UNITED STATES DEPARTMENT OF AGRICULTURE

WASHINGTON, D.C.

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ADVISORY COMMITTEE ON :

BIOTECHNOLOGY AND 21ST CENTURY :

AGRICULTURE :

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 A meeting in the above-entitled matter was held on August 27, 2012, commencing at 9:03 a.m. at the Hyatt Regency Washington, 400 New Jersey Avenue, N.W., Washington, D.C. 20001.

 Russell C. Redding, Committee Chair

 Michael G. Schechtman, Executive Secretary

APPEARANCES

Russell Redding, Chair

Michael Schechtman, Executive Secretary

Mary Lisa Madell, USTR

Rob Burk, USDA

Dick George, USDA (note-taker)

Committee Members:

Isaura Andaluz

Paul C. Anderson

Laura Batcha

Barry Bushue

Daryl D. Buss

Lynn E. Clarkson

Leon C. Corzine

Michael Funk

Douglas Goehring

Melissa L. Hughes

Darrin Ihnen

Gregory A. Jaffe

David W. Johnson

Alan Kemper

Keith Kisling

Josephine (Josette) Lewis

Mary-Howell R. Martens

Marty D. Matlock

Angela M. Olsen

Jerome B. Slocum

Latresia A. Wilson

Guest Speakers:

Barbara Glenn

Liana Hoodes

Kristina Hubbard

Nick Maravell

Genna Reed

Chris Ryan

Abigail Seiler

Scott Sinner

Michael Sligh

P R O C E E D I N G

 MR. SCHECHTMAN: Good morning. This is the fifth meeting of the US Department of Agriculture’s Advisory Committee on Biotechnology and 21st Century Agriculture, or AC21, since the Secretary of Agriculture brought back the AC21 last summer after a hiatus of about two and a half years. My name is Michael Schechtman, and I’m the executive secretary and designated federal official for the AC21.

 I’d like to welcome you all to the meeting and to Washington, D.C. if you’ve come here from out of town. I’d like to welcome our committee members. I believe 20 out of the 23 of who are here now; one more I expect will be here in a few minutes.

 And I expect at least a couple of our ex-officio members to be here as well from other federal departments and agencies; and also welcome all members of the public who have come here today to listen to our proceedings and perhaps to provide statements to the committee later this afternoon.

 I’d like to start by just noting that you will see there are no microphones on the table today. So that means that everyone needs to speak up really well, both for the fact that it’s being recorded, and for the fact that we have public listening. So I know we have a few soft speakers here, but please speak up.

 We will have a microphone for public comment that can be passed around in case of urgency, but we don’t have regular microphones at the table today. I hope this will work okay. I know you are all people who can raise your voices if need be.

 I’d also like to note my special appreciation for the farmers who have come to our meeting over these two days. We understand what a terrifically difficult year it has been with the drought and the heat, and USDA much appreciates your service on this committee and to US Agriculture.

 I’d also like to welcome our chairman, Mr. Russell Redding, dean of agriculture and environmental sciences at Delaware Valley College, and former Pennsylvania Secretary of Agriculture, from whom you will hear more in a few moments.

 I’d also like to note that we have a new ex-officio member on the AC21, Ms. Mary Lisa Madell, from the Office of the US Trade Representative, who replaces

Ms. Sharon Bomer. Welcome Mary Lisa.

 MS. MADELL: Thank you.

 MR. SCHECHTMAN: For this meeting, again, we have Dick George from USDA’s Animal and Plant Health Inspection Service here, to help this process by taking notes throughout the meeting. Welcome. Welcome back, and thanks again, Dick.

 We will have a very full agenda, given what needs to be accomplished, so we ask that when the meeting is in session, conversations need to be limited to those between members only.

 The public will be invited to participate by providing comments to the Committee and USDA this afternoon between 3:15 and 5:00 p.m. I think we have a number of individuals signed up to provide comments at this meeting.

Members of the public, who have pre-registered to provide comments, please be sure you have signed up on the comment list so that we can call you in order.

 We will be preparing minutes of this meeting, and a computer transcript of the meeting will also be available within a few weeks. We hope to get the minutes up on the web, but it will take a bit longer than usual this time. I have a number of international commitments for work over the next several weeks that will delay the completion of the summary.

 The website address for the AC21 is pretty long, but the website can be accessed by going to the main USDA website at www.USDA.gov clicking on topics at the top left, then biotechnology, and the clicking on the committee name.

 For members of the press, you are welcome to speak to whomever you wish during the breaks of the meeting and before or after the meeting itself. We ask that you not conduct any interviews or request comments from members while the AC21 is actually in session. Mr. Redding our chair, and I, will be available for questions and comments at the end of each day of the meeting.

 I’d also like to request that all members of the AC21, as well as all members of the audience and the press please shut off your cell phones and beepers while in the room. They interfere with the microphones and with our recording of the meeting, in order to produce the publically available transcript.

 Bathrooms are located straight down the corridor, out the doorway, on the other side of the lobby.

 One other important housekeeping matter that all Committee members I think are familiar with, members and ex-officio members, you each have tent cards in front of your place. Please turn them on end when you wish to be recognized. Also, for the transcript, please identify yourself when called on to speak.

 At the back of the room there’s a table with documents on it. Please take only one copy of any document. We, as always, don’t want to run out early. Among the handouts is the detailed meeting agenda. Please note that there are breaks scheduled morning and afternoon today.

 Let me also note for members of the Committee and the public, that there’s a folder on the documents table that contains public comments that we have received electronically prior to the meeting. Some are from individuals who will be providing comments today. Others are only electronic comments.

 Please look at them when you have the chance during breaks or at the end of the meeting, or at the end of the day, rather. If there are additional documents distributed by AC21 members, please be sure and provide me copies of those documents.

 For each member of the public who speaks during the public comment period, I will need a hard copy of your remarks, and an electronic copy so that we can post them on the committee website.

 Members of the public, please, if you have pre-registered to make a comment, and you have not signed in already, please do so at the sign in table so that we can plan the comment period and have an order to call the names. You will each have five timed minutes to provide your comments.

 As I indicated before, and has been true of all of the AC21 meetings, we have a lot of accomplish in this meeting over the next two days. This is the critical meeting in the development of a report to address the Secretary’s current charge to the Committee.

 Within the overall context of strengthening coexistence among agricultural production methods, the Secretary’s charge is to address the following questions.

 One. What types of compensation mechanisms, if any, would be appropriate to address economic losses by farmers in which the value of their crops is reduced by unintended presence of GE materials?

 Secondly, what would be necessary to implement such mechanisms; that is, what would be the eligibility standard for a loss and what tools and triggers, such as tolerances, testing protocols, et cetera, would be needed to verify and measure such losses and determine if claims are compensable?

 Three. In addition to the above, what other actions would be appropriate to bolster or facilitate coexistence among different agricultural production systems in the United States?

 The Secretary also asks that work on questions one and two should be completed before work is undertaken on item three.

 The charge is provided to Committee and the public as a document in the back. Based on the discussions over the last couple meetings, it is clear that it is the intent of this committee in the report under development to address all three elements of the charge.

 Let me give members of the public a brief synopsis of the work of the AC21 over the past year plus. At the AC21’s first meeting, committee members discussed the Secretary’s charge in some detail, listened to several presentations, and in getting down to matter at hand decided that four working groups should be established to gather and organize materials for the Committee to consider on four topics: size and scope of risks; potential compensation mechanisms; eligibility standards, tools and triggers; and who pays.

 The first two of these working groups started their discussions before the second plenary session, the other two after the second plenary. Each working group met no less than four times. Membership in the working groups included both AC21 members and some outside individuals to achieve balance in these groups.

 Their input has helped to shape the concepts that have come forth in the draft document the committee will be discussing over the next two days.

 There have been several presentations to the AC21 on past organized efforts relating to coexistence, and on how farmers have managed unintended GE presence in their on farm production.

 Two plenary sessions ago at the March meeting, despite some notes of agreement among members on several themes, including the importance of stewardship and of high quality seeds that meet farmer’s needs, it also became clear that no consensus had yet developed around elements one and two of the Secretary’s charge, and specifically around support for establishing a compensation mechanism at all.

 At the last plenary session, which took place in May of this year, I believe considerably more progress was made. There were proposals made for an educational outreach campaign to highlight the importance of coexistence and work to identify, assess, and improve management practices for effective coexistence.

 There was additional discussion as well about the inclusion of a conditional option for the establishment of a compensation mechanism based on a crop insurance model if new data establishing actual economic losses based on unintended presence were obtained that the Secretary deemed adequate to merit such an action.

 Our chair, Mr. Redding, spoke of the need to find the middle ground from which consensus could be built, and offered a set of suggestions for what he perceived to be the middle ground as far as recommendations.

 There was also, I think, agreement to broaden the application of any compensation mechanism to all farmers intending to grow any identity-preserved crops who suffer such unintended presence related losses.

 There was not, however, agreement yet on the framing and central principals around compensation. I’ll come back to this subject when I talk about the documents before the Committee in a few moments.

 However, first I do need to note the work that has gone on between the last plenary session and this meeting. After the May plenary session, the chair and I attempted to capture the state of agreement on recommendations, or at least the current versions of potential recommendations that seem to be in play at that time, and sent those to AC21 members for comment on June 29th.

 We received comments on those, and then the chair circulated a first full draft report which we called the chair’s text. It attempted to summarize the areas of agreement and disagreement and took into account the comments on the recommendations, again trying to find middle ground, and thus not, of course, incorporating everyone’s suggestions, since they went in all directions.

 The document was circulated to members for comment on July 27th, along with a compilation of comments on the first draft of the recommendations. We have compiled the comments received on the first draft of the full report, and taken them into account in preparing the draft provided for this meeting, which I will call the second or working draft of the chair’s report which was sent to members on August 27th, along with the compilation of comments on the first draft.

 Both these compiled comments and the second draft, which will be under discussion over these two days, were also posted on the AC21 web page on August 17th.

 So where are we now? This is again, a critical meeting for the Committee. We will need to complete all substantive work on the report in order to be able to get the report finalized this fall.

 As indicated to Committee members earlier, it will not be possible for us to hold another plenary session to complete this task. So there will need to be much give and take, and much big picture thinking to get this work completed in the time we have.

 In the draft, we have attempted to capture the sense of the AC21’s discussions. While we have actively searched for middle ground in recommendations, in the introductory sections, and in text leading up to recommendations, we have also tried to capture the flavor of the overall discussions from multiple perspectives, and to include suggested language from different sources as well.

 This undoubtedly has made some portions a little repetitious, and there were, occasionally, ideas included that were submitted in text from members that were not extensively discussed in plenary. Our aim has been, as we have said before, to produce a report on which most or all may sign on and no one will feel obliged to produce a minority report. But that will remain to be seen. Most areas of the draft under discussion are currently just a single text, but a few key areas offer alternative texts.

 Now, onto the documents provided for AC21 members and the public. To start, we have a corrected version of the Federal Register notice announcing this meeting, since we put an erroneous dated for public comment that made no sense in the original notice, and the provisional meeting agenda, which we will go over in a moment.

 Also, there are copies of the AC21 charter and the bylaws and operating procedures for the Committee, and a package of biographical information for each of the AC21 Committee members. This information is provided as background and context for Committee members and the public.

 We also have a statement of the charge to the Committee from Secretary Vilsack. We have the meeting summary from the fourth plenary session held in late May of this year.

 Also, just as at the previous three meetings, we have provided an earlier paper on the subject of coexistence, prepared by a previous iteration of this Committee as background. The paper is entitled, “What Issues Should USDA Consider Regarding Coexistence Among Diverse Agricultural Systems in a Dynamic, Involving, and Complex Marketplace.” It was an analytical paper, rather than one that gave USDA much in the way of concrete recommendations on this topic.

 As has been made clear, Secretary Vilsack has asked this Committee to go considerably further. That paper contained a working definition for coexistence as follows, “Coexistence refers to the concurrent cultivation of conventional, organic, and genetically engineered GE crops, consistent with underlying consumer preferences and choices.”

 At the first AC21 meeting a year ago this month, members opted to add the word farmer before the word choices, as this group’s working definition, to that it read, concurrent cultivation, et cetera, consistent with underlying consumer preferences and farmer choices.

 The Committee also decided to leave it to the initial drafters of the Committee’s report, the chair and I, to address some of the complexities around the use of the word conventional. I will note that the Committee will need to go back over this definition in response to some of the comments we’ve received on the first draft of the text.

 Additionally, we have the following documents. There is the document containing the compiled comments on the first draft of the chair’s report. Please note that on the cover page there is an explanation of how to interpret the alternative language indicated by bracketing of text in the document. If, for whatever reason, you wish to reconstruct in your mind what the original first draft looked like, you need only read unbracketed text, plus any bracketed text that was not attributed to a specific author via initials.

 We also have the second or working draft for this meeting, which will be the discussion document here. It contains a much smaller amount of alternative language in brackets.

 Also, there is a cover email from the AC21 chair to members that accompanied the working draft when it was sent to them. And finally, there is a page on the table which provides a brief description of how we would like to go about finalizing the document from this meeting forward.

We’ll talk about all these in due course.

 Now, from USDA’s perspective, there is only one objective for this meeting, and that is to complete all substantive work on a report to USDA addressing the charge to the AC21 from USDA Secretary Tom Vilsack.

 As to why this is our objective for this meeting, just in case anyone might have forgotten, this is a complex session in Washington, obviously, time for a national election coming up. It will not be possible to hold another meeting before the election, and this Committee is a discretionary committee, that is, it’s a Committee established and re-established at the discretion of the Secretary of Agriculture.

 So for the completion of this report to be guaranteed, this is the last meeting that the Committee as a whole and in public will convene to address this task. That does not mean that there cannot be some polishing done to put the report to bed after this meeting, but all the big decisions around this report really need to be completed by the end of the day tomorrow in order to live up to the sunshine requirements of the Federal Advisory Committee Act.

 We will talk about the end process in a little while. The chair will take those decisions and all the discussion into account in preparing a draft final report coming out of this meeting, but we will talk about how we envision the end game working in just a little while.

 Suffice it to say for the moment, though, that we wish to give members opportunities both for further input into the final report and for comment on it.

 Let me mention a few things about the agenda, copies of which everyone should have. This agenda is strictly notional, maybe more notional than usual. After a discussion on process, we will have to get through the recommendations and consensus seeking and have some clarity at least on what might go forward, look over the text and its organization, including revisiting the definition of coexistence, and finally decide what to call the report.

 All this will happen while, as always, we are mindful of the important need to provide for public input starting at 3:15 this afternoon. At that time, we will have public comment, as required by law, a significant portion of the meeting where we will hear from interested members of the public with their thoughts on the topics you’re deliberating, and the recommendations you will be making.

 I’d like to offer a few impressions I have about the status of the Committee’s deliberations, and what is needed to complete them. First, as I did last time, let me congratulate all of the members who are here and the other two as well, on sticking with this process.

 Everyone has stayed engaged through difficult discussions, and it’s clear that members are still reaching for ways to bring the group together, though we are all still aware of the difficulties that remain, and that this process entails.

 Your discussions have gone on in a professional, serious, and collegial way, and I trust that will continue, and you will all keep your thick skins. And I hardly need to mention the difficulty of the charge that’s laid before you.

 Plus, our time is limited, though the previous goal we set of September 30th seems to be unrealistic at this point. More about that in the next segment of the agenda.

 What will a final report look like? One thing that’s virtually certain is that it will be a report that will meet no one’s ideal for the final word on the subject. It will not have had the benefit of many rounds of editing, and in all likelihood, we will not have had time even to fine tune all of the elements to see exactly the maximum level of consensus on every phrase.

 We will talk about how to do the best job we can on that a little later, but as a general matter, it just won’t be possible to do it. So at the end, each of you will be faced with a decision on support for the report as a whole, knowing that for each of you there will be things in it that you won’t like, or may not agree with.

 There will be a report and it will contain things to like and things not to like for each member. And there will be a choice for each and every one of you down the road. But I’m very encouraged by the distance the Committee has come.

 AC21 members and the public should be well aware of the number of attempts in various forms in which discussions on coexistence have been held in the past, seeking recommendations on how agriculture should move forward.

 In terms of arriving at consensus, actionable recommendations, the results of all those efforts have been pretty meager so far. This is a big opportunity for the AC21 to improve that record.

 Before I turn the microphone over to the AC21’s chair, Mr. Russell Redding, dean of the college of agriculture and environment sciences at Delaware Valley College, and former Pennsylvania Commissioner of Agriculture, I’d like to note, after his remarks that we will have a very brief update from Mr. Rob Burk, who is the

designated federal official for the National Genetic Resources Advisory Council on the progress he’s making on getting the NGRAC back up and running.

