

Total Agricultural Losses Estimated at Over \$1.1 Billion

Initial estimates for crop damage and livestock losses to North Carolina's agriculture industry are expected to be over \$1.1 billion, based on assessments following Hurricane Florence. That number easily tops the \$400 million seen following Hurricane Matthew in 2016.

"We knew the losses would be significant because it was harvest time for so many of our major crops and the storm hit our top six agricultural counties especially hard," said Agriculture Commissioner Steve Troxler. "These early estimates show just what a devastating and staggering blow this hurricane leveled at our agriculture industry."

Following are estimates by crops:

Row crop losses are estimated at \$986.6 million

Forestry losses are estimated at \$69.6 million

Green industry losses are estimated at \$30 million

Vegetable and horticulture crop losses are estimated at \$26.8 million

Livestock, poultry and aquaculture losses are estimated at \$23.1 million

Livestock losses are 4.1 million poultry and an estimate of 5,500 hogs.

The estimates were based on the percentage of crops still in the field in the 35 most highly impacted counties. The calculations also looked at a five-year average for crop production and the prices of commodities. Assessment information from the department's regional agronomists, N.C. State University agents and specialists, the USDA's Farm Service Agency, the USDA's National Agricultural Statistics Service and commodity associations were used to develop estimates.

The N.C. Department of Agriculture and Consumer Services continues to staff the Ag Emergency Hotline number, 1-866-645-9403, to coordinate disaster response. Hotline staff can also help direct callers to agricultural disaster assistance programs.

Source: NCD&CS Public Affairs Division, Andrea Ashby, Director

Emergency Procedures for Crops Damaged by Hurricane Florence

Hurricane Florence caused catastrophic damage in many counties in North Carolina and South Carolina. The Risk Management Agency (RMA), in conjunction with Approved Insurance Providers (AIPs), recognize the need for authorizing emergency procedures that will streamline certain loss determinations on specific crops, accelerating the adjustment of losses and issuance of indemnity payments to crop insurance policyholders in impacted areas.

Many residents lost their primary residences to storm damage and/or have been evacuated from their homes. The local infrastructure for normal day-to-day activities has and will continue to be disrupted for some time during recovery. Due to the destruction of communication lines and the limited ability to travel in the impacted areas, many policyholders are unable to communicate with their agents to purchase or make changes to their crop insurance policy or report losses within the Common Crop Insurance Policy, Basic Provisions (18-BR) 72-hour requirement.

RMA authorizes the use of these emergency procedures applicable to all North Carolina and South Carolina counties impacted by Hurricane Florence:

Application of these emergency procedures is limited to those situations where the catastrophic nature of the losses due to insured perils is such that not authorizing these emergency procedures would result in unnecessary delays in processing claims and the ability to make timely policy decisions.

RMA is authorizing the following emergency procedures for AIPs to utilize, on a case-by-case basis, for all crops in counties impacted by Hurricane Florence to assist impacted policyholders and increase the efficiency of AIP services and determinations. Please visit this website for the complete list of emergency procedures: <https://www.rma.usda.gov/bulletins/managers/2018/mgr-18-011.pdf>

Letter to Industry Regarding Flood-Impacted Crops and Commodities

By: North Carolina Department of Agriculture & Consumer Services

The North Carolina Department of Agriculture & Consumer Services recognizes the significant impact to agribusiness due to flooding caused by Hurricane Florence. Many farms have crops in the field and/or commodities in storage that have been impacted by flood waters and we would like to offer the following information.

Farmers whose crops were flooded by Hurricane Florence face not only the prospect of lower yields and loss of quality, but also the reality that those crops cannot be used for human food. They also cannot be used for animal feed unless they pass a testing protocol.

