of Civil Rights address these complaints that affect millions of Americans.

### Strong Exports drive Commodity Prices

A surge in exports and mostly improved markets are expected to increase prices sharply this year. Exports to the Dominican Republic (DR) and Ecuador also reached record highs in 2020. Exports to Ecuador saw a 9% increase, which included about \$100 million of Wheat exports alone, whereas the export value to DR was up by 6% from 2019, reaching \$1.3 billion. This sentiment is going to influence spring prices. The spring price forecast for corn is \$4.58 per bushel, up by 18% from last year. Soybean and cotton are also expected to see a similar increase.

### Farm Loans Repayments highest in 2020

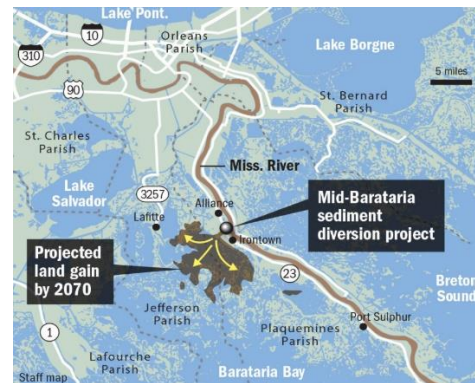
Prices of several commodities increased in the latter part of 2020, resulting in increased farm income and consequently a rise in farm loan repayment rates to a level not seen since 2013. These improved credit situations strengthened capital spending plans on farms, decreased loan demand, increased availability of funds across all districts, an increase in farm values, and strong cash rents.

Questions and comments:

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### Diversion Project Could Save 28 Sq. miles of Marsh

On March 4, the US Army Corps of Engineers released an upbeat assessment of the Mid-Barataria Sediment Diversion project's environmental impact statement. The Corps comments that the proposed project could create and sustain 28 sq. miles of marshes in the rapidly eroding Barataria Basin. However, it might affect some marine life. The proposed project would take up to 5 years to complete with estimated construction costs of \$1.4 billion. The project is expected to create more than 12,000 jobs in the state. Once operational, the diversion project could discharge up to 75,000 cubic feet per second of freshwater, sediment, and nutrients into the Mid-Barataria Basin.



Source: USACE

### A Call to Ship Agricultural Products

There are growing concerns that container ship operators were prioritizing shipping more lucrative products from China over agricultural commodities from the US during the peak export season, which runs from November to March. According to the Census Bureau and the ports of Los Angeles, Long Beach, California, and New York and New Jersey, an estimated 178,000 containers were rejected. Senate members are pushing for investigating these claims to protect the agricultural sector that relies heavily on cargo shippers to move products from the US to major consumers across the world.