 And now I’ll turn the mike over to Russell, who continues to lead our search for consensus as we move forward over the next two days. Russell, your thoughts on where we are and how we complete this task?

 MR. REDDING: Michael, thank you. That’s a tall order. But thank you to each of you for returning to the table, to all of our guests and public members, thank you for being here.

 I’ll begin with a simple thank you, knowing of the challenges of this growing season, the personal sacrifices that each of you have made to serve on the Committee, the topic itself, and certainly the condensed time frame by which we’ve had to work.

 As I have done for each of the meetings, I went back and reviewed the charter, the bylaws, operating procedures, the Secretary’s charge, the minutes, and even looked at the role of the chairman, just to make sure that I understood what my responsibilities are, and why my boundaries are for getting this job done.

 I also looked at the meeting minutes, and certainly the comments received on the draft report to refresh my memory on discussions, and make sure we are doing what was envisioned when AC21 and the Committee were formed.

 This review has helped me better understand the significance of our work, the progress, and confirms that our work really does matter. In just one year we have moved from organizing, educating, and deliberating to producing a substantive report.

 Our work matters more today than it did a year ago. Through our appointments the Secretary made a very important statement about strengthening coexistence, raising the profile of the issue, and raising expectations for the Committee and agriculture, both in terms of policy and the civics of whether as an industry we can truly work together.

 As an advisory committee, we need to continue to lead on this issue. Leading is difficult. Leading is lonely and uncomfortable at times, but we knew that when we signed on for this job.

 I want to make sure we are giving agriculture and the public our best thinking, and demonstrating to the Secretary and the USDA we can work together. Regardless of production practice, it thereby is setting a clarion signal that coexistence is more than a nice concept. It’s a core value shared by everyone engaged in production agriculture.

 It’s not only something government determines is necessary, but rather a belief that we, as industry leaders, endorse as a best management practice. It’s an important statement about what we believe. No one here is for the status quo. The organization didn’t evolve on status quo. Your farm didn’t transition to next generation on status quo. Genetic progress wasn’t advanced on status quo. Markets were not developed and maintained on status quo. And agriculture won’t thrive on status quo.

 I remain hopeful that by the end of this meeting we have a consensus report. Personally, I’m very proud of the draft report, given where we started, and the complexity of the issue. I believe as imperfect as it may be, it begins to frame for the Secretary substantive recommendations that advance the public dialogue on coexistence.

 But gaps remain. And our job over the next two days is to close the gaps. Our overall report context, which is the foundation of the report, captures the significance of agriculture, acknowledges that diversity is our strength, and freedom to choose our production method is central to a vibrant agricultural economy.

 Further, and most important, I believe, it states the every American farmer is encouraged to show respect for their neighbor’s ability to make a different choice. So I ask do our recommendations track with our overall context?

 We provide several options in the compensation mechanism section for your consideration, and fully recognize the inclusions of options two and three have generated some anxiety. We will discuss these points further, but I want to plant a seed.

 For coexistence to work, and education to be meaningful, it must encourage conversation and planning among and between neighbors. It was from this premise that we designed the joint coexistence plans by neighboring farms that you find in option three.

 I’ve learned a great deal about coexistence through this appointment, and believe our recommendations for a comprehensive outreach and education initiative is critical to any progress on coexistence.

 Just as we had to learn what the technology providers, markets, USDA producers, and the many stakeholders are doing to address coexistence before we could have an intelligent conversation on the issue, the same is true for those that make their living in agriculture.

 Our deliberations underscore, for me, that our emphasis in this report on education is critical and forms the foundation for change that we want to see.

 As Michael and I have sorted through the Committee’s record and public comments with the goal of synthesizing a year’s worth of work, I was struck by the civility of our dialogue, the articulation of positions, and the sincerity each of you have expressed to helping the USDA and the Committee find solutions to coexistence. Everyone in the room wants agriculture to continue to adapt and change to consumer expectations and market opportunities.

 It was this belief that has guided our work as a Committee, and our efforts in drafting the report. This belief remains our guide.

 So where to from here? As Michael outlined, this meeting is critical, and is our last opportunity to be around the table in person for this report to benefit from the group thinking.

 As we have witnessed, it’s difficult with email to sometimes place discussions and thoughts in proper context, convey true reactions, provide full explanations or feelings, and maybe most importantly, read the most powerful sign of agreement or disagreement, body language.

 So let’s make the best of our time and talents over the next two days to get this job done. As I said, I remain hopeful, maybe more hopeful today than when we started, that we can find the middle ground, where we have a report that is meaningful, respectful of the diversity of agriculture, that lives true to the expectations of each of our organizations and entities.

 This said, I am mindful that everyone must compromise to get to the middle ground on a final report. To please everyone, we must please no one. Right. To please everyone, we must please no one. My conversations over the last week have confirmed this principal. Right?

 Finally, I come away from this experience with a new appreciation for Dr. Schechtman’s patience and skills as a leader, a thinker, a writer, and a public servant. His steady hand and willingness to draft and redraft and search for the right word is a gift.

 We have spent many hours trying to figure out what to say, and to make sure that what we produced in both the initial draft and the working draft you have before you represents the exchanges that we’ve had as a Committee. To Michael and the entire team, USDA team, thank you.

 So I’ll end where I began, with a simple thank you. We have much to do, and I want to acknowledge the commitment each of you has made to AC21 and American agriculture. Your work is noticed and valued. And together, I believe we’re making real progress. So let’s look forward to a productive week, couple of days this week. Okay. Michael, thank you.

 MR. SCHECHTMAN: Okay. Now I’d like to turn to Mr. Rob Burk. Give us a very quick update on progress in getting the NGRAC up and running.

 MR. BURK: Sure. Thank you. Thanks for having me again. And I should say, it speaks well of Dr. Schechtman that he has enabled me to meet with you three times, and I have not been able to meet with my own committee once. So you are very lucky to have him.

 At this point, I have already reported to this Committee that the NGRAC was re-chartered. It was appointed. But the very last step in this whole process, and for me to achieve or to receive budgetary authority to actually spend money on that Committee. In some ways, I am here for free for the NGRAC.

 Once I receive that budgetary authority, we will be able to host the first meeting. We are very close. I can say we’re on the last cusp of the procedural duties set before me to enable that to happen. It depends on one legal opinion at this point. So once that occurs, I will be able to move forward.

 Please be assured that when that next, when the first meeting, official meeting of that Committee occurs, that this group will be notified. I’ll make sure that

Dr. Schechtman receives that notice, and can distribute throughout this Committee.

 One small bit of advice, and as I understand it, it sounds like that you are following this in drafting of your report, any recommendations placed towards the NGRAC, that those be addressed specifically to the Secretary. It’s the Secretary’s duty then to charge or reaffirm the charter in charge, in front of the NGRAC. That’s all I have, unless you have any specific questions. But there isn’t much for me to report. I apologize.

 MR. SCHECHTMAN: Leon.

 MR. CORZINE: On procedural –-

 MR. SCHECHTMAN: Would you --

 MR. CORZINE: Leon Corzine.

 MR. SCHECHTMAN: Thank you.

 MR. CORZINE: You said you’re continuing survival here, or step into activity, depends on one single legal opinion. Is there a possibility the legal opinion will be negative?

 MR. BURK: No. No, it’s very –- all we had to have is a simple adjustment of the bylaws of the parent committee. So as long as the lawyers sign off on the language we have written, we should have no problems. I don’t anticipate any problem with that whatsoever, because we’re following what the Secretary, the request of the Secretary. And it’s a very standard adjustment.

 MR. CORZINE: Thank you.

 MS. OLSEN: Angela Olsen, just another process question. Do you have visibility, at this point, as to what types of issues or buckets of issues the NGRAC is going to look at?

 For example, some of the things that we have touched on in our report, in the AC21 report, the draft report that you likely saw, it seems to me are best in the hands, best held in the hands of the academics. And I’ve looked at the list. You have folks with very high credentials to address some of these issues. Do you have visibility or thoughts on the types of issues that the NGRAC is going to be looking at, at this point?

 MR. BURK: You know, I really, I don’t, other than to say that the chairman of the committee, Dr. Misra with Iowa State, has been collecting recommendations from the Committee members on the topics to cover. Other than following the charge that the Secretary put forward, I cannot highlight any specific topic. But aside from that, like I said, the information is being collected. But I’m sorry, at this point.

 MS. OLSEN: Thank you.

 MR. SCHECHTMAN: Let me just remind everyone that, of the need to speak up, because we don’t have microphones. Thank you.

 MS. BATCHA: Laura Batcha. I just have a process question as well, tied to Angela’s question. So as we look at our work cycle, and going into November with the election, and trying to wrap up a report deliverable with a deadline, I guess there is some concern on my part, obviously, to see the Committee have so many steps to get established so, in all likelihood, if you get the legal clearance, you may have one meeting prior to the election. So there’s not time there to initiate a complete, any kind of charge, per se.

 So is there thinking about what could or could not be accomplished in that, or is it just going to be convening, and you’re going to wait and see what would happen afterwards?

 And then my question in regards to that, or my comment in regards to that is, we’ve had this discussion internally with our Committee about how far into this discussion of seed do we go? And I think, so that’s weighing on me, if there’s not a likelihood that there could be –-

 MR. BURK: Sure.

 MS. BATCHA: -- any kind of work product coming out of the Genetic Resources Advisory Committee.

 MR. BURK: So the one major difference with this Committee will be that it’s a, it will not be a discretionary committee. So it will continue until such time as, well, it will continue. And that is the one major change that is taking the most amount of time.

 MS. BATCHA: That’s helpful.

 MR. BURK: Yes.

 MR. SCHECHTMAN: Okay. Thank you.

 MR. BURK: Thank you.

 MR. SCHECHTMAN: Good luck.

 MR. REDDING: Thanks, Rob. Okay. So let’s pick up agenda wise on the discussion about the process for review. Michael shared a little of that in his comments, and let’s talk about the review process going forward. Michael.

 MR. SCHECHTMAN: Okay. So now we need to have a conversation about what the Committee’s discussions over the next two days will be like, and how the work on this report will be wrapped up.

 There are a few things I’d like to touch on, and they are expectations, process, timing, and consideration of the report in total, plus final input.

 First off, with respect to expectations, there are several members of this Committee who are veterans of previous AC21 Committees and previous report writing. As you are well aware, this writing process is somewhat different.

 In the previous Committee, the Committee members themselves drafted the report. Every word was sweated over and negotiated for each of the past reports. The reports were actual consensus reports that took a long time to write, never less than 18 months, and sometimes much longer, and contained little, if anything, in the way of recommendations.

 At the Secretary’s direction, the process has been changed. We are looking for reports with substantive recommendations for USDA actions, and we are looking for as broad a consensus as we can get in a defined period of time. That end result may or may not include all AC21 members.

 So what can we reasonably hope to accomplish in this last plenary meeting for this report? First off, the big ideas need to have taken shape. We need to have a good idea of what the recommendations to the Secretary look like. We also need to have some discussion about the organization of the document, and about the rest of the text. And we need to know what to call the report.

 What is probably unreasonable to set as a goal for this meeting? To go through the document line by line and let all 21 editors here try to improve the flow, style, or indeed the clarity of the text. It can’t be done in two days even with nothing else on the agenda.

 So the difficult rule that Mr. Redding and I would like to ask you to abide by for this meeting is the following. Apart from a general discussion about the organization of the report, and whether it meets member’s needs and expectations, please refrain from offering purely editorial suggestions or changes. Some of those things just may not get fixed, and members will need to live with that. I know it’s difficult.

 The overall recommendation is as follows. In discussing text, as opposed to the recommendations where there will be obviously much more detailed discussion, if whatever issues on the text you might wish to raise don’t, in the end, affect whether you can in fact sign onto the report, don’t raise them over these two days.

 We realize that strictly speaking that’s an unrealistic expectation. But we’d like to ask you as much as possible to abide by it in the interest of addressing the really significant things in the time we have available to us.

 There will be some opportunity, but only a limited opportunity to address them after this meeting. We’ll discuss that in a moment.

 Next, as to process. Because we will not be doing extensive line by line editing in the meeting, Mr. Redding and I will need to work from the notes and transcript from this meeting to develop a provisional final report based on what was said at this meeting. We will not be creating new options for recommendations while we are reviewing what came out of this meeting.

 It will take us a bit of time to generate the provisional final report. As I indicated earlier, I have a good deal of international work coming up over the next six weeks relating to my other work responsibilities, and I will be working with your chair when I am in the United States to get a provisional final report completed.

 You will then have an opportunity to review the provisional report one more time. The comments that we will accept at that time, during that review will be typos, errors in fact, and suggested editorial changes that do not change the intent or meaning of the original text. So all of those things that you would say with your editor hat on, you can provide at that point if they don’t change the intent of the text.

 I realize this does not encompass the universe of changes you might like to have included, but in our judgment, we need this restriction to enable the process to work.

 Within about one week of receiving those edits, we will circulate a final report to members. You will all then have three weeks to decide which of four things you will do. Joint consensus, joint consensus with comments, not joint consensus, not joint consensus with comments.

 If you choose to provide comments, whether or not you join consensus, your comments will be due by the end of that three-week period. All comments will need to be three pages or less in length, and will be appended to the final report.

 So specifically as to timing, and this is all on the sheet that I placed at every place, by October 3rd, provisional draft circulated to members, comments due back by October 16th, all minor corrections, final report circulated to members by October 23rd, replay due back to USDA by November 8th indicating whether you will join in consensus and how.

 This suggested approach provides members a robust opportunity for input at the end, particularly in these two days, and is a refinement of earlier descriptions of what we might call the ending.

 It is also consistent with the requirements of the bylaws, which specify the following which I have excerpted from section 3A. So I will read a couple of paragraphs.

 “The AC21 will seek to operate via consensus and recommendations made to the Secretary of Agriculture within the constraints of fixed time periods allotted for work on designated issues. Therefore, if consensus on specific substantive proposals is not possible, the AC21 will make every effort in any recommendations or findings provided to the Secretary to articulate both the areas of agreement and disagreement, and the reasons why differences continue to exist.

 If it is required that the AC21 report to the Secretary by a fixed date recommendations or findings on which it has not been possible to achieve full consensus, a report shall consist of those elements on which there has been consensus agreement, plus an accurate description of nonconsensus recommendations, and the points of disagreement within those recommendations, developed jointly by the AC21 chairman or chairwoman, and the executive secretary.

 Committee members will be given the opportunity to confirm and/or improve the accuracy of the draft report. AC21 members shall be afforded the opportunity to provide to the Secretary in parallel and in a timely manner, any comments on the accuracy of such a report.”

 So this is our proposal for how to move forward. We hope that it meets the needs of Committee members and we welcome comments on the approach.

 MR. REDDING: Michael, thank you. Leon.

 MR. CORZINE: Leon Corzine. I have a question on the process and going back, actually, to the posting on the website. Maybe I wasn’t aware, but I was a little surprised that we had the option one, two and three posted.

 And first off, I want to give the two of you a lot of credit because I know it’s certainly not easy to get things down in writing in some sort of form that people can follow, and just a very good job with that.

 But in posting those as they were posted, first, I didn’t realize that drafts would be posted. But for example, option one, if I were a member of the public and just looking at the three it looked like, okay, there is this one, there’s this one, and then this one is in the middle.

 Well, there’s no recognition that actually one is somewhat of a, not a consensus, but there has been work done to get to that point. I mean, it isn’t the extreme case on one side. And so I was a little troubled by that. And I guess –- so, going forward, or maybe you could just help me understand how that’s, and are there going to be other things posted before the final document?

 MR. REDDING: Go question. Michael.

 MR. SCHECHTMAN: Do you want me to start?

 MR. REDDING: Sure. Go ahead.

 MR. SCHECHTMAN: Well, first off, in terms of the question of posting of material on the website, the Committee operates in the sunshine, so the documents which are the working documents for this meeting are posted. Both the compiled comments as well as the working draft for this meeting were posted on the website. And that is part of the requirements of that, which have been emphasized to me, particularly given the sensitive nature of the discussions of this Committee.

 With regard to the options, my sense coming out -- a few points. My sense coming out of the last meeting was that there were a good number of members who supported option one, but there was a considerable block of members who were not, who had not signed onto that option at the last meeting.

 The fact that there are three options in that text right now does not necessarily bind the folks that are in this room to that text for what is agreed to. You will need to decide what is the closest that we can come to agreement on recommendations.

 We will take what we hear and we will go back, digest that, and try to put our best guess of what the highest level of consensus is going to be, in the final draft. But we have an obligation to include in the report, according to the bylaws, all of the substantive subjects that have been discussed. And that undoubtedly includes things that make each, all different parties in the report uncomfortable for one reason or another. And we recognize that. Anything you want to add?