In order to properly assess how your farm may have been impacted, it is important to understand the difference between flood waters and pooled waters. Flood water can be distinguished from pooled water, as described below in guidance from US Food and Drug Administration (FDA):

“Flooding is the flowing or overflowing of a field with water outside a grower’s control. Pooled water (e.g., after rainfall) that is not reasonably likely to cause contamination of the edible portions of fresh produce is not considered flooding.”

FDA also offers the following guidance on crops and commodities exposed to flood waters:

“If the edible portion of a crop is exposed to flood waters, it is considered adulterated... and should not enter human food channels.

There is no practical method of reconditioning the edible portion of a crop that will provide a reasonable assurance of human food safety. Therefore, the FDA recommends that these crops be disposed of in a manner that ensures they are kept separate from crops that have not been flood damaged to avoid adulterating "clean" crops.

This applies to all food crops including:

- Surface crops such as leafy greens, tomatoes and corn;
- Underground crops such as peanuts and sweet potatoes;
- Crops with a hard-outer skin such as pumpkin, watermelon and winter squash; and
- Commodities such as grains, nuts, corn and similar products stored in bulk.

FDA has also provided the following guidance on the use of these crops and commodities in animal feed:

“The FDA reminds harvesters that crops harvested from flooded fields are often unacceptable because of contamination. Flood waters, which are different from pooled rain water, may contain sewage, pathogenic organisms, pesticides, chemical wastes, or other toxic substances. Mold growth is another serious concern for flood impacted crops intended for use in animal food. Some molds produce mycotoxins, which are toxic to certain animals and people.

Please take caution if you harvest crops from flood-impacted fields to ensure that they are kept separate from commodities that have not been exposed to flood waters to avoid adulterating the clean commodities.

In an effort to assist farmers in recovering from flood-related impacts, NCD&CS is collaborating with N. C. State Extension in the College of Agriculture and Life Sciences (CAL) at North Carolina State University to help farmers to determine safe uses for flood-impacted crops and commodities. While these products cannot be used for human food, FDA has established a process by which a request can be submitted to divert these products to animal feed provided that they pass a testing protocol.

Before crops or commodities contacted by flood waters can be used for animal feed, the farm must develop a diversion request detailing the process to assure the safety of diverted crops or commodities. Requests should be submitted to the NCD&CS Food and Drug Protection Division. We encourage you to not initiate any diversion actions until your request has been approved. Farmers should contact their local Cooperative Extension agents for further information and guidance. Contact information for local offices can be found at <https://www.ces.ncsu.edu/>

To assist those submitting diversion requests requiring sample testing, NCD&CS will provide all testing at no cost to the farm. Please know that we are committed to helping in this recovery effort and appreciate your attention to the information provided in this letter.

References:

CPG 675.100 Diversion of Contaminated Food for Animal Use:

<https://www.fda.gov/ICECI/ComplianceManuals/CompliancePolicyGuidanceManual/ucm074693.htm>

CPG 675.200 Diversion of Adulterated Food to Acceptable Animal Feed Use:

<https://www.fda.gov/ICECI/ComplianceManuals/CompliancePolicyGuidanceManual/ucm074694.htm>

CPG 675.300 Moisture Damaged Grain

<https://www.fda.gov/ICECI/ComplianceManuals/CompliancePolicyGuidanceManual/ucm074695.htm>

FDA: Resources for Animal Food Producers in Flooded Areas

<https://www.fda.gov/AnimalVeterinary/NewsEvents/CVMUpdates/ucm620507.htm>

NCSU Cooperative Extension

<https://www.ces.ncsu.edu/>

US Secretary of Agriculture Perdue Tours Florence-Affected Parts of North Carolina

On Monday, September 24th, US Secretary of Agriculture Sonny Perdue joined North Carolina state officials for a ground tour of farm facilities in eastern NC that were impacted by Hurricane Florence. After surveying the affected areas a press conference was held where Perdue reiterated USDA’s support for the programs and aid

already available for relief and recovery efforts as well as offering USDA's partnership to make this cleaning and restoration process as helpful as possible. To see pictures from the event please visit our photo gallery on our website: <http://ncwheat.com/media-gallery/>

“Hurricane Florence - The Second Knockout in Two Years”

By: Dan Weathington, NCSGGA Executive Director

North Carolina has a history in its people being able to survive no matter how tough it gets. In my lifetime I have seen Hurricane Hazel, tornadoes, other storms in between, Matthew two years ago and Florence hitting two weeks ago. It will be some time before we recover but in time we will get back to some normality.

