



## September 2022 MGFA Newsletter



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#### New Member Welcome

MGFA would like to extend a welcome to our newest member, **BinSentry**. BinSentry is an agtech company based in Ontario, Canada that markets an easy-to-install feed management solution that accurately tracks feed inventory. To learn more



about them, you can visit their website at [www.binsentry.com](http://www.binsentry.com). The MGFA appreciates your membership support!



### **Need an Extra Copy of the MGFA Directory?**

The MGFA office has extra copies for sale of the 2022 MGFA Directory if you or staff members are in need of one. This annually published directory lists all the licensed grain elevators and feed mills in Minnesota, our non-elevator or feed mill members and a wealth of other grain & feed industry relevant information. Additional copies can be purchased for \$40 each. Please contact the MGFA office at 952-758-3999 to order your copies today.



### **FDA Announces Virtual Listening Session on the Regulation of Animal Foods with Certain Types of Claims**

The U.S. Food and Drug Administration (FDA)'s Center for Veterinary Medicine (CVM) is announcing that registration is now open for a virtual public listening session on the Agency's regulation of animal foods with certain types of claims such as environmental benefit claims (e.g., reduced greenhouse emissions), production claims (e.g., growth promotion, feed efficiency), and claims about effects on the animal microbiome.

The virtual listening session will take place on October 18, 2022 and offer stakeholders an opportunity to share information and insight with the FDA about the regulation of animal foods with certain types of claims. The listening session will start at 10:00 a.m. EDT. The end time will be determined based on the number of presentations submitted by interested stakeholders.

The FDA is reviewing **CVM Policy and Procedures Manual (PPM) 1240.3605, Regulating Animal Foods with Drug Claims**, and is seeking public comments on how the existing policy could be updated to reflect evolving scientific knowledge and promote innovation.

Stakeholders interested in attending the virtual listening session should register no later than October 11, 2022, at 11:59 p.m. ET, by completing the registration form on the event webpage: **FDA Virtual Listening Session on the Regulation of Animal Foods with Certain Types of Claims**. Early registration is recommended. Registrants will receive a confirmation email with the event link and password.

If you are interested in presenting on the topic of regulation of animal foods with certain types of claims during the virtual listening session, fill out and submit the registration form on the **event webpage** no later than September 20, 2022, at 11:59 p.m. EDT, and be sure to check the box indicating that you would like to present. The FDA will contact presenters by September 27, 2022, with further instructions.

In addition to holding the listening session, the FDA is accepting electronic or written comments through November 17, 2022. To electronically submit comments to the docket, visit [regulations.gov](https://www.regulations.gov) and type "FDA-2022-N-2015" in the search box. To submit comments to the docket by mail, follow instructions on the [FDA Virtual Listening Session on the Regulation of Animal Foods with Certain Types of Claims](#) webpage.

During Q1 of calendar year 2023, CVM intends to provide the public with additional opportunities to share input on other animal food-related topics such as the FDA's role in the AAFCO ingredient definition process. As details for these opportunities are finalized, the FDA will publicize them by posting information on its website.

Source: US FDA



## NGFA Supports the Reliable Rail Service Act

The National Grain and Feed Association (NGFA) issued a statement supporting the **Reliable Rail Service Act**, a bill introduced today by Sen. Tammy Baldwin, D-Wisc., that would better define Class I rail carriers' common carrier obligation.

The Staggers Act of 1980 required rail carriers to serve the wider shipping public "on reasonable request," a principle known as the common carrier obligation. However, more than 40 years later, the common carrier obligation remains poorly defined with no established criteria.

The Reliable Rail Service Act statutorily clarifies the common carrier obligation and establishes specific criteria for the Surface Transportation Board (STB) to consider when determining whether a railroad is meeting this obligation to provide rail service. If the STB determined a carrier was not meeting its common carrier obligation, the bill would empower the STB to prescribe service standards consistent with the needs of the shipper making the request.

"NGFA thanks Sen. Baldwin for her leadership in responding to severe rail service issues that have caused supply chain disruptions, endangered the delivery of feed to livestock, led to grain processing facilities slowing and shutting down, and negatively impacted U.S. grain exports," NGFA President and CEO Mike Seyfert said. "Clarification of the common carrier obligation has been needed for decades and this bill would strengthen STB's oversight authority to help address our nation's freight railroad supply chain challenges and improve rail service for agricultural shippers."

Similar language is included in the Freight Rail Shipping Fair Market Act (H.R. 8649), introduced in the House on Aug. 2 by House Transportation and Infrastructure Railroads, Pipelines, and Hazardous Materials Subcommittee Chairman Donald Payne Jr., D-N.J.



## Overcoming Rural Labor Shortages with Control Systems

Grain and feed managers know that **hiring staff** can take up a large amount of your time, with mixed results. The long demanding hours and a lack of awareness among the general population about careers in the grain handling and feed manufacturing industries have led to a nearly constant labor shortage in those industries.