 MR. REDDING: I think that’s well said. I think in hindsight, I guess, sort of just some transparency about what the disclosure on the working draft is going to look like. Again, I would have put that out as part of a cover note to everyone saying, hey, just so everyone is aware, this document ultimately is going to end up on the website.

 That’s just a lesson learned, you know. But as has been stated by Michael and reinforced by others, this whole Sunshine Act certainly requires us to disclose that.

 In the framing of option, I mean, and I shared with some of you in conversation, you know, as I looked at the feedback that came on the recommendation, and alternatives to that, I mean, there were a couple of things that sort of stood out that, to really have a meaningful conversation around the table, what the final recommendation should look like, there were some themes or elements missing.

 And that really was the intent of three, to sort of push it out there to say, now you have the full spectrum of what that recommendation could potentially look like. So I just wanted to push that out, knowing that we had members who had recommended one option, and after looking at the initial and looking at that submission, there were some things that I thought were good in both but worth a further conversation by the Committee around what the final recommendation could potentially include. That was it. Okay. Good question. Thank you. Mary Howell, welcome.

 MS. MARTENS: Me?

 MR. REDDING: I’m sorry. Greg and then Mary Howell. Thank you. It takes the first sort of hour of transition here to figure out this process, remind myself of the process. Greg, Mary Howell, and then we’ll come back to Laura.

 MR. JAFFE: Thank you. So I guess I just had a couple of process questions for this proposed time line. So you’re talking about a provisional final report on the 3rd, and then another final report circulated on the 23rd. Are those going to be public documents under the Sunshine law at the time of those given to us, will those be also released to the public? Or are those internal drafts and the public will only see the final document? Or after the fact they will see those plus the final?

 So I want to get an understanding of, especially when we get those, are we allowed to talk to other outside the Committee about those drafts, or will others have them or not?

 So part of this is to know what we can do with those, as well as what will be the final aspect of those, because we are not meeting as a Committee. I know in the past we’ve had conference calls and things like that, and internal things. I don't know where these qualify under the Sunshine law.

 So the first question is what happens with the October 3rd and the October 23rd drafts in terms of public aspect to them? Are they public at the time they are given to us? Are they public only after the fact of our final report or sometime in between that.

 The second comment is, the proposed time line doesn’t list a time for a final report. There will be a final report released. Is there a date for the –- I mean, there’s a November 8th date of us getting things back. And then what happens after that, and when will there, will there be a final report? That is after the election, and I’m trying to get a feel for when that will be issued? That’s not on the time line.

 MR. SCHECHTMAN: I apologize. That was, I neglected to copy this document before the meeting, and I reconstructed it from memory last night at home and made copies. And it was supposed to say in the November/December time frame there will be, it will be made public, given to the Secretary. There will be some kind of event giving the document to the Secretary.

 MR. JAFFE: So then my other comment is, so that final report, my understanding is if you have comments they will be appended to that.

 MR. SCHECHTMAN: Yes.

 MR. JAFFE: But what you read about in the chart, talked about the report talking about where there is consensus and where there is not consensus. And you may not know until then. So then will the report be revised at that point? I guess the question is, will the report be revised to discuss at that point the nonconsensus, or will the only discussion of nonconsensus be the attached comments at that point?

 Because what you just read in terms of the charge, that the report should talk about both where there is consensus and where there is not consensus. So some parts of the consensus won’t be known until that final November 8th thing. Well then, in other words, will there be a summary of those comments?

 Will there be some discussion in the report of when they list the recommendation, then saying where there is consensus and not and also see the comments. Or will there just be the comments by the individuals? So that’s, again, a sort of a procedural, semi-procedural, semi-substantive comment.

 And the final one, my final question, and then you can answer all of them, after you receive the report, I mean, the report talks about supposedly what we’ve done over the time. It talks about our committees and things like that.

 I noticed when I read through it there were things that I think are inaccurate. I know we’re not going to go through the text line by line. I also know that when you want us to submit comments you only want things that are editorial.

 So what happens to things that are factual, in my opinion, at least, factual that are accuracy things, and therefore would change the meaning of things, but are not editorial? Is there an opportunity, at this point, or to deal with those things?

 MR. SCHECHTMAN: Okay. The three things that were listed for the opportunity when you will have to comment on the report are typos, errors in fact, and strictly editorial stuff. If there are, in fact, errors of fact, referring to past history and what we said in the committee, those qualify as errors in fact that can be checked in the transcript, if need be. So if there is something wrong that way, that could go in then.

 With respect to the other points -–

 MR. REDDING: The time line.

 MR. SCHECHTMAN: Okay. The issue regarding document disclosure, I think the draft on which we will still be getting comments will be an internal draft. The final draft that people will be asked to decide whether or not they will joint consensus or not will be a complete draft, just minus the consensus. That, I don’t think we can keep as a nonpublic document.

 With respect to the question of going back and re-editing the document, I think we could set up a do loop there that might not ever end. I think what we can hope to do in the report is summarize what we have as of the time of writing of the report. So our sense of what has happened in these meetings, and our sense of where consensus and non-consensus is. And that will be refined by members comments that they may choose to provide.

 MR. REDDING: Thank you. Mary Howell.

 MS. LEWIS: If I could just really quickly follow-up, because I was –-

 MR. SCHECHTMAN: Identify yourself.

 MS. LEWIS: Sorry, Josette.

 MR. SCHECHTMAN: And would you speak up, please.

 MS. LEWIS: On that specific point about what drafts will be disclosed, so from what I understand, the October 3rd provisional final report that you will circulate will be just to the Committee members. It won’t be posted on the website.

 MR. SCHECHTMAN: Correct.

 MS. LEWIS: But the October 23rd final report, upon which we can decide to joint consensus or submit comments, that one will be made public.

 MR. SCHECHTMAN: Yes. I mean, they should not be much difference --

 MS. LEWIS: Right.

 MR. SCHECHTMAN: -- since there is only typos, errors of fact, et cetera. But I think we can hold off until that point.

 MR. REDDING: Mary Howell.

 MS. HOWELL: I understand the need for a deadline, but I feel rushed. And I feel that it’s kind of pushing all of us into a small hole a little bit abruptly. But I understand why.

 My other question is, assuming that the election does not change the administration, what do we do next year? I mean, most of us are on for another year. So what is the plan for once we get through this project?

 MR. REDDING: I’m pleased that someone is optimistic about concluding this project.

 MS. HOWELL: Well, you’re saying we have to, so I don't know that we have a choice.

 MR. REDDING: Yes. We do have to finish. I mean, it’s a fair question, but I think there’s a long list of things that were unresolved that we put in the parking lot that are first cousins to this conversation that will certainly or could certainly be on the table for consideration by the Secretary. But I think the honest answer is we don’t know what that charge will look like.

 MR. SCHECHTMAN: I mean, I think it’s also the case that there are possibly elements of recommendations that you will have made here that might merit further work that the committee could do.

 MS. HOWELL: Will we get a new charge, though? Is that, I guess that’s my question.

 MR. SCHECHTMAN: I presume that we will not bring you here to idle. So you will be told what the additional work is.

 MR. REDDING: Laura.

 MS. OLSEN: Angela Olsen.

 MR. REDDING: Angela.

 MS. OLSEN: I, like Leon, was surprised to see options two and three in the report. My recollection of the meetings was that these weren’t issues that we discussed, or that there were certain elements of options two and three that we had discussed and had rejected as an AC21 at the table in terms of inclusion in the report.

 So I was surprised that they were in the report, number one. And then number two that they weren’t caveated as, these are areas for discussion at the next meeting, for example.

 When I submitted comments, I try to do that within the context of the AC21 discussions. And option one for me was already a greatly compromised position. Had I know that I could submit, you know, here is where my position is, my position would have been the following.

 And it’s, that we have seen no evidence of economic losses to date. I’m not saying they occur or they don’t occur. We haven’t seen that evidence. We haven’t seen that data. Therefore, it’s premature to have a discussion about a compensation mechanism.

 That’s where I am. However, in the spirit of cooperation and collaboration, was willing to move forward. I can support option one with some minor tweaks. And so I want there to be a recognition that already that is a compromised position. We probably hadn’t gotten to putting that language in the report.

 And your comments on options two and three were very helpful. My understanding is it’s not choose an option but you’re putting it out there for discussion by the AC21 table today. And I think that that context is very helpful.

 But I do want there to be a recognition that option one for many at the table I think is already a compromise position, number one. And number two -- options two and three include a lot of concepts that we never discussed at the table, so they are not a reflection of our meetings -- or, two, elements that we discussed and have rejected. So thank you for that context of why options two and three were included.

 MR. REDDING: You’re welcome. Laura.

 MS. BATCHA: Laura Batcha. Thank you. I think I’ve just a follow-up procedural question to clarify. But I just will, hope that will encourage this discussion of the options when we get into the substantive portion of the meeting. And at least for me, to be mindful that the perspective on what’s a compromised position, and what’s not a compromise position, and where the middle is, is a subjective analysis on the part of each of us as a committee member.

 And I think that, you know, we’ll find when we get into that discussion, it’s hard to make objective statements about where the middle is. And we’ll, I’m sure, did into that fully as the day goes on.

 My follow-up procedural question is what are your expectations in terms of norms about community members handling of an internally released report? I think that Greg, that was part of his question.

 Is your expectation that a draft that’s released to the Committee members that’s not posted on the website be kept just for the Committee members, or that it be, the norms allow for circulation to external stakeholders through our individual deliberations and thinking development? What are your expectations in that regard? Yes, that’s the October 3rd draft. Thank you, Greg.

 MR. REDDING: Well, I mean, I think the expectation is it is for the Committee and within the Committee sort of organization. I mean, I don’t think it’s an issue. Going beyond that, putting it out into the broader circulation is not necessary or really not desired.

 MR. SCHECHTMAN: Yes. And I, in thinking a little further, I may need to revisit with folks about the release ability of the report before it is final with everything on the end of it. I don’t particularly want to release a report before it is, for example, given to the Secretary. So I need to go back and revisit with that. I think it’s a very good question that you’ve raised. So I will get back to you on that by tomorrow.

 MS. BATCHA: We appreciate the guidance.

 MR. JAFFE: So not just on the 3rd, but also on the 23rd, that same thing.

 MR. SCHECHTMAN: Yes. Yes. I think just to be fair about it, there’s something to be said for giving, the Secretary being the first person to see the report that is the Secretary’s report. Doug.

 MR. GOEHRING: Thank you. Doug Goehring. I don’t wish to put either of you in a bad spot, but given the fact that we talked about the Sunshine Act, we talked about the fact that there needs to be some transparency, this document that we have been working on became public. So what does it matter about the next ones?

 I mean, if, for example, what comes out of this next draft isn’t something that somebody internally within USDA doesn’t like, well then let’s make sure it’s public so that we can just start beating up on it.

 I get a little bit of the feeling that that’s what happened this last time, and that’s why we ended up with some things in here. And I’d like to talk about some things in here. And I think they would reflect at least something that would be more reasonable that could be suggested, although it may be different from what we’ve talked about before, because it would introduce one new twist or concept to what we’ve been doing.

 But I raise that question because I’m a little concerned and a little confused. There’s transparency when it fits or when it’s supposed to be applicable, and yet it seems to take a different avenue and different role when it doesn’t seem to be necessarily working in somebody’s favor.

 I like the fact that we were told to keep our comments brief, to be careful about what we were to say, and how we spoke about the Committee work. And then all of the sudden, this becomes public.

 MR. REDDING: Well, I mean, a couple of points. I guess I have a little different read. I mean, this was not done, certain things included for convenience purposes. I mean, I think we really struggled with trying to find, you know, in knowing that we’ve got this in person meeting as our last opportunity to really find that middle ground, but wanted to make sure carrying into that draft that you had sort of the thinking.

 But I would hope you would acknowledge that there were some observations by Michael and I, as you look at the report and all of the comments and all of the exchanges, that we really wanted to have something that would be one reflective, I think, of the general sense of the Committee.

 Two is that we need to have resolution coming out of this meeting. Right. So we potentially sort of put those points in to force a conversation of the Committee about where we want to end up in terms of a recommendation.

 In terms of releasing reports, I mean, again, I think since this meeting had the sole focus of the report, I think that’s, I mean, that’s why it’s out there. I don’t think there was any other reason. We don’t have a long list of to do’s for this meeting, other than getting the report finalized. That was a disclosure of what this meeting is about, Doug.

 I mean, I would hope that there is not some view that there were some levels of manipulation about what was put out or considered for public view. I mean, that was not the case at ll.

 MR. GOEHRING: Well, just a bit confusing. And then just the way that we started out this morning about a report that’s going to be drafted that maybe none of us will sign onto. Then at what point do we play a role in legitimizing that report that’s going to go forward?

 I mean, we always worked on consensus in the past, or AC21 Committees have worked on consensus in the past. Where are we going to be at? Understandably, we won’t like everything that’s in it, but there has to be some consensus if we’re going to have something that’s going to be a recommendation for USDA or for the Secretary.

 MR. REDDING: Good point. Other comments? Thoughts on process? Josette.

 MS. LEWIS: Josette Lewis. Maybe just to underscore as follow-up it would be helpful to be crystal clear on what drafts will be made public and what won’t. I think a number of people I’ve heard are surprised that this draft was made public, given that the previous conversations we had had by email since our last meeting hadn’t been public documents.

 And the combination of some new structure, some new combination of ideas being put forward, and having it made public at the same time, kind of took people off guard.

 So I think what I’ve heard is, we’d all like clarity on that, and we’d like to know that as we go forward, particularly the last comment about, you know, giving the Secretary a chance to see things, you know, to a certain extent we’d like to see that he’s seeing it the same time we’re seeing it, and that the public isn’t going to get some totally different concept and have another surprise on the table.

 So I think that’s how I would summarize that to just underscore the importance of giving us some clarity.

 MR. SCHECHTMAN: Let me just clarify a little bit. In terms of the workings of a federal advisory committee, all of the documents that come to me, all of the emails that any member has sent me, those are all publically accessible documents. And I am obliged to be able to provide them to members of the public, if they want them.

 In terms of what is required for a public meeting, there is the requirement that documents that are the documents for the meeting may be made available to the public. It has been decided in the interest of transparency that we are posting all of the meeting documents on the Committee website, because of the interest in the topic.

 And I apologize if that has caused some consternation. We have been trying to bend over backwards, in terms of what happens at public meetings. But, and I understand that because we haven’t had drafts before the committee at this, up until this meeting, that has not been such an issue.

 MR. REDDING: Thank you. Greg and then Doug.

 MR. JAFFE: Yes. I mean, having been on this Committee for many, many years, I mean, every time we’ve had a meeting, and any report we’ve had at the meeting that we’ve discussed a draft of that report, the public has had the ability to get copies of that report.

 So to me the only difference here is that instead of people getting it today, they got it a week and a half ago online, had the ability to get it. But that draft would never have been, would have still been made public. The only issue is when it would be made public. And I support this administration’s view to put those things, in advance, online. I think that’s a good public policy to do.

 But to me, all these drafts, internal drafts between meetings have not always been made public, and that’s why I raised the questions I did about these other ones. But at each meeting, whatever documents we’ve worked on have always been on a table, and anybody, not just members of the Committee, could take that and get copies of it at that time.

 So with that, just one final thing to think about, Michael, when we do this proposed time line. So on November 8th, when people provide either consensus with comments, or nonconsensus with comments, we should also think about whether those three page comment things are going to be circulated to all members of the Committee at the time that they submit them, and again, whether those, how people are going to deal with those until the final report comes out, type of thing.

 MR. SCHECHTMAN: Yes.

 MR. JAFFE: So that’s something just to think about again in terms of our own internal discussions so that all of us at least know what our expectations are. Because as you said, there’s a lot of interest in this, and there will be a lot of press or others who want to get copies of those. We just all need to know, I think we have a right to know who signed on and who hasn’t signed on --

 MR. SCHECHTMAN: Yes.

 MR. JAFFE: -- to see what people have said. But, again, how we are going to deal with those until the final report comes out, would be helpful.

 MR. REDDING: Good point.

 MR. SCHECHTMAN: I think, apart from the question of release ability, I think members have not, in the past, been shy about sharing their comments with other members, and so I think any person who chooses to submit a comment, or their views, could send it to the whole Committee, so others would know.

 MR. REDDING: Doug.

 MR. GOEHRING: Doug Goehring. I do appreciate the fact that what we have going on here, the dialogue, the way we engage, the way we work together to try and resolve things works well. The toughest thing about releasing this document or what actually happened is, your phone rings off the hook.