We appreciate Commissioner Steve Troxler organizing a meeting with Agriculture Leaders in Duplin County on Monday to get a briefing from his office and US Secretary of Agriculture Sonny Perdue. Commissioner Troxler summed up the meeting when said, “We are from the Government and we are here to help You” and I said, “Keep your eye on the mailbox”. I told Secretary Perdue we appreciate him coming down to see and evaluate what the Federal/State can do to help for our farmers and Ag Community. Coming from Robeson county and being devastated by Matthew, I told Secretary Perdue thank you in advance what you may be able to do for North Carolina, but pass on to President Trump to PLEASE do not forget us in six-months because after a time State and National Officials think we are recovering on our own.

There are too many red tape steps to help people. Case in Point, this morning I talked to a friend in Lumberton that lives along a creek that FEMA qualified to buyout his house 1 year ago. Tomorrow, two weeks after Florence, my friend is meeting for a 6 month process to buy his house by FEMA. We are the most progressive country in the world, why does it take so long with all the red tape to help our people and farmers? Money has been approved to help farmers for losses on tariffsget the MONEY to the farm where they are struggling. I saw pictures from Overman Farm in Wayne County this morning where 500 acres of Soybeans are under water from the Neuse River, completely lost. Federal Government is concerned with filling the Supreme Court and all the garbage there. Wake UP politicians and look out for our people NOW especially the 1% of the population that Feeds you three times a day!!!!!!

National Association of Wheat Growers: Weekly Update

US, Japan Agree to Free Trade Agreement Talks

On Wednesday, September 26, 2018, the U.S. and Japan announced that they have agreed to enter into talks for a free trade agreement. In response, USDA Secretary Sonny Perdue released a statement welcoming the news and stated that “export income is critical to the financial health of agriculture and is a key contributor to rural prosperity.”

NAWG welcomes the talks and is pleased to see the Administration moving forward with new trade agreements.

Wheat Represented at “Tariffs Hurt Heartland” Roundtable

On Thursday, September 27th, Ohio Corn and Wheat's John Torres, participated in Farmers for Free Trade “Tariffs Hurts the Heartland” roundtable at the Columbus Convention Center. Joined by a variety of representatives from the ag community, John spoke on the impacts that tariffs have had on his business as

well as his fellow wheat growers. Additionally, he touched on how the tariffs have impacted his community and the region.

House Passes Continuing Resolution for Agriculture, Other Departments

On Wednesday, the U.S. House of Representatives passed a minibus appropriations bill for several federal agencies, which also includes a continuing resolution for, among others, the Department of Agriculture, which will enable USDA operations to continue at FY 2018 spending levels through December 7, 2018. House action follows Senate passage last week, sending the measure to the President for his signature. The CR is intended to enable more time for conferees on a separate minibus appropriations bill that includes the FY 2019 Agriculture Appropriations bill to conclude working out a conference report. NAWG has been engaged with appropriators throughout the appropriations process and has advocated for full funding for the U.S. Wheat and Barley Scab Initiative, among other discretionary funding priorities.

KORUS Reinstated

On Monday, September 24, 2018, the Korean-United States Free Trade Agreement (KORUS) was renegotiated and signed off by South Korean President Moon Jae-In and President Trump. KORUS is responsible for increasing trade for several agricultural commodities including wheat. Though in regards to this announcement, no changes were made to wheat, the original deal created the increased market access which is being maintained.