And grain handlers and feed manufacturers know that the labor problem will not disappear, but it can be alleviated with automation.

Upgrading the automation and control systems at your facility can save you man hours, create a more attractive workplace to new talent and even improve the work-life balance of your existing employees.

What upgrades should you make to best alleviate your labor shortage? Automation experts in the industry shared their ideas.

Some of the automation ideas below will seem basic to someone working in a new feed mill or grain elevator but are needed in large parts of the industry for facilities to continue to be operational.

<https://www.feedandgrain.com/magazine/overcoming-rural-labor-shortages-with-control-systems>

*Source: Feed & Grain Magazine*



## China Wants to Ensure Food Security by Cutting Amount of Soybeans in Animal Feed

China is redoubling its efforts to bolster food security by trying to cut the amount of soybeans that get turned into animal feed.

In a notice this week, the farm ministry identified feed grains as the most pressing problem for food supplies. It urged the feed sector to learn from some of the top producers that have successfully reduced the amount of soybean meal -- derived from crushing soybeans -- used in livestock rations as their main source of protein.

China is by far the world's biggest importer of soybeans, which account for the bulk of its consumption. Last year, the import bill was over \$50 billion, not counting smaller quantities of meal, shipped by far-flung suppliers in South America and the US. Those costs have risen

further in recent months as food inflation has gripped the world in the wake of Russia's war in Ukraine.

The wholesale price of pork, China's staple meat, has risen by about two-thirds in the last year, in part due to higher feed prices. The move has caught the eye of the authorities and prompted the release of state reserves to cool the market.

So, even modest shifts in soy consumption would be helpful in controlling both import costs and inflation -- and represent a worry for the legions of overseas farmers that rely on Chinese demand.

The soy ratio in animal feed nationwide dropped last year to 15.3%, from 17.8% in 2017, the ministry said on Tuesday. That's a cumulative saving of 11 million tons of meal, or 14 million tons of beans. Standout performers included farming giants Muyuan Foods Co., which lowered the ratio to just 6.9%, and New Hope Liuhe Co., which got it down to 10.7%.

The techniques employed by the companies include adding synthetic amino acids to feed and enhancing nutrition levels via fermentation.

*Source: Bloomberg*



## **USDA to Provide up to \$20 Million for Construction of On-Farm Grain Storage Facilities in Areas Impacted by Recent Natural Disasters**

Agriculture Secretary Tom Vilsack announced the U.S. Department of Agriculture (USDA) will make available \$20 million in cost-share assistance to help agricultural producers in Kentucky, Minnesota, South Dakota and surrounding areas to rebuild storage facilities damaged by devastating natural disaster events in 2021 and 2022. This assistance will help producers who were hard-hit by disasters and are currently struggling with a lack of available grain storage have the resources they need as they head into the 2022 crop harvest.

"Over the past two years, weather events in several states caused catastrophic losses to grain storage facilities on family farms as well as a large, commercial grain elevator, leaving stored grain exposed to the elements and affecting commodity marketing options for many producers. USDA heard from congressional leaders, including Minority Leader McConnell, who identified a gap in our disaster assistance toolkit, and we went to work designing a new program to deliver direct assistance to producers who are struggling to meet their on-farm storage capacity needs in the wake of disasters," Secretary Vilsack said. "Congress has provided USDA with important flexibility through the Commodity Credit Corporation, which gives us the tools to be nimble as we work to support the production and marketing of agricultural commodities and quickly respond to agricultural producers' needs."

This assistance from USDA's Farm Service Agency (FSA) will be designed to help producers affected by the December 2021 tornadoes that passed through eleven counties in Kentucky, as well as producers in Minnesota and South Dakota affected by the derechos (severe thunderstorms and straight-line winds) that swept through these states in May 2022 and July 2022.

Similar to other USDA cost-share programs, USDA anticipates that the funds announced today will cover 75% of the eligible expenses associated with building grain storage capacity or purchasing equipment such as grain baggers for a producer's own use or for a shared-cost arrangement among a group of producers who want to use a common facility. The program will be primarily focused on supporting producers or groups of producers in their efforts to build new storage capacity in eligible areas where there is a shortage of local grain storage. Details on the program and the process to seek cost share will be available in a future Federal Register notice, but USDA also has an existing **Farm Storage Facility Loan Program** that can immediately provide low-interest financing. Producers should contact their local service center for details or to ensure they are on a list for updates.

To determine locations where producers may be eligible for emergency grain storage facility assistance, state impact area maps for Kentucky, Minnesota, South Dakota, and surrounding areas are now available online. These **maps** depict damaged storage facility locations and counties within a 30-mile radius of these facilities where producers may be eligible for this new program. If a producer believes their county should also qualify for this program, there will be a procedure to consider and add additional counties.

Through proactive communications and outreach, USDA will keep producers and stakeholders informed as program eligibility, application and implementation details are made available in the coming weeks.



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