 And the Ag community is wondering, what the hell is going on? What are you guys doing? I mean, we never had a chance to work it out internally before it became public. So questions are raised and there is a lot of angst over that. And now you have the whole Midwest, West and the East all up in arms about, what are you guys doing with production agriculture?

 And when you can’t respond to some of these things, that you’ve actually talked about them or you’ve vetted them out, it just makes it a little difficult. That’s my concern.

 You know, if we have something that we can work out internally here, yeah, we have all these concepts and we can walk through them, at least we have a basis to work from. But some of these things, quite frankly, they’re unlawful. They’re unconstitutional. There’s no basis to some of this that’s in here. So it’s tough when people are chewing on your ear about it. That’s why I raise the question.

 MR. REDDING: Fair point.

 MR. CLARKSON: Lynn Clarkson. I appreciate the efforts of the chair and now know as the DOL, designated –-

 MR. SCHECHTMAN: DFO.

 MR. CLARKSON: -- the DFO to assist us define these sentences. I think that the draft evolved in a very helpful way. There may be things there that this group rejects. I think it helped organize the idea and the thought process, and it certainly helped get a few people to call me on the policy at issue. But I appreciate that. And I thank you for our efforts to try to encourage incentives and laying all the ideas on the table. I appreciate it.

 MR. REDDING: I think our goal was to sort of push these points out and to Mary Howell’s comment about, I think we all feel pressure that, you know, listen, we’ve got to get to the table, sort this through, make some decisions about it, and if it’s done in that vein.

 The conversations I’ve had with a lot of different people who have called and said, in sort of the same tone and language, listen, this is a public discussion. This is a public process. There are a lot of different opinions that have got to be balanced in this, around the table and in this conversation, but drew their attention to this draft, its consideration, its conversation. But it was trying to get some of the dialogue that I think is important to helping us feel comfortable with what the final recommendation would look like.

 And I think, Josette, I think understanding that the options in here probably raised as much concern or anxiety as the draft process itself, just because it introduced some new material that is, you’re seeing it for the first time.

 But anyway, again, you go through this and there is always sort of lessons learned. And I guess for Michael and I, looking at the date line, we had a date line that was attached to the last meeting and follow-up to that, I guess looking make, having one that was extended that would reach to the end of the process and not just to the first draft was probably something I would have done differently. But anyhow – Leon?

 MR. CORZINE: Leon Corzine. On quick question, back on the timing and in the end, is there a reason why --

I’m like Mary Howell. We’re really being pushed, and sometimes deadlines help because you get your work done. But just because of the election, I mean, whether there is a change in administration or not, this administration will go on until inauguration, basically. So it’s not like Election Day is a drop dead date for the activity of the Committee. So is there a reason?

 And actually sometimes, especially in my state, a lot of times things get done in lame duck session that can’t happen at any other time, it seems. But is there, the question is, and you alluded to that, Michael, about going into November/December time line. And that kind of confused me a little. Or is that, I mean, the work of this Committee or our charge won’t end until basically inauguration day, right? Is that, or can you --

 MR. SCHECHTMAN: That is correct. We will not be able to hold another meeting before the election. It’s often very difficult to hold a meeting in December. December is often hard dates to hold meetings. It’s the very last month of an administration, if that were the case, is also often a difficult time to have more meetings.

 There are discussions on farm issues ongoing all around Washington. There is some pressure to get this, to get this resolved in as efficient a way as we can. We recognize that the timing is tough.

 It would have been nice if we had been able to move towards having some ideas drafted and on paper one meeting earlier. That really did not seem to be possible given the discussions that we needed to have as well as the outside presentations that we needed to have with the Committee as well.

 It’s been an ambitious time scale to get to where we are. But I completely sympathize with the fact that we’re under the gun.

 MR. REDDING: Okay. Any final process comments or thoughts? If not, let’s take a short break. And then we’re going to come back, and as the agenda notes, we’ll start talking about the recommendations. Okay.

 (Recess.)

 MR. REDDING: So let’s pick up with the discussion. Okay. So we’ll jump back into this. This part of the conversation, discussion is around the recommendation. So we’ll start with one. I think we have a couple of the points that have been noted here earlier today about the addition of options two and three to that mix. And the 0.9 percent has been part of that conversation as well, at least in email and calls and such.

 But let’s just start with opening up the discussion around recommendation one. The thought is that we’re going to work our way through the recommendations today. So we’ll just open it up. Any thoughts on what we had in one, the additions of two and three? What do you we want to do in terms of our first recommendation that deals with the compensation mechanisms? David.

 MR. JOHNSON: David Johnson. A couple of questions I wanted to ask first, and I think it stands out in recommendation one. We have a section at the beginning where we have some definitions. And we included definitions for conventional crops, organics, GE, identity preserved. The document also even throws in specialty crops.

 And the first question I have about recommendation one is that in the very first sentence it restricts it essentially to identity preserved products. And I’m wondering as we go through the document how we get away from referring to very specific examples? And this is throughout the document.

 And the other part that I would add is we never really identified unintended presence in the document. And throughout the document we sort of bounce between gene flow, pollen flow, but we keep out comingling. We don’t keep that in the document.

 And so I think before I want to really get into the discussions of one, two, and three, I need to understand what’s being covered.

 MR. SCHECHTMAN: Okay. I don’t know that I’m going to be able to answer all of the pieces of that, to start off. I think we have one bit of a challenge in noting that the Secretary’s charge is specific about unintended GE presence. So there are certainly places in the document where, for the context of being relatively faithful to the Secretary’s charge, GE is included.

 I think you are quite right that we may have had a few terms in there that were not fully defined such as, it’s the one we just mentioned but I forgot.

 MR. REDDING: Unintended presence.

 MR. SCHECHTMAN: Unintended presence was not listed as a term. And we have, we did remove all instances except we were taking text of a recommendation from somewhere else, adventitious presence, because we’ve had discussions in this Committee about the various different definitions of that, and the different understandings. Didn’t want to go there.

 As to pollen flow and gene flow I thought we were, we tried to be careful on that, that there is perhaps some instances where one term is important and not the other. The issue is genes moving, but there are places where pollen flow is relevant to that. If we haven’t done that right, I don't know that discussing the text specifically on those things is the most relevant right now. But if it goes to specifically what’s in the recommendations, then let’s talk about it.

 MR. JOHNSON: Well, I just want to make sure that we’re clear under all parts of the document that we really should keep the conversation focused on unintended presence. And if we want to do unintended presence of GE, that’s fine.

 I think we should do a blanket change in the document for all those places, if we want to talk about research on pollen flow and gene flow, that’s fine. But to just specifically go to that end, because I could make the argument, and I think many people around the table could, that it’s not just pollen flow.

 And I work on a crop, pollinated crops. I’m most interested in pollen flow, but I think if these recommendations are going to be strong, we just want to be very carefully throughout the document.

 I don’t want to spend time talking about that. I just want to point that out. And I do think it’s very important that we do use the correct terms if we’re going to talk about what crops are going to be covered. In this case it says identity preserved. And I think we want to cover them all. And I don't know if there’s a blanket term we can use to cover them all. I think it should be.

 MR. REDDING: Okay.

 MR. JOHNSON: I mean I don’t want to be an editor.

 MR. REDDING: No, that’s fine.

 MR. JOHNSON: But I think that these are critical to our understanding of the document.

 MR. REDDING: That’s a good point. And certainly the consistency and how we represent that throughout the report is critical. Mary Howell.

 MS. MARTENS: Three things. I agree with David. I believe that I would be most comfortable with the term, unintended genetic presence, because to me that just kind of indicates more of a, however arrived there, if it’s not wanted, that’s what we’re talking about.

 I feel strongly about two items. And it has nothing to do with the compensation. I’ll get into that later. But the first paragraph of overall context of this paper, two changes –-

 MR. SCHECHTMAN: May I first, we’re supposed to be talking about recommendations first.

 MS. MARTENS: Okay. Let me just, can I just say this, because I put it in here three times and it keeps disappearing. We talk about that American farmers have the right to make the best choices for their own farms. But three times I’ve inserted the sentence, but they do not have the right to negatively impact their neighbor’s choices. I don’t understand why that keeps disappearing.

 MR. REDDING: The third point?

 MS. MARTENS: The third point is that on the page four, that one paragraph in italics does not pertain to the context of our discussions. We have not, the significant drive or the value of technology.

 MR. REDDING: I’m sorry, where is this found?

 MR. SCHECHTMAN: Page four.

 MS. MARTENS: The third paragraph, page four, the paragraph in italics. That does not pertain to our discussions and has not been pertinent to our discussions.

Now, regardless of what people think it’s true or not, it has not, does not pertain to coexistence.

 MR. REDDING: But I guess I would say, Mary Howell, in the context overall, I mean the role of technology, if you read the charter, it talks about technology.

 MS. MARTENS: I understand.

 MR. REDDING: If you read the bylaws it talks about technology. I guess having some confirmation from the administration that technology is in fact part of, the important part of the economy, on top of that, what we’re talking about is part of that conversation. Right.

 MS. MARTENS: Why don’t we have a similar paragraph saying how important organic farming is, for nice symmetry.

 MR. REDDING: Okay.

 MR. SCHECHTMAN: Well, may I respond a little bit. First off, on the genesis of the paragraph, that was language that was submitted by Alan Kemper, who is not here, as part of the, his suggested introductory language for the report. And we did get several members specifically indicating that they had wanted that there. And also some folks indicating that technological advancement applies not only to GE crops, but to organic agriculture as well. And that it’s an important driver.

 MS. MARTENS: Then I think that paragraph needs to be couched in those terms because technology, in common colloquial usage does not, is not generally connected to organics.

 MR. SCHECHTMAN: Again, I think we’re off the subject that we want to be on. The paragraph following that is intended to do that.

 With regard to the sentence that you noted that was removed a few times, one of the things that we tried not to do was to talk about, as much as possible, about beyond the right of coexistence, beyond what the definition of coexistence was, was not to, we were trying not to tell farmers specifically what their big rights were or were not because there had been discussion about not, you know, getting into issues around property rights that were beyond the scope of what the committee could do.

 MS. MARTENS: But the first part of that sentence says what the rights of the farmer are. Why don’t we define what the rights are or not? I mean, you just kind of contradicted what you just said.

 MR. SCHECHTMAN: It was a judgment call based on what we heard from the context of all the members.

 MS. MARTENS: No, not all the members.

 MR. SCHECHTMAN: Well, no, it was a judgment call based on what we heard from all the members, including you.

 MR. REDDING: The other piece, and you’ll find this throughout the discussion, sometimes policy, and I’m trying to think back in the first draft and the second draft, but I think part of this was the flavor of this report was saying, you can’t do certain things, right, that you not.

 And Michael and I talked about this with, I think when it first made the recommendation. We can say we can talk about the importance of choices without saying to people you can’t do certain other things. So it’s more a statement in the positive than the negative. That was the thinking from my standpoint.

 MS. MARTENS: I think that it would be hard for most people to support why they object to the statement, farmers do not have the right to negatively impact their neighbors. Do you? I mean, what is wrong with that statement, ethically?

 MR. REDDING: So we’ve got that point. I’m not running by it. We’ll just sort of keep this on the table. Let’s see. Greg.

 MR. JAFFE: So I’m going to agree with Dave. I really am. I’m a definitions kind of guy, and I’m keeping the language the same. And so when I read the recommendation one, the first option one says, identity preserved products, I wasn’t, to me that was a very limiting thing.

 I think we’ve talked about situations here were GE could be unintended presence of GE in GE, be it whether it’s amylase corn that we’ve talked about, which I’m not sure where that fits in all of this.

 But even an example of an event that’s been approved in the US but hasn’t been approved in Europe or something like that. And it might get into, you know, we now have events, multiple events in a given crop. And so having one event that’s in some commodity shipment might be bad for where it’s going or something.

 So to me, I didn’t like that term, identity preserved, at all, because I think that is limiting to us, and it wasn’t what we discussed. So I agree with Dave on that. And maybe, again, I’m misreading it.

 The second one was also the gene flow related. I went back and just if you want to say gene flow related back to economic losses, to me that was again limiting somehow. I mean, what happens if you had volunteers that grow in the field the next year from your previous year’s crop that blew over, but now they are growing. I don’t think you can say that’s gene flow. But again, when you harvest them, they could be the ones that caused the economic loss.

 So I didn’t think we were limiting things to pollen or gene. We were limiting things to farm level, so it’s not comingling later on at the grain elevator or things like that. That I felt we were limiting things to things at the farm.

 But even if you clean out your combines and do things like that, you still could have, not meet a threshold. So to me that was limiting, and again, I would sort of eliminate that term. But maybe I’m missing.

 MR. SCHECHTMAN: Which term?

 MR. JAFFE: When it says gene flow related economic losses, or just the idea that we’re only limiting this to unintended presence caused from gene flow. To me it’s unintended presence at the farm level, independent of whether it’s gene flow, whether it’s pollen flow, whether it’s comingling, whether it was, again, volunteers from the previous year that are growing in the field.

 I’m not sure I would, I don’t think anybody here would say a volunteer growing in that field would be considered gene flow. It’s just, you know, it’s different.

 So, and the third comment I would make, and this is for this recommendation, but also the other recommendations, and maybe this is a pet peeve of mine, but we talk about stakeholders and we talk about industry. And I don't know what those terms mean. And sometimes they mean one thing, and sometimes they mean another thing. And I think we need to be more specific. We just can’t talk about stakeholders generally, or industry generally. Those are, to me, I don't know unless we’re going to talk up front in the definitions of what those mean.

 So my view would be, you have to define those terms up front, or we need to go through at the different recommendations and specify who we actually mean in those instances. Because that was one of my confusions, whether reading option one, two, or three, I didn’t understand what those terms meant. And therefore I couldn’t evaluate what we were saying. Thanks.

 MR. REDDING: Sure. Laura.

 MS. BATCHA: Just briefly, I will also weigh in that I support David’s call for clarity on some of the terms. And I support the substitution of unintended presence for gene flow and pollen drift. I think that that’s a good shift for us to make.

 And then I wish, in retrospect, that I had thought of it in reviewing the drafts originally, but to Mary Howell’s comment on page four about the quote from the President’s Bioeconomy Blueprint, I think because the quote is from the Bioeconomy Blueprint, we can assume that when they reference technology, they mean biotechnology, I think just because of where that quote is coming from.

 But for the symmetry that Mary Howell has suggested, there was a recent report submitted by the President on rural economies, and competitiveness in agriculture. And there are some nice quotes in there about the role that organic agriculture plays in terms of on farm profits.

 And there’s actually for a tip of the hat to Melissa Hughes over there. There’s a nice little one pager on Organic Valley and what they’ve done in rural economies. And it would be a good place for us to look to follow some symmetry. And I can help you located that document if you would like me to.

 MR. SCHECHTMAN: What was the name of the document again?

 MS. BATCHA: I don't know the exact name, but it had to do with rural economies. But I can find it for you as soon as I can get on the internet.

 MR. REDDING: Good. Good point. Angela.

 MS. OLSEN: So I’m not going to make comments on the overall context of the paper. I’m going to focus on option one, although I do have those comments, but I’m going to reserve those.

 So focusing on optional, I have four comments. I also am a definitions person, and I agree with defining unintended presence. I think that would be helpful for everybody to be on the same page in terms of a definition. So I do support that.

 I also think that we need to, at some point in the report, define economic loss, so that we’re very clear about what we all mean in terms of economic loss as well, just for, again, other people are going to read this that haven’t been in our meetings, so that there is some clarity as to what we mean.

 The other, the next comment I have is on option one, to strengthen the understanding of the impact of unintended -- I would take GE presence out. And the reason for that is that we have opened up our discussions to all of IP. So, if we have identity preserved products, that by definition could include GE.

 So for example, what happens if the blue corn gets into the white corn for example? So my recommendation, because we’ve opened up the scope to all identity preserved crops and products, is to take out the GE there.

 The last two comments are ones that really just memorialize what the Secretary would be doing in any event, either would be expected to do, or otherwise would want to do. And that is, if the Secretary, and I would recommend adding in, in collaboration with other US Agencies.

 The reason that I recommend that is because I would assume the Department of State, USTR, Commerce, other agencies would have a view on what a potential compensation system may do to overall agriculture, and be very helpful for the Secretary to get that feedback, for example, an inter-agency communication of some sort. So, again, if the Secretary, in collaboration with other US Agencies.

 My last comment is, of a compensation mechanism to help address such losses, the Secretary should, and then my suggestion is, make a recommendation to Congress for consideration of implementing a mechanism such as a crop insurance model.

 And again, we know the Secretary needs to seek authority. We know he has to go to Congress for authority. So it just makes the language a little bit clearer. So I just want to memorialize those two steps.

 MR. REDDING: This is just a general comment. What I am hopeful of is that when we’re done, we have something that is in fact actionable, you know, that we actually can do something, that at the end of the day we can put these restrictions and prerequisites in.