Farm Groups Call on Federal Judge to Prohibit WOTUS

A federal judge from Georgia has been asked by several farm groups to help prohibit the Waters of the US (WOTUS) rule from being enforced in the 22 states where it still applies. The American Farm Bureau Federation and other groups recently filed the brief with the Georgia court. Meanwhile, the Office of Management and Budget has been looking into repealing WOTUS since June.

Chlorpyrifos Decision to be Appealed

The Justice Department has asked the 9th Circuit Court of Appeals to take another look at its decision ordering EPA to ban chlorpyrifos by Oct. 8. By requesting the rehearing of the Aug. 9 decision, the Justice Department is effectively postponing the date by which EPA would have to cancel registrations for the widely used insecticide. Ag Secretary Sonny Perdue praised the decision to ask for a rehearing, saying that the 9th Circuit's decision "appears to be based on a misunderstanding of both the available scientific information and EPA's pesticide regulatory system." NAWG was part of a group who requested the EPA/USD action on Chlorpyrifos.

Housing and Registration Opens for the 2018 NAWG/USW Fall Conference

NAWG and U.S. Wheat will be holding their 2018 Fall Conference at the Grand Hyatt Tampa Bay in Tampa Bay, Florida from October 30th to November 2nd. NAWG's schedule of events, registration, and information on housing can be found here: <https://www.wheatworld.org/newsroom/meetings-events/fall-wheat-conference/>. Visit this link: <https://www.uswheat.org/meeting/2018-usw-nawg-joint-fall-meeting/> to go to straight to the registration page.

NCSGGA Upcoming Events

October 5th, 2018

Ag Science Day

Red Oak Elementary School

Red Oak, NC

October 9th - 10th
Agriculture Awareness Days
Onslow County

October 23rd - 25th
Hoke County Ag Days
Hoke-Robeson Gin
Maxton, NC

Oct. 29th – Nov. 1st, 2018
Wheat Industry (NAWG)
Fall Conference
Grand Hyatt Tampa Bay
Tampa Bay, FL

Oct. 29th / 10:00am
Ladies Garden Club
Ag Education Day
Flint Rock Farms
Cameron, NC

November 2nd, 2018
Person County Ag Field Day
Huck Sansbury Park
425 Long Ave
Roxboro, NC 27573

November 6th - 8th, 2018
9:00am - 2:15pm
Stanly County Ag Days
Stanly Co. Agri Civic Center
Albemarle, NC

December 6th - 7th, 2018
NCSGGA Board Meeting
Sheraton Imperial Hotel
4700 Emperor Blvd. Durham, NC

December 14th / 8am – 11:30am
Academy of Moore County
Agriculture Field Day
Aberdeen Post Masters House
204 E South St.
Aberdeen, North Carolina 28315

January 9th, 2019 / 1:00pm
NCSGGA Board Meeting
Sheraton Imperial Hotel
4700 Emperor Blvd. Durham, NC

January 10th – 11th, 2019
NC Commodities Conference
Sheraton Imperial Hotel
4700 Emperor Blvd. Durham, NC

January 30th – February 1st, 2019
Southern Farm Show
NC State Fairgrounds Raleigh, NC

February 28th – March 2nd, 2019
Commodity Classic
Orlando, Florida

March 8th, 2019 / 8am – 11:30am
Academy of Moore County
Agriculture Field Day
Aberdeen Post Masters House
204 E South St.
Aberdeen, North Carolina 28315

The North Carolina Small Grain Growers Association, Inc. is a nonprofit corporation formed to encourage, promote and develop more efficient and effective small grain marketing and production practices and to participate in all matters relative to the interests of small grain producers. For more information please contact Dan Weathington, Executive Director of NCSGGA at danweathington@gmail.com / 910-736-8258 or Nikki Johnson for Outreach Events and Communications at nfjohnson0902@gmail.com / 919-809-8657.