 But I would hope that all of us say, listen, we’re really trying to solve a problem, and we need to have some recommendations that help solve the problem and so putting process points in here that make it, make that angle even more difficult to achieve. So, just a comment. When you talk about the collaboration with other agencies, I guess there is a reference in here about the Secretary taking into account the domestic and global policy implications.

 MS. OLSEN: And it goes right to that point. It’s just I thought we may want that in the header. But it goes, that’s exactly the point. It goes right to that point.

 MR. REDDING: Okay. Thanks. Isaura. Sorry. Michael. Okay. Isaura. Isaura then Doug.

 MS. ANDALUZ: But the definition does, I mean, I like unintended GE presence, like we would, several people here around the table, because then we’re talking about coexistence and we are talking about something that, the blue corn, I can breed that out of my corn, Angela, but GE presence, I can’t breed that out of my corn.

 MS. OLSEN: I believe we can breed that out of your corn.

 MS. ANDALUZ: If you give me permission. It’s patented. I would have to have someone’s permission to breed it out of my corn. I couldn’t do that.

 MS. OLSEN: We’ll take that offline.

 MR. REDDING: Yes. That’s in the unresolved column. Sorry. Doug.

 MR. GOEHRING: Well, I agree with David, using unintended presence probably is a better definition to what we have outlined and you’ve put into the draft. And I appreciate all the stuff that you did put in there with respect to the conversation around extension, outreach, dialogue. I think it’s been good and helpful.

 If I could, and I don’t wish to belabor this, and I know, Mary, where you’re at on this, but the one thing I did want to share is that in theory I think we all agree and believe that things shouldn’t move around. But with practices and systems that exist in agriculture, it just happens.

 I have neighbors that they have certain practices and systems on their place where they plow, and no one else in the area plows. And when it’s extremely dry, that soil moves. And that soil delivers soil borne pathogens, wheat seeds, all that type of material into other people’s fields, and they manage it.

 Now, they try to talk. They try to work things out. And some people are set on that. I’m not saying it’s right, but it’s something you live with and you try to mitigate and you try to get around. It just exists in agriculture.

 So if we can get to the other side of this coin, which is dealing with the other things that we’ve been charged with, maybe we just have a way of resolving at least one piece of everything that’s been put on our plate.

 MS. MARTENS: I understand where you’re coming from, but I don’t agree with you. I think that that’s kind of preserving the status quo situation without trying hard enough to make it better.

 MR. GOEHRING: Well, I guess that’s why to that point the fact that we would engage producers across this nation, something that’s never been done before, to a degree where we can talk about what is going on in your community. Know your neighbor. I think that’s a good step in the right direction, because people are very focused on what they’re doing. They’re only focused on their operation.

 You start to talk about the seed producers, the organic producers, the identity preserved producers in the area that are selling into a dedicated market. All of the sudden they start to think about, well, maybe a little bit of what I do here does affect my neighbor. And so we can move to that point.

 That’s never been done before. And quite frankly, I know even in my region, producers aren’t always aware of what’s going on around them unless that neighbor goes and engages them about the issue that they’re dealing with. So I think it’s a bold, it’s a nice step. I think it’s a step in the right direction, recognizing what we can do to help alleviate some of the problems or the point of contention.

 MS. MARTENS: But my point is that I agree with you, that’s a bold, nice kind of thing to do. But I’m taking it to a different level. Yes, you need to talk to your neighbors. Explain what you’re doing. Explain how they are impacting you.

 But there is still the fairness core of the neighbor then recognizing, it’s not within what I should be doing to negatively impact my neighbor. It’s qualitatively different than just education. It’s acknowledging that one neighbor having negative impacts on another neighbor should not happen.

 Maybe it does happen, but it should not happen. And what I’m trying to get at is some way of shifting our focus to not just the techniques, but also the underlying ethics, which do matter, even if you do all that.

 MR. REDDING: Josette.

 MS. LEWIS: Maybe I’ll just put on the table that that cuts both ways, and that there are some, having listened to the conversation, there are some in this room that feel that any compensation mechanism which has places of burden on the non-IP producer next door to adopt practices that might cost more money and for which he or she doesn’t get fair compensation for those additional costs, is exactly putting harm on the neighbor.

 So while I respect the sentiment that goes into that, it by its very nature can elevate the tensions over some of the proposed compensation mechanisms which are not perceived to not necessarily harm thy neighbor, because they are requiring a non-IP producer to take actions that they’re not getting compensated for, whereas the IP producer at least is receiving that price premium.

 So we’ve discussed that whole debate. But I just want to say that perhaps one caveat to pressing that point is that it can highlight more stress on some of the options that we have for the compensation mechanisms. Just something to consider.

 MR. REDDING: Marty.

 MR. MATLOCK: I’ve been struggling with this debate, as I see both sides, for the very duration of our discussions over the last five meetings. And I’ve bounced around a little bit.

 From an ethical and risk management perspective, I think, Josette, what you just articulated was that if an impact, severe or otherwise, is identified from my practices on my neighbor that causes me to have to engage in some other activity to reduce that impact so that I can be a good neighbor, that is still my impact on that neighbor.

 Now, the neighbor’s choice didn’t impact me. I impacted my neighbor. That’s where I’m trying to divide this. And maybe this is too far in the weeds, but I don’t think it is because Leon has articulated this, too, as really one of the big concerns and really big ethical barriers that you couldn’t really accept either in the notion of neighbor rights versus responsibilities.

 And that’s what I’m struggling with. I don’t have a grand vision or insights here. But it’s just sticking in my craw a little bit more than I thought it would. And it’s not an absolute. That’s what makes it so hard. I understand your point. But I don’t think it’s, which one is the more dominant right in this case.

 For me, according to our sort of my understanding of my property rights and my neighbor and responsibilities, and under our classic risk assessment and risk allocation processes, if something I do affects you, I have the burden to stop doing that, if you can show that what I am doing hurts you, and you did nothing to induce that harm.

 Now, the key is harm. And that’s what we’ve always discussed. Is it really harm or not? And maybe it’s not harm. Maybe it’s just impact but not harm. I don't know how to tease this out.

 But I do think this is really, from my perspective, the core of our disagreement across the various groups, in terms of how we move beyond, how we move to action. And that’s, because the action comes down to who has to take action.

 MR. REDDING: Leon.

 MR. CORZINE: Leon Corzine. I know where I’ll struggle with this somewhat, but I think we have to also take a look at the languages there. And if you put in language that you do not have the right to negatively impact, okay, what is a negative impact? I mean, it can be the specialty grower who has more weeds and backs his combine up into my corner, or next to my border, I have to do more weed control because of my organic neighbor. All right.

 But outside of that, I think we’re in a world that we have to realize what agriculture really is, and that can, I’m negatively impacted by a neighbor that’s got ragweed because I have allergy issues. I mean, do you want to carry it that far.

 You also have, if, and we’ve talked about this at length, you have contracts. If I take a look at a specialty contract, no matter what it is, whether it’s a different variety of corn, where I recognize I’m in an open pollinated system, across the Midwest, across the whole, not just the Midwest, the whole country, wherever, especially in this case, corn grows, part of that premium is protecting the integrity of that. And that is why the setback is on me.

 We do that in seed production. Some places it’s more than others. It depends on the purity. You get into the testing. And Charles sent out that one deal where there’s a company that’s testing that has some specific examples of what they have to do to get the percentage of accuracy or percentage of purity. And that all happens.

 Now, I guess if you have this language, what really troubles me is, okay, I want to do a specialty product whether, and it’s easy to see so let’s use a colored corn, whether it’s blue, whether it’s white. Does that mean that I can plant right up to my neighbor’s borders, and just because I’ve got this premium product that neighbor needs to do that setback so I don’t get that, that gene flow onto me?

 I think that’s completely unreasonable. But that is part of the premium. That’s why I get a premium for that product. And we evaluate those every year, what’s out there and what’s available.

 So you get into some real unreasonableness when you start putting these -- and it gets beyond what are your property rights. And you have to have a recognition wherever you happen to buy land, or wherever you happen to operate there are not giant walls up there that stop absolutely everything, and you cannot operate on that kind of an island. That’s just the way it is. And this language that Mary Howell, we’ll probably always disagree on, but that goes way overboard, I believe.

 MR. REDDING: Lynn.

 MR. CLARKSON: Lynn Clarkson. I believe both sides of the fence line have responsibilities. And I’m one of the people that contract blue corn. I believe that my company has responsibility for the blue products that we convince farmers to raise. I think the farmer that raises the blue corn has a responsibility for impact on his neighbor.

 And when I take a look at my world, which is corn and soybeans, 100 feet of segregation would handle 99.9 percent of the problem of gene flow in the field. On soybeans, 15 to 20 feet would handle it. That seems to be reasonable.

 Up until recently, we didn’t have differentiated, well, we had some differentiated, not a lot of differentiated crops. The introduction of GMO gives us a whole family, an expanding family of differentiated crops.

 So we’re now in the business where what I raise can damage significantly the market choices of my neighbor. I don’t believe we have a regulatory system that’s capable of looking at that because to date our only regulatory platform of government is to take a look at safety.

 I’m talking about economic issues. And we’re all involved in the economics of agriculture. And we’ve left the regulatory authority without any power to regard the economic consequences. So this is a situation where I think everybody has to step back and they have to share the responsibility.

 You want to look at a victim and perpetrator, whatever. They both have responsibilities here, and I think we’re groping for a new regulatory structure to address those issues and assess responsibility. And I think responsibility is one of the key high-level issues that we’re struggling to address. And we need to do a decent job of doing so.

 MR. REDDING: And that is in part the premise of option three.

 MR. CORZINE: Which I appreciate.

 MR. REDDING: I mean, that part of it, you look at it and say, I can do a lot of things myself, but this is the conversation that has we in it. Right.

 MR. CORZINE: It does.

 MR. REDDING: And so without that, it became a little difficult to get to these conversations about what are we doing to help each other. Isaura.

 MS. ANDALUZ: I think Latresia was next.

 MR. REDDING: No, you’re next, then we’ll go to Latresia.

 MS. ANDALUZ: I want to say I agree with Lynn, but I also want to make sure that you know that I think a lot of farmers already have been trying to work around it. And all the farmers that I know have always been conscious of what they are planting and they talk to their neighbors. I mean, there are some people now that don’t have that because the language results to, when it’s farm management, it comes to something you don’t actually see in person anymore.

 The tradition, I mean, it has been that farmers always talk to each other. They know, you know, talk to -- and I know that I have to set aside a certain amount of border so that I don’t contaminate my neighbor who is doing something else that could cause, or whatever.

 But I think what’s also happening now is that now we have, like, all these new crops that, you know, some of them, things happen with nature and I don’t think we totally understand everything in nature and can control it. And so we now have this situation where we can have something in our crop that we can’t control at all, and that really can cause, you know, more economic losses. And again, I don’t need to go into that, because we do have economic losses that are happening.

 And I think, too, that here, the other thing is that the responsibility is the manufacture of the seed. I mean, you cannot keep creating a seed and not have any responsibility, especially when it’s patented as to what damage it can do to other farmers. Maybe he just enters into a contract to plant this patented seed, and he takes all the precautions that he knows that are in his contracts, whatever he’s been given, but yet still, you know, that seed can do something else that he didn’t even know it could do. Maybe even the company didn’t know it could do. So who is responsible for that?

 MR. REDDING: Latresia.

 MS. WILSON: Latresia Wilson. I do agree with David, in terms of having definitions, I think, for this first option, although I must disagree and I think we should keep it unintended GE presence, since we’ve discussed that. We’ve hashed that out many times in previous meetings, and came to that conclusion. I think that should stay.

 In terms of this other argument, I believe the fundamental issue is, if you caused no harm, you did nothing, you have this organic farm and you’ve done nothing wrong, and then suddenly this shows up in your crop, and you have an economic loss, should you be responsible for also doing all this stewardship and having to pay more money for those kinds of actions, and to do things that I wasn’t intending to do, so now my premium that I’ve received is reduced.

 So I think the fundamental issue is there. If I did no harm, why am I paying for it? And that’s a question that we’ve got to settle. And until we settle that, I think we’re going to keep going back and forth on this.

 MR. REDDING: Yes. It’s been part of the, it’s right in the core of the debate, you know, who has responsibility for that. And, you know, we get the subjectivity in here. But there are some expectations that every single producer has. So I think that’s why we are trying to get to the stewardship and advocate education and in the event that it’s unintended, what do you do about it? Right?

 If you’ve done everything else right, what do you do about it? I think that’s what the Secretary has asked us to say, is there a way, through this mechanism, to address that harm. Right. And so thanks for the clarity. Doug.

 MR. GOEHRING: Based on that, we talk about responsibilities and we talk about our purpose. What is agriculture’s purpose in the US? I mean, our country, our citizens enjoy something that no other country enjoys. Over eight decades ago federal farm policy was written to ensure that we had food for our country.

 Right now in the United States of America it’s about a $330 billion dollar industry, plus. And that’s without the multiplier.

 Our consumers enjoy affordable, abundant, safe and nutritious food. One of our responsibilities, and maybe we’ve done it so well through federal farm policy that we’re an afterthought. And most of the time they want to dismiss federal farm policy as support to agriculture, supports of food, feed and fiber system, that certainly feeds the rest of this nation so we have food security, but we also have economic security.

 So I understand we have all these things that we’re dealing with, and they’re irritants, and they’re problems. But overall, we still have an overall purpose to fuel this country in many different aspects. And we can never forget about that.

 And we do need to deal with some of these things, but how far do some of our own personal things reach into the overall substance of what we truly provide for the citizens of this nation, and in respect for trade and our ability to deliver for other countries.

 So I hope we don’t forget that, because I think that’s the overall theme of American agriculture. Less than 1 percent of us provide for the great majority of this nation and others, and we drive an economy and feed a nation. That’s all I’ve got to say about that.

 MR. REDDING: Doug, thank you. I mean, to your points, I mean that’s why, I think that’s overall context of what’s critical. I know we’re talking about recommendations, and there are five in here, but I think where folks will start is around the overall context. So if there is something that you’ve just said that is missing that you want to emphasize or add in this context, I think it’s an important point. You have to frame it appropriately.

 MR. GOEHRING: Well, the meaning to that point, there are systems that have been refined over the last 80 years that function right now in agriculture to serve the greater good. And although we don’t necessarily agree with how insurance products work, they’ve been designed that way to make sure that they do at least provide some service, and a product back to those that are producing.

 And if I’d point out, not to pick on the two concepts or options that were thrown in, but some things in here, like on option two it talks about a liability. Go down in the fourth paragraph, for the GE sensitive producer who does not enroll in the program, the loss of market premiums may not be recovered for the GE producer who does not enroll in the program, that producer may be subject to liability and possible ineligibility for USDA programs.

 Well, one component of that could certainly exist. You could write into the rule that they may be ineligible for programs. But the liability aspect, unless Congress actually outlines that, I mean, you can’t really put that into a rule.

 And when you go over to the second page, onto option three, the one area that I’ll say is a little irrelevant, I think it would be challenged by OIG, the Office of Inspector General. And it’s in the second paragraph, almost in the middle, but I’ll start it out with, non-IP growers who enter into an approved joint coexistence plan with an IP producer neighbor could be offered a reduction in their conventional crop insurance premium.

 It’s a nice thought, but the product that you buy to cover your crop, you have to show how you’ve limited risk or how is it relevant. Just participating in something else to get a reduction, it doesn’t mitigate any of the risk that’s associated with the coverage you buy.

 And OIG has pushed back in some other areas about that. You can find places where you can tie things to a reduction in premium, but they are generally relevant.

 So I’ll just point those out, that those are places where you’d have a tough time even –- well, first of all you’d have to get through Congress, because in the rule it just won’t work. And we’d have other challenges with other agencies within the federal government. I just want to point those out, I mean, without getting into a lot of it.

 And maybe the other thing I would say at this point, this brings up a lot of change in regulations, a lot of things that have to be sought for by Congress. We’ve talked about the risk retention group before, and I know that it has received some resistance. But it has the most flexibility. And if anything, if you wanted to go to Congress with a simple solution to this, then ask Congress to appropriate or allow funds to be used to subsidize the premium for anybody that wished to participate in a risk retention program.

 And then it does exactly the same thing that crop insurance does, but without reformatting or turning the whole system upside down, which is almost going to be truly difficult, because the first thing they are going to look at is the quality discounts and premiums that are arbitrary already in the system, and they don’t allow to be covered.

 If you look under malt barley, you look under protein premiums, you look under balm, aflatoxin, all those things are arbitrary and they are market driven. That’s why RMA has said, we don’t cover that and we’re not going to. It’s subjective.

 So I throw that out just as another approach. And I thought maybe it would be a little helpful.

 MR. REDDING: Appreciate that. Laura.

 MS. BATCHA: Thank you. Laura Batcha. A couple of things that are just generally about how we communicate the different recommendations, and based on some of the comments I’ve heard.

 I think my preference would be that we try to stay focused on plain language and not including a lot of qualifiers within the recommendations that are things that are requirements already for the government, in terms of moving forward.

 So for example, statements that the Secretary should collaborate with other agencies, I think that those are presumed things that agencies would collaborate with each other in areas where they overlap. And I think that by including a lot of extra language there, it makes it more difficult for the reader to follow the core of what’s being recommended, and it buries it in some things that I think don’t necessarily need to be stated.

 So that being said, I think the other thing that I’m thinking of, as I’m reflecting back to one of the first visits that the Secretary made to the Committee, and his statement that as an advisory committee to not necessarily be bound in our thinking by what is possible today in terms of existing laws and regulations.

 And I relate to that statement as, that we’re an advisory committee and it’s our role as public citizens to sort of look down the road. And it’s not our job to be regulators, which means to figure out how to solve a problem within the existing construct of the law. It’s not our job to be legislators, to determine what the laws need to be. You know, we’re citizens.

 So I think I’m not as interested in being constrained by those things, in terms of our thinking about what we put out.

 As far as the, I want to bring the discussion back to the three options that the chairman included in the report for us to discuss right now, and Latresia’s comments. And I think for me option two is the preferred option because it does the best at bringing all the different parties into the umbrella. And Daryl discussed that earlier on.

 And one of our set of founding ideas was that anything that requires just one side to be the major participant and the major payer is going to create more conflict within the agricultural community. And while I don’t think it’s ideal, option two, I think it does the best to bring most players into the tent.

 And I think, from my perspective, and I appreciate, Doug, your comments about your phone ringing off the wall when these came out, because I had a similar experience. And I was invited into a number of conference calls, and phone ringing off the wall.

 So what I will communicate to you in that is that option two, while it represents something that creates some discomfort for some of the predominant stakeholders that you represent, it equally creates discomfort for the predominant stakeholders that I represent. And that must be the definition of something that’s getting to the middle, because you --

 MR. GOEHRING: Everybody hates it.

 MS. BATCHA: -- in looking at this, I say that because what I am trying to communicate is, there is a lot in here that is movement in thinking that it was not the going in assumptions about what was a workable solution, particularly around the area of crop insurance as a mechanism at all, around the area of not having the burden of the program being placed directly on the technology providers.

 There are many in the stakeholder groups that I represent as a membership organization where the going in notion is, until this all gets resolved, there should be no further deregulation of genetic events. So that’s, from that context, from my perspective, option two is the middle. And I think the preferred option, because of -- to Latresia’s point, it brings the most people into the vehicle.

 MR. REDDING: Mary Howell.

 MS. MARTENS: Kind of the follow-up on what Laura just said, my phone too has been ringing and emails and conference calls. And I think it’s really important to notice that organic farmers don’t want compensation mechanisms. They don’t want to have to buy an insurance.

 I mean, all of this is predicated under the assumption that if we give it to them, they will come. But what if they don’t come? What if they don’t want it? We don’t want to have to buy protection. We don’t want to need protection.

 And so, you know, I appreciate all the work that may go into building a program, but what if you don’t get any buy in, because that isn’t philosophy that we want to support.

 MR. REDDING: Latresia.

 MS. WILSON: Latresia Wilson. I definitely respect Doug’s point of view and his expertise in the area of insurance. And what I’m gathering from his comments earlier is that you don’t think this mechanism is going to work that we’re recommending.

 Also respecting Laura’s comments that the Secretary stated that we don’t need to worry about whether it’s going to work or not. But I think we need to be realistic in terms of recommending something that will work. We don’t want to sit here and just twiddle our hands and say, okay, go with an insurance mechanism.

 But Doug is, respectfully in the room, he is the expert on the insurance. He’s saying that I don’t think this is going to work. We’re going to need to do this, do this, do this for anything to be actionable. And so I definitely would like to keep that in mind when we come to our conclusions. And now I think I’m hearing you’re recommending a retention policy as opposed to an insurance policy.

 And second of all, I’d like to comment on, I guess I was kind of saving it in terms of all the three options, I probably, of the three, would probably recommend option three in terms of coming together on everything.

 However, I noted in all three of these is that there is no discussion at all about the seed producers, those that have the patents. There is, I don’t see responsibility where all, as we say here, stakeholders are involved.

 Now I, just looking at and reading the whole thing here, that is a concern for me. I think if you make a product, and your product as Isaura mentioned earlier, that certain things will be done, and maybe you controlled for or didn’t control for, it’s not accountable in any of these options that I see. Maybe I’m misreading it, if anyone wants to clarify, that’s great. But I don’t see that here.

 MR. REDDING: Thank you. Josette.

 MS. LEWIS: Thank you. Josette Lewis. I can’t agree to option two, because I don’t think it represents an apportionment of the risk and benefit from what we’ve seen to date in the data. So three sort of points specifically to that sharing of risk and benefit.

 One is that the USDA national organic standard already speaks to the responsibility that organic growers have in terms of mitigating unintended presence. So there is already an acknowledgement in farms who choose to get certified as organic under the national program, that they have a responsibility. So going into it, they know they have responsibilities.

 Secondly, the data that we’ve seen on the level of loss is in the single digits. And we’ve seen evidence that it may have started out higher, but there are ways to moderate it. I mean the percentage of unintended presence in commodity shipments that we’ve seen the data, it’s not high.

 And so to propose an option that requires GE producers to participate in a mechanism at the risk of losing other benefits that they get from USDA is not commensurate with the public level of the problem of economic loss that we’ve seen.

 And lastly, in terms of the individual benefit to the farmers, the price premium is accrued to one side and not to the other. So to suggest that the other side take measures that will potentially be costly to them, either in terms of mitigation measures that could reduce their yield by planting sensitive commodities and/or additional labor and so forth that’s involved, as well as the risk that they’re facing by losing access to other USDA programs, which is the hallmark of option two, to me is not commensurate with the benefit that they’re going to receive, compared to the benefit received to the IP producer.

 So to me, option three is an extreme dis-apportionment of the risk and benefit.

 MR. REDDING: Was that two or three?

 MS. LEWIS: Sorry, two. Option two, and is why I can’t support that one.

 MR. REDDING: Thank you. Doug.

 MR. GOEHRING: Well, Mary is absolutely right. No one, all the organic farmers, the individuals, the panelists we have, have never ever asked for a compensation mechanism. They haven’t. Trade associations have. And we continually have been on this road of trying to beat this horse to death and come up with something.

 And Latresia, at the onset of all this, you are right, I did bring the risk retention program forward simply because Congress, back in the nineties, allowed the authority to be out there to build and develop a risk retention program so that people could actively pursue a way of insuring something that they wished to insure. And it had a lot of flexibility.

 I would suggest, and the only reason I suggested it before is, you could have something actually designed and then it could be peer reviewed. And RMA could actually step in and peer review it, too, to put their stamp of approval on it.

 And then at that point the Secretary could even go forward and ask Congress if there would be the ability, because this actuarially sound to then maybe offer some type of funds available that if people wished to participate, they could then have a portion of that premium subsidized, much like they do with crop insurance, without having to go through all of these regulatory schemes and all the problems that exist out there.

 That’s the reason I brought it forward to begin with. It was simpler and easier to pursue and got us to a better place without having to turn and tip the apple cart over. But I appreciate that. And I just wanted to mention that and put it out there.

 MR. REDDING: Doug, again, in the context of the report, we talked about the options that were considered, and the risk retention pool and note in here that in terms of ease of administration, overall simplicity, the general compensation fund might be best, but the approach posed significant and unacceptable down sides for many of the AC21 members.

 MR. SCHECHTMAN: That’s the compensation –

 MR. REDDING: That’s the compensation fund, right?

 MS. WILSON: Well, what I’m hearing from Doug is, there’s a combination there, Russell. It sounds like you’re saying during the retention aspect in the beginning, and then it becomes an insurance. They’re just going to supplement the insurance policy. The fundamental issue is still the insurance policy. Am I not --

 MR. GOEHRING: Yes.

 MS. WILSON: So it sounds like it’s a combination. It’s just not totally a risk retention fund itself.

 MR. GOEHRING: The twist was, if you went to Congress and sought the authority, the ability to access federal funds to help subsidize the premium, then it would be exactly the same way as federal crop insurance exists now. The only difference is it is not solely underwritten by risk management agency.

 But if they peer reviewed it, and they tweaked it, it might be something that would be simple enough to actually administer.

 MR. REDDING: Angela.

 MS. OLSEN: Angela Olsen. Two points. First, I do agree with Josette in terms of option two. I don’t need to re-articulate those reasons. She articulated them so well. And I support her reasons for rejecting option two. So I also cannot support option two.

 The second point that I wanted to make is one that I’ve made at previous meetings as well. So this isn’t a new point. I don’t want to sound like a broken record. But I think it’s important just to bring up the recognition that seed companies do a lot to ensure purity and quality of seed in the marketplace.

 We invest millions of dollars. We expend a lot of time. It’s our business. Customers demand the wheat germ plasma. They demand quality seeds. And they tell us the purity of seed that they want, and we produce that seed. And it’s up to us to make sure that we meet those contract specifications that the buyer wants.

 So again, it’s not as if seed companies aren’t doing anything. We do a lot. We have technology agreement with our buyers. We invest a lot to make sure that we are delivering quality seed and pure seed.

 And so I just want to put that out there, that it isn’t as if this doesn’t happen. It happens and it’s really the core of our business.

 MS. MARTENS: Can I just comment?

 MR. REDDING: Mary Howell.

 MS. MARTENS: I mean, I think we’ve been through this before, but Angela, nobody is questioning that. That isn’t the point. The point is, once the seed of your company with your patented genes gets out on the farm, do you not have some responsibility as far as what then happens?

 Everything you’ve said is true, just like what everything Doug said earlier about American agriculture is true. But that’s not really what the point is here. The point is where do we go from there? What happens to those bits of your proprietary material once it is planted on a farmer’s field?

 That’s the part that we don’t know whether your companies have, take responsibility for, or even train your farmers and require anything of your farmers to keep from wandering.

 MS. WILSON: That’s the question I have. That’s the understanding I’m trying to get to.

 MS. OLSEN: I can probably answer this. We do extensive training.

 MR. CORZINE: As one of those that has, that uses not 100 percent, but GE seeds, you have a technology agreement that you sign with whomever you buy the seed from. And you have responsibilities in that from everything from refuge requirements. You say what you will do and what you won’t.

 And there are some specific things in there, especially, and they are evolving like the whole, we’re always continually evolving. But you have requirements that you are to do. And that’s what you do. It’s all part of the contract that you sign with whoever.

 And it is much more far reaching than what we used to call conventional farming. And that’s, if we get to definitions, I think the figures show, the conventional farming is GE farming, because we’re up to like 90 percent across the country, whether you’re talking about soy, whether you’re talking about corn, is GE. And to me, conventional means what is the norm. And that is the norm.

So everybody, people sign those contracts.

 On the other end when you sell your product to the buyer, it’s specific, what, if there are any specific traits or events that they don’t want, you assure them that they are not in there. So that is all part of the process.

 And you know, actually, with the evolving GE products, where we already say 90 percent of the corn is GE, new events that come along aren’t going to really change, they’re not going to be game changers, stack traits, and those kinds of things, because you already have a majority of the marketplace.

 So you’ve got that issue or concern by some that I don’t think is an accurate concern. You can talk about functional traits, and those can be, those are really hard to grasp, because they could be a low percentage, high percentage that actually would have a negative effect.

 But back to the point, Mary Howell, there are responsibilities, and they are spelled out, about what I do with those seeds, and what I do not do with those seeds. And the same goes with any specialty contract that I happen to look at and sign as well. It’s really very specific.

 Before this time, since biotechnology in seeds, we didn’t have -- that’s when it was more wide open and Wild West, if you want to call it. Today, it is not wide open, while it used to be. And we do talk to our neighbors.

 My organic neighbor, I make a concerted effort. That’s one of the first farms I plant, because I think, too, one of the things we have to be careful that we aren’t addressing, or have in our minds, are the things, practices that are currently being done and can be done and enhanced to help with the coexistence process.

 And one of those is temporal differences. And if some end user wants a specific to make sure that traits are not in there, they should specify in the contract that, you know what, you make sure you’ve got a temporal difference.

 There are new technologies, and goes to, we talked about new technologies that aren’t just to help me, a conventional producer, but also IP producers, with what’s being developed. And we have examples of those. Some are GE, some are not, or transgenic, and some are not, that are on the cusp, actually selling in the marketplace now. Are they patented? Well, so what. They’re patented. But they still are here as an option to help you control those, and there are more coming.

 And we need to recognize that, and include that in our thinking and our discussions as we move forward. Otherwise, we’re going to create things and put, as Doug alluded to, you know, really handcuff American agriculture that’s done pretty darn good through history.

 And you’re going to put handcuffs on there when it’s going to be completely unnecessary, because we do have responsibilities. And I think actually a lot of the larger farmers are the ones that are more conscious, because they’ve got more liability, quite frankly. And they are more up to speed with what needs to be done, and what not needs to be done.

 So the whole system has evolved to better protect whatever you want to produce than it was 10, 15 years ago. And we need to keep those kinds of things in mind.

 MS. WILSON: So you’re saying that liability has shifted to the producer? You’re now responsible. You take on that responsibility when you renew that contract? Is that what you’re saying?

 MR. CORZINE: You have a, I’d have to read the fine print again, but yeah, I take on a lot of that responsibility, because I’m the guy that’s going to plant that seed. And, you know, it’s a little bit, I really try to shy away from comparing to other things, because agriculture and growing seeds is so much different, but exactly.

 If there’s a patent in a car, and I buy a car, does, is it General Motors’ fault because I go and run into Angela and cause harm. Or I get drunk and I’m driving drunk? I mean, it’s not the auto.

 MS. WILSON: But that point doesn’t work as well as it should.

 MS. MARTENS: Or if the brakes fail.

 MR. CORZINE: The brakes fail. Yes.

 MS. OLSEN: But there has been an allegation that it’s not working as well as it should. I think that’s a different argument. But –-

 MS. MARTENS: Please identify yourself.

 MS. OLSEN: Angela Olsen. So it’s to the point that Leon outlined as well. The technology contracts are very robust, and it includes that you can and can’t do with the traits, combine cleanout. It’s very comprehensive in what you can and can’t do with the traits as well.

 One can’t walk into Home Depot and buy our seed with traits. It’s authorized dealers who have training programs that folks go through. There are technology agreements.

 There are, for example, Leon deals a lot with transgenic traits, so he knows what to do with them. But it’s laid out very specifically in the technology agreements. Folks just can’t walk in and buy it and plant it however they please. It’s very specific requirements that all companies have.

 MR. REDDING: Josette.

 MS. LEWIS: Just to add one point and stress

one that’s just been made. As we have heard in the course of our meetings, for example, in the case of alfalfa where clearly the level of sensitivity to the introduction of GE traits was very high and required a separate set of consultations that the Department of Agriculture convened.

 That’s a good example where the seed industry has taken that sensitivity into consideration and gone above and beyond to develop new approaches to how they would introduce that into the marketplace, and is taking a more direct role in trying to facilitate dialogue around coexistence.

 The whole idea of grower opportunity zones is a step forward in the evolution to carry that coexistence concept forward. And so I want to think I want to recognize that we have received information about the seed industry adapting to the marketplace, adapting to the policy environment to come up with new approaches and to engage directly with different stakeholders.

 And then, again, just really want to underscore that having a patent does not necessarily imply legal liability with how that technology is used. I understand the controversy over patenting in plants. But that’s, here we’re talking about actions that happen on the farm, how that technology is used, how that seed issued, is not in the control of the technology providers.

 They can take steps to try to influence and inform farmers, but they can’t determine legally how that farmer acts. And that gets to what the farmer’s neighbor is, when they decide to plant their crop. And again, the analogy with cars, with firearms, to quote Daryl here, who was whispering in my ear, you know, in no cases are the original manufacturers being held liable for the way those products are used, so long as they have met the safety requirements that were stated for them.

 I mean, you can’t go back and sue someone for it, because they don’t have any control over how it’s used once it gets to the farm level. So I think that’s why you have to limit.

 MR. REDDING: Thank you. Lynn and then Isaura.

 MR. CLARKSON: Lynn Clarkson. I appreciate, Josette, the point about the seed company not necessarily being able to control the uses of their seed, which I think the real serious responsibility should lie with the farmer.

 I also want to point out, the seed companies fall in sort of a bell shaped curve not unknown to mankind. Some of them are really good and some of them are pretty poor. And we’ve seen a number of bad decisions by seed companies leading to multi-million, if not billion dollar penalties or compensation being provided.

 I do think that we’ve had a game changing event recently. Leon referred to it, and he referred to it as a serious difficult problem to address, and that’s the presence of functional proof, functional characteristics.

 It is a whopping problem in that it can disrupt traditional markets that have been there for years, at a level that companies like mine, moving right into giant companies like Cartwright, cannot test for in the normal course of business.

 You can disrupt the outlying milling market with a jam up trait that’s on the market today at a level that’s beneath any strip test that’s on the market. You can disrupt the grit market, which is your cereal products, your boxes all across the United States at a level that is way lower than that.

 So we’ve let loose a problem that we can’t even measure in the field. And it’s safe, but it’s economically damaging to a significant extent. And if my memory is correct, and I can be recalibrated here by any one of a number of people, that trait was licensed for planting wherever, whatever, right up to the fence line. Any restrictions are voluntary on the part of the seed company’s introduction of the seed out into the field.

 What happens if a farmer violates those rules? Are those rules adequate? Personally, I think they are totally inadequate, the voluntary rules that these seed companies put in place.

 How do we control that? I think we should be looking down the road, not just as the organic adventitious presence, and the cultural event adventitious presence of GMO, but what we’re seeing coming down the road and what we can’t see.

 That’s why I am probably sounding like a broken record. I’m thinking we need an improved regulatory system because our regulatory system is not addressing those issues today, and there are serious problems.

 Also, I want to point out when we’re talking about neighborliness, lots of land across the United States is cash rented, and more often going for auctions these days. So I may not know who my neighbor is. Leon might have a new corporation farming next to him that he’s never seen before. You don’t even know how to get in touch with those people.

 You can come over and talk to a taxi driver, or a tractor driver, or a combine driver, and you may or may not be able to find out easily and have some developing rapport with your neighbor. So if you’re thinking that agriculture is based on neighbors being there and not moving, deeply rooted, that’s not entirely true, which creates problems on setting up cooperation.

 So these are serious concerns. I think the responsibility has to be shared and I see a regulatory need here for being able to address questions.

 Josette pointed out to me in one session last time that I’m here, I’m talking, so obviously I have an input. But I don’t have a legal right to do anything except talk. I don’t have big government that’s looking over the shoulder and saying, I want to consider this, this and this.

 And much of this would be helped if we had traceability programs, if we had some obligation on the part of the introduction of seed, so that we could track it through the system, so that those of us who are trying to maintain maximal, optimal purity, can do that after it’s been unleashed in the environment. Those are critical issues for our whole industry.

 MR. REDDING: Isaura.

 MS. ANDALUZ: And I agree with Lynn on that point, especially if you’re talking about alfalfa. I mean, we still really haven’t seen what’s going to happen with alfalfa because it’s a biannual GE crop. And it’s grown in zones, I mean, you have to have 500 acres minimum. Sorry.

That’s 500 acres minimum, and that’s, I mean, not many people can afford that kind of land.

 But Leon, GE is not conventional because you made that point at the very first meeting, and I went to that by a kind of report that was in the documents. I pulled that up. And then I went and looked at that other statement, and I even called the statisticians at USDA to confirm what I was looking at.

 And if you just take the GE crops, it’s about 40 percent of all the agricultural systems. So 60 percent is not GE, of the US agriculture system. So you have all of the people that are conventional or organic that are still larger than GE.

 MR. REDDING: Keith.

 MR. KISLING: Keith Kisling. I would have to support option number one. I raise wheat and cattle, and I think we all agree that wheat is probably going to be our next large crop to be releasing a GE product. We don’t hardly have any GE in our area. We have no organic. We’re basically all traditional. So I don’t deal with those very much. We are getting some GE corn and beans in the area, but not a lot of that.

 So if wheat’s going to be our next release, I thought I better find out, being the past chairman of US wheat, what they thought, now that I’m not on the board anymore. And so this last week I contacted Doug and US Wheat to see where they thought they’d want to be on that issue.

 The issue of a threshold, they just don’t want to be there yet. And I can understand why they wouldn’t want to be there yet. They don’t know what the parameters could be there. They don’t want to be mandated, because they don’t have the release yet so they don’t know what needs to be mandated or if there needs to be one.

 We do export half the wheat that we raise. So a big issue is trade, trade and economics. And that’s listed in number one. So at this time, my position would be to support option one.

 MR. REDDING: Thank you. Marty.

 MR. MATLOCK: I’m very intrigued by the discussion, and I have been for many meetings now, the discussion about what the growers, the contract the growers signed with the germ plasma developers in order to grown. How far removed is that contract in the actions that you have to take to protect the product, protect yourself from a coexistence plan at its simplest form?

 And I’m thinking, I live in northwest Arkansas, all of our producers have nutrient management plans because we’re sued by Oklahoma on a routine basis because of our nitrogen and phosphorous, very valuable stuff that we’re contributing free of charge to our neighbors in Oklahoma, and they keep complaining about it.

 So our farmers have a nutrient management plan. And they’re not regulatory mechanisms. They’re management mechanisms. And they agree to them, and nobody expects them, and penalizes them unless there is a problem. Then there’s a liability inherent with not following what you said you would do. But that’s it.

 That’s the way I envision a coexistence plan, is very much like a nutrient management plan. A voluntary set of good practices that we all, that all neighbors agree on. A coexistence plan could fit that kind of a model fairly well, I would think. Until there’s a problem, it works. How far is what you’re already doing from that? It seems like it’s pretty darn close.

 MR. CORZINE: Well, in some respects it’s not that far away. But you get into, all right, if I’m going to grow a product that is new, first, you know, if something is put out there in the market, farmers don’t just grab it up without doing, you know, because there’s cost involved. And also, you’re talking about, you know, I have one chance a year to do it right on planting a crop. So I’m not going to buy something that’s going to muck up my farm, if I can help it.

 So you’ve got those issues in the real world you have to deal with. And you have to, at the same time, take a look at marketability. Farmers, National Farm Growers has a thing called, know before you grow, and then another one called, know where to go, as far as more harvest time, as far as where to deliver that crop. So you do have those things in place that you pay a lot of attention to.

 We do talk to our neighbors. And Lynn’s example isn’t exactly accurate. It partially is, as far as my knowing who my neighbor is. Yes, there are cash ran auctions, or farms change hands on who is farming. But if I’m growing an identity preserved product, I’m going to darn well know and have a discussion with the guy who is next to me.

 And, in fact, if there is one of the big guys that’s coming in anyway, I mean, that kind of stirs up the neighborhood, and I’m going to know him anyway, especially if I farm next to him, or if I’m driving down the road past him. I mean, those kinds of things happen. So you do have those that you operate, if that helps you, Marty.

 MR. MATLOCK: It does, because what you’re telling me is it’s just a matter of degree to go from that to a plan, to a more formal, not a legal or legally binding, but a more formal documented plan that, so you’re not that far removed anyway.

 And none of us want more bureaucracy in our lives. I understand that. But, Angela, how far would it be for your company, and Josette, for your companies to integrate that kind of management strategy into, as another layer over, and maybe only in those zones where it matters?

 MR. CORZINE: You do have those kinds of things if you’re going to do something like, if you get to a discussion of, and I know the people that, some people that have grown, and you know there’s all this thing around functional traits that I don't know where the fit is here, but Lynn keeps talking about it. And it is a valid concern. But it isn’t just sold to me.

 For example, I can’t buy that product because of where I’m located. So they are doing some things. Are they mandatory? No, not the way the regulatory system is. But you do them. And it is mandatory, I believe. I didn’t even look at the contract because I know I’m not going to grow it. But I think it’s actually in the contract in control of the company that developed it, and the people that buy it. And they go as far as identifying the whole delivery point, or rather complex scheme that they do.

 Is it good enough? Maybe, maybe not, but we’re working through that, I would say. So you do have some of those things in place. But when you get to mandatory type things, and more documentation, then you start getting into this. And you can actually stifle some innovation on some of the other products that maybe are coming forward.

 MR. MATLOCK: Well, the stifling would come into characteristics of what a plan is. That would be, I would think. But maybe it’s just because by blood sugar is getting low.

 But it sounds to me like we have a lot more convergence than divergence than we’ve had in previous meetings with this issue of -– because what you are doing already is pretty darn close. And I think that’s what you’ve argued all along. We’re already doing those things. Why do we have to do more?

 Well, you are, but maybe others aren’t. And that’s, I think, that’s the issue we have with nutrient management plans. Most of our problems come from a few of the bad actors. Not everybody, just a few. And the bad actors, I can say in nutrients, not in this case. I’ll make that distinction. When you don’t turn off your litter spreader when you go across the creek, that’s generally not a good thing to do, and we have that.

 But Angela, I am curious about your position on whether that coexistence plan is outside the pale for consideration.

 MS. OLSEN: Incorporating.

 MR. MATLOCK: Yes, incorporating that as part of a contractual relationship for your growers.

 MS. OLSEN: Well, first, I don't know enough about nutrient management plans to be able to comment on it. I just don’t know enough about them.

 MR. MATLOCK: Well, let’s just say a conceptual agreement, coexistence plan, which is simply an agreement, a framework for each of your growers to document what, to know what, a document that they know what the neighbors are doing if they’ve had some conversation?

 MS. OLSEN: We do have in the agreements, I mean, it is, the conversation is encouraged. We can’t police that.

 MR. MATLOCK: Of course not.

 MS. OLSEN: But I think growers already do that. And that’s what we’re hearing.

 MR. MATLOCK: Well, that’s pretty darn close to a plan.

 MS. OLSEN: We don’t have the ability to go in and police that and say, have you talked to your neighbors. It is encouraged. It is laid out in agreements. And it’s something that’s our understanding that the growers do.

 The particular technology that Lynn has been referring to is not one of our products. We don’t have any functional traits out there. So I can’t comment on that. But my understanding is that that occurs. But no, we can’t go out and police that, you know, that somebody has actually done that, in terms of coexistence zones.

 MR. MATLOCK: So if our definition of a coexistence plan were characterized in a way that wasn’t a regulatory framework, but simply a documented discourse between the neighbors to try to mediate and reduce conflict, that’s what you do already? That’s just capturing what you do already in a plan, in a document and saying, I do this, as a way to articulate what your goals are? That’s not outrageous, I would think.

 MS. BATCHA: Are you calling on me, Russell?

 MR. REDDING: Laura. Yes, please. Laura.

 MS. BATCHA: All right. So much to the dismay, maybe, of some of you, I’m going to ask another question about the, could you actually agree. But to follow this thread a little bit more because I’m not, I just want to understand the distance between what is existing and the relationship in terms of what is in the, both options two and three.

 So the contract, Leon, includes education and requirements, as you said, around cleaning equipment and all manner of different things. Right. So it’s in a contract, which assumes that it’s binding, or these things wouldn’t be specified in a contract. So what happens if the grower doesn’t follow those requirements?

 MS. OLSEN: Well, Laura, it depends on how it’s phrased. I’m sorry.

 MR. CORZINE: Yes. In order, it’s a little blending. And it gets back to, is ours still the conventional, when we’re talking about, and I don’t want to call them the major crops, but the primary crops. And we’re talking a lot about corn, because that’s where you’re talking about more of the pollen flow.

 It is 80 to 90 percent. So I consider that conventional. And part of that, I go back to that, Laura, is because we do have those –- if I am growing what I consider my conventional corn for the normal marketplace, we don’t address things, and my technology agreement doesn’t talk about cleaning out the combine or the planter.

 MS. BATCHA: Oh, I must have misunderstood that.

 MR. CORZINE: Well, but, but if I am doing seed production, or if I am doing an identity preserved type thing, or if I am doing a non-GM contract, it does, and I do. And if I don’t, what happens is, hey, I blow a test and I get above whatever that threshold is, and I lose my premium.

 And in some cases, if you’re not careful, you can be liable for putting something that doesn’t meet the contractual agreement into a tank or a storage facility with someone, with others who have, and you can mess up the whole thing and have some extra liability to that as you go along. Does that help you?

 MS. BATCHA: Well, it clarifies, certainly, Leon, because I must have misunderstood what you said. I got the impression from the conversation that those requirements were built into the contract from the discussion as well as --

 MS. OLSEN: It depends on the contract. There are all different contracts. So he hasn’t seen the master contract of all agriculture. Everybody has different contracts. So I don’t want to speak on --

 MS. BATCHA: But when Leon was speaking about the impression that it was built into the contracts for what you might call run of the mill cultural traits in terms of crop production for corn, so I misunderstood the conversation. So thank you for clarifying that that wouldn’t be included.

 MR. CORZINE: Well see, if I’m growing what I consider the commodity crop, that part is not necessary. But if I’m growing for any specialty, and it’s just like, just like the organic standards have things that you do to protect the integrity of your crop, I do the same thing with any of the others.

 MS. BATCHA: So, but this is clarifying information, Leon, for us, that that’s not deemed as necessary.

 MS. MARTENS: What if you decide that refuges are a bunch of who-ha and you don’t want to do that, what will happen to you next year?

 MR. CORZINE: Next year, you get, you get audited. And they do random audits. They don’t have the manpower or the resources to check absolutely everybody. But you get checked and you are, there is actually a process in place there, and if you are a major non-complier, that actually you reach the point, I think you get a year to remediate and then it’s kind of a strike two. And if you don’t remediate, you’re not allowed to buy the technology any longer.

 MS. MARTENS: So could coexistence be on the same footing and refuges, and be treated the same way in technology contracts as refuses?

 MR. CORZINE: Well, I don't know whether it could or not. I mean, it’s what language you want to address for coexistence, I guess.

 MR. REDDING: So let’s take a final comment before lunch. Missy.

 MS. HUGHES: If you follow this conversation about the grower contracts, and the neighbor to neighbor communications, you can see where things might work. But you also have things, can easily see where things might not work.

 And then you’re in a situation of, you have a neighbor versus a neighbor, rather than a neighbor working with a neighbor. And if, you know, Marty’s suggestion of, well, if you had something on paper between them, then all of the sudden you have a breach of contract action. Or if Leon says to his neighbor, hey, I’ll plant two weeks ahead of you and then doesn’t, was that a verbal contract?

 So now, all of the sudden, you’re in neighbor to neighbor litigation, which is precisely the reason we all ended up at this table, because the Secretary wanted to figure out a way to avoid neighbor to neighbor litigation.

 And so a compensation mechanism is maybe a way to avoid neighbor to neighbor litigation, or the other forms of litigation that we’ve all seen and been part of. And so let’s step back and look at how a compensation mechanism can avoid that neighbor to neighbor litigation.

 And if you step back again to how we all ended up on this table, it’s because we wanted regulation, we wanted -- let’s have the conversation before the event is released about the impacts that might happen from this event.

 No, we don’t want regulation. We don’t want to have to have any kind of requirements on that release like Lynn is talking about. So then we’re going to end up in the land of compensation. And if we’re going to keep fighting this idea of some kind of mechanism or something, then okay, we’re going to end up in that land of litigation, and that’s where we’re going to be.

 So it’s up to us to figure out if there is anything else. Otherwise, okay, let’s have neighbor to neighbor conversations, and let’s have litigation.

 MR. REDDING: Okay. Let’s process that over lunch. I think that’s a great summary. I mean, I think you have to, listen, that’s how we’re at the table around compensation.

 What I heard this morning was, you know, there’s some things we can do around definitions, and we can get some clarity and get some consistency around, you know, the general context, and certainly the definitions.

 But when we get to this question about the compensation mechanism, I’m not sure we’re any further ahead than we were at 10:00 this morning, right, with what we have here in terms of option one.

 We have a couple of folks who have spoken for option one. Some like option two. Some like option three. But, you know, we’re not there yet. And again, just to be mindful that we are some miles until tomorrow afternoon to get through this discussion and have a report that when you walk away from the table, you can feel pretty comfortable.

 I’m a little anxious, given what I’ve heard this morning, because I think we’re back into territory on the conversations either on risk retention pools or crop insurance and stuff that I thought was done, in terms of where we were in progressing through our set of options as imperfect as any of them are. But we’ve processed that. Okay. And we’ve settled on, I think, at least a crop insurance type thing.

 So I don’t want to go back into the mechanism conversation at this hour, because we’ll just never get this gate closed if we go there. So I would ask you to think about the conversations. Reflect on those, please. We’ll come back this afternoon. There’s a couple of folks who had cards up, and still do, that want to pick up the threads of conversation that we just had.

 But we will have to arrive at this point where, what is it that you want to do around the mechanism. Okay. What option? Either the one that’s presented or some modification thereof, but we need to come to that conclusion. Okay. Anything else before we break?

 (Discussion off the record.)

 (Whereupon, at 12:37 p.m., a luncheon recess was taken.)

A F T E R N O O N S E S S I O N

 MR. REDDING: Good afternoon. Let’s resume our discussions. Just to, I guess, reiterate our schedule. We have public comments at 3:15 to 5:00. We do have a number of folks who are signed up to give public comment, so that will take some time. That will be at 3:15.

 That leaves us, what do you have, what time?

 MR. SCHECHTMAN: Almost 2:00.

 MR. REDDING: 2:00. So, roughly an hour and 15 minutes to resolve this. I just want to say, I think the goal, though, should be for us to resolve this recommendation one by the end of today. We ought to be able to come to some resolution to recommendation one.

 Just being pragmatic about it, if we don’t, then our work of trying to get through the rest of the recommendations tomorrow, and title discussions and such about process, it’s going to make tomorrow sort of a stretch to get through it.

 So I hope that that’s not unrealistic. I know that there is a lot of discussion. We had it this morning. A lot of recurring themes. I struggled a little bit with the conversation this morning. While it’s helpful to reinforce points, and to bring some clarity to others, I don't know how much new information we garnered from that discussion that helps us really in the task we’ve got before us for the Secretary. All right.

 Good discussion. Each one of those conversations is a revelation about sort of what’s being done presently, what can we expect people to do, where are the sensitivities around the topic. But knowing that we have to, at the end of this, in two days, produce a report. I don't know whether all of those comments help us get there.

 When we left the table, Missy had put it back into focus that the compensation mechanism was sort of that answer to trying to resolve these conflicts or potential conflict. Right. So that’s sort of where the genesis of it from the Secretary was really trying to find that way to do this without the litigation that has been sort of referenced.

 So I guess my asking, and I’m open to some thought here about where this middle ground is. But clearly, we have to figure out what we can, what do we like that’s in two, what do we like that’s in three, to build on the frame of recommendation one. Right.

 And some have spoken, they’re really comfortable with one. I understand that. But is there anything in two that helps us get greater diversity and production reflected in our final recommendation? I worry about that. I don’t want this to be one or the other. There has to be that middle point where we have a pretty good range of diversity represented in our recommendation. What is that? What’s that look like?

 And so I promised that we would pick up on some comments, or at least several wanted to speak, and I’ve lost track now. Barry, I know you were one that had your card up, and maybe there was another one or two. I want to make sure we don’t miss that, if you still want to speak to it.

 But I would ask that in the next hour and 15 minutes, is that you try to identify those major points that we are comfortable with within, that we would want to add to recommendation one. Let’s just assume that’s your base.

 You know, the new pieces that were introduced by the option two deal with the triggering mechanism of the 0.9 percent, there are some, you know, additional responsibilities in the coupling of participation with farm programs, and also sort of some mandates that are in two.

 Three has the point about trying to do something with joint coexistence plans. And Marty, I think your line of questioning was looking at that in the context of what some are familiar with, with nutrient management plans, and whether that is a way to address what a plan potentially or planning would look like, right?

 MR. MATLOCK: Right.

 MR. REDDING: So I appreciate you bringing that out. So you have a couple of, you have a couple of significant differences in two and three.

 And I guess I would ask you to, at this moment, seeing no further cards that want to talk about where we were before lunch, can we shift our conversation to looking specifically at what in two and/or three we would want to consider for amendment to recommendation one?

 Is that fair? That’s a jump off from where we were. I know that. But I think we need to get to some of the specifics, and that will help us inform the discussion whether we can modify one or not. Okay.

 And for some who haven’t raised any issues this morning, I’m open to thoughts. Some were quiet here, unusually quiet. Darrin. Thank you. Darrin.

 MR. IHNEN: I’m Darrin Ihnen. I guess I’ll open it up here. One of the reasons that I can’t support number two is because of the number in there. And we just had a meeting last week, grain trade growers, tech providers, and we’ve jointly signed a letter to the federal government to take the lead on finding out what a number should be. And I just don’t think that’s their purview of our Committee to be the one to pick that number, when there are people, other experts that can find that number.

 And even the other, some of the other countries that are working on this, there’s disagreement on where that number should be. So let the appropriate people work together to find that number. So that’s why I can’t support number two is because we are talking about a number in there, or a specific number.

 MS. HUGHES: Darrin, do you think you could share that letter with the Committee? I’d be really interested to see what that says. Missy Hughes. I’m sorry, I was just interrupting, so I figured I didn’t have to say my name. If you could share that letter with the Committee, I think it would be really interesting to see.

 MR. IHNEN: Yes, I’ll track that down.

 MS. HUGHES: Thank you.

 MR. REDDING: Darrin, let me ask you, so no number, but the concept of an insurability trigger, are you comfortable with having that concept in the final recommendation?

 MR. IHNEN: I guess I’ll defer on that, because I’m not exactly sure. I guess I’ll defer maybe to Doug or somebody that has more background in the insurability part of it.

 MR. REDDING: Because I think from a concept standpoint, I think that is one of those key concepts that appear at some point, if we’re not pinned down on a specific number. It has to be some triggering, you know, to trigger whatever the compensation mechanism.

 So again, looking for clarity around what we can support. And the key from a concept standpoint, is that something you would --

 MR. KISLING: They told me no number.

 MR. REDDING: No number.

 MR. KISLING: But I really, in the context of trying to get along here, and trying to do a little negotiating to maybe get you off of this and help us out, too, a little bit, there’s things out there, there’s places out there, there’s countries out there that will accept 5 percent. And that is Japan, in particular. 5 percent. And that’s unprocessed feed grain, not the food grain. Feed grain. There’s about 30-34 different products they’ll accept with G presence of 5 percent.

 So I’m assuming that if we would allow that, even though we’re a feed crop, it would be tighter specs from that for food. But I think I could go along with, if you want a number, 5 percent.

 MR. REDDING: I guess what I was trying to get at is, if –- Michael.

 MR. FUNK: Russell, I was going to suggest something. Number two is, I think, you know, in my personal opinion, I can endorse two a lot more than I can the others. I mean, I think if you’re going to talk about a crop insurance program, you have to have a trigger. But maybe we’re getting hung up here on this point nine, in that all we need to recommend is that there are triggers established.

 And as Keith said, and other people said, you could have different triggers. You obviously need different numbers for seed. You need potentially different thresholds for animal feed. So there could be, alfalfa has just been introduced. So maybe there’s a different number for alfalfa.

 But the concept of a trigger, if you’re going to use crop insurance, there has to be one. And maybe that’s all we need to do right now.

 The beauty about number two, I think, is it is a pilot program. If something isn’t working in it, theoretically, you would feel like it would be adjusted. But, I mean, number two does have economic incentive for the stewardship, which I think is key on both parties. Don’t see that in one. And to me, that’s one of the key parts that, key conceptual items that we have to have here.

 Everybody has to be economically motivated otherwise I don’t think it changes behavior.

 MR. REDDING: So again, having some reference to the insurability trigger or triggers, right, will be a part of the concept. All right. Keith, are you back yet?

 MR. KISLING: No.

 MR. REDDING: Laura and then Doug, I think. Sorry, I’m missing a couple. Laura.

 MS. BATCHA: Thank you. Laura Batcha. Just some initial thoughts and I want to go back to some of the issues that Keith raised earlier that are concerns. So I stated before that my preferred option is option two, but recognizing there’s a couple of areas that are sticky for folks that I’ve heard regarding a specific number in the trigger, from Darrin and Keith.

 And I think can support the ideas that Michael raised around a trigger without a specific number, understanding that that would be worked out by markets and scientists and crop specific. And perhaps we don’t need to get that far into the weeds in a recommendation to the Secretary.

 And then I’m also hearing a concern raised by Keith around the language in option one that references international trade and local policy implications. And so I want to recognize that that concern that Keith has raised, and that language doesn’t appear in option two.

 But I think from my perspective, there is some openness to recognizing. And, you know, we have a difference of opinion about what those implications might be. You know, my view on that is that if we move the ball forward with some same policy on this, that it might actually increase confidence in international markets in our ability to deliver products that they are looking for.

 So it could go both ways. But I recognize it’s an issue. And I think it would be completely acceptable to me to include that kind of language in there.

 The keys for me, I think, in option two that are not in option one are the establishment of a pilot. Incentives, like Michael talked about, but also consequences, so that that gets everybody participating. There has to be both, from my perspective, incentives and consequences in order for, I think, the mechanism to have a chance at doing what would be the ultimate goal, which would be to further stewardship and containment.

 MR. REDDING: I’ve heard from several, just on the level of the whole incentive concept and the consequences concept, that it, given where we have been in conversations to date, that this option is sort of, if you had a little more experience around sort of a mechanism generally than informing it with some of the protocols and incentives and such here, it may be easier to do.

 But starting there may be difficult, just because of the number of unknowns that are, that we’re struggling with. So I’ll just put that out in the evolution of a mechanism, whether this would be good down the road to get there.

 MS. BATCHA: Well, I think the idea is that that’s why we would have a pilot, is for the learning to take place. That’s all. And that it may not be that the recommendation could be simplified in its language to not be prescriptive about necessarily the specific incentives or consequences.

 And you’d have to look at the language to see whether or not there was enough confidence that it would deliver it. But I think the concepts of incentives and consequences have to be in the recommendation.

 Otherwise we’re just doing something to address the last step in a chain that’s brought us here, right, which is that loss of value on a shipment. And we can do better than that.

 MR. REDDING: The concern I have is if we go down the incentives and consequences road, then we won’t get to that middle ground. I’m just, that’s my gut feeling that we’re going to lose in that. So I was trying to keep bumping this along.

 So to the Committee, I mean, we’ll continue the conversation, but just keep thinking about the points in two and is there a way to incorporate them into one.

 MS. BATCHA: And I would just say that I think not doing that, you run the risk of that as well, honestly, Russell, and it creates a one-sided solution that we have strived to move beyond here. And it would be not supportable from my perspective.

 MS. MARTENS: And that maybe what is middle ground is a preconception.

 MR. SCHECHTMAN: Just for her, so she has it in the notes.

 MS. MARTENS: Mary Howell Martens, just not to have a preconceived notion of what middle ground may be. It might surprise you.

 MR. REDDING: Okay. Let’s see. Barry.

 MR. BUSHUE: My mind is actually reeling right now, because I’ve, I mean, I’ve heard so much stuff this morning that I’m not really sure, Russell. But I think that with regard to the specific charge you just mentioned, I think that I would ask that we keep in mind that primarily this is both a risk reward decision for marketing, and it’s also a property rights issue. And both of them are always confusing.

 And I think Mary Howell just said something about perception. She’s absolutely right what the perception of those two things may or may not be. But at risk of somebody else earlier said, hammering the same, whatever the hell they said, about bringing up the same thing over and over again.

 The fact that people make these choices whether to do GE, whether to do conventional, whether to do organic are choices that you make on your farm and those choices come with a risk and they come with a reward. And no matter what compensation mechanism, if any, no matter what incentive, no matter what mandate, you’re never going to remove all of that risk.

 And I sense here a way to try to find a boogie man. And I’m really concerned about that. It seems to be a lot of punishment as opposed to incentive. And when I look at option number two, what may be incentives to others, seem like a mandate to me.

 And I’m not sure why, as a neighbor, I should be mandated to join a program because my neighbor chooses to take a risk reward that pays a pretty good margin based on the contract that they sign. So with that in mind, I certainly can’t accept what some people consider an incentive, when I view it as a pure mandate.

 As far as the number is concerned, I don’t think this is the group to discuss the number. I think I’ve said this before, I think any number you put in there is nothing more than a marketing brand. It becomes a level that somehow is misconstrued to something else. So I’d oppose any level no matter what the heck it is.

 And I really am, despite my frustration currently, I really do want to get to a common ground here, whatever that is, and whatever middle ground is. I think somewhere along the line there is a way to look at this. I’m not sure what it is. I’m not sure we’re even in a position right now to do it, because of the variety of things that we’ve discussed this morning.

 But if the whole goal is merely to avoid litigation, which I don't think that’s the case and I don't think that’s what Missy was referring to, I’m not trying to suggest that, but I mean, there’s no proliferation of farmer to farmer litigation. It’s not current now.

 The proliferation litigation is organization versus organization, organization versus government, organization versus tech companies, organization versus somebody else. And there’s no shortage of organizations, including ours, that don’t get involved in litigation.

 So I don’t sense this as rectifying whether or not there’s going to be litigation, because I don’t believe there’s a proliferation for that.

 There’s been much talk about whether or not there ought to be a compensation mechanism. I think most people know where I’m at on that, which brings me back to, number one, a pilot program. I’m sorry, but government has a way of no matter what you put in here recommending to the Secretary, a pilot program is going to be a permanent program, whether it’s justifiable or not, whether it meets the requirements or not. Sunsets have a way of disappearing into the sunset, if you’ll forgive the pun.

 And the whole concept of building a pilot program with the lack of data that we have now in front of us to show there’s actually a need for a compensation mechanism seems to be an unbelievable waste of government funds in a tightening economy. And I just can’t see, frankly, any justification for it which brings me back to mechanism number one.

 It’s convenient to refer to recommendation number one as kind of a starting point. And I think somebody reiterated earlier today that recommendation one, whether you think it’s a compromise or not, to many of us it was. It was a recognition that, you know, all right, if the economy, or I should say, if the sector of the industry that is looking for compensation for loss can provide data, that is necessary that this compensation mechanism with these implications, the triggers and that sort of thing, would take place.

 So I hope we don’t lose sight of the fact that there was, especially in the compensation work group, hours of discussion and disagreement and working around where all this comes from.

 And I’m not suggesting the work group recognized this as a compromise. I’m not suggesting that at all. I think that would be erroneous to say. But I think that we have to look at recommendation one. And that would certainly be my preference.

 If we’re really concerned about neighbor to neighbor, and I think we are, and I take, with all due respect, Lynn, I take a little bit of exception to the concept that your neighbor might be some big corporate farm. It’s easy to throw big corporate farms under the bus. I’m a corporate farm. I’m a corporation. There’s my wife, my son, my two sons, my daughter and me. And we’re this big ass corporation that owns land.

 You know, I think it’s 97 percent, I’m sure somebody from USDA could rectify it, but I think 97 percent of all the farms in the US are family owned. So let’s not, you know, let’s not get down into that. Let’s talk about farmer to farmer and neighbor to neighbor.

 And the minute you start mandating that your neighbor somehow involves in a process that’s going to benefit you, and maybe put them at liability risk, I think that does far more to destroy those neighbor to neighbor relationship than it does to build them, which is why I’ve been so supportive of the educational stuff that Doug has championed for a long time, and the concept of actually getting your neighbors to engage in what’s going on.

 I’ve got neighbors that I love and neighbors that I don’t necessarily get on with. And I’m sure they view me in the same way. And unfortunately, they’re not always the same times. But we can’t solve people’s neighbor’s problems in this room. That’s not what we’re here to do.

 You’re never going to solve all the neighbor problems in the farming world, or in the business world, or in the urban community. You’re not going to do it. So option one is where I’m at and I really think that’s a good place to start.

 MR. REDDING: Barry, let me ask you, on this issue of pilot --

 MR. BUSHUE: Issue of what? Sorry.

 MR. REDDING: The pilot, doing pilots. We know where you are on that. Okay. You’ve made that clear. I guess I’m trying to just look around the table and say, and I’ve done pilots. I’ve worked with pilots. I like pilots just because it gives you some latitude that you don’t have many times. You want to try something over here. You want to try a different concept.

 Pilots have been helpful. The earlier references are on nutrient management. I’ve done them in Pennsylvania. It’s the only way we could actually get the legislature and probably the right regulatory structure around that particular issue, because of pilots.

 Yes, it seems like this issue is every bit as complex as that, and may lend itself, just because of the regional issues and thoughts around, even things around incentives and consequences that that may, again, I’m not suggesting, go there. But if you could do something around those types of issues that you can’t do otherwise. Right.

 So I’m just asking for you and others, who have spoken to the pilot issue, whether you have some, could be supportive. I’ll put it that way. Could be supportive of some limited pilot approach in whatever this recommendation is.

 MR. BUSHUE: And Russell, I would argue that recommendation one gives the Secretary the option to establish a pilot, provided the industry can provide him with the data that gets required. I mean, it seems to me that we’re kind of going around this, excuse my language, kind of ass backwards.

 We’re going to establish a pilot to see if there’s a need for a compensation mechanism as opposed to creating or getting a set of data that shows a need for a compensation mechanism, and that the Secretary has the latitude, by all means, to establish from that whatever he wants to, including the pilot program.

 So as far as a pilot program, I’m suggesting that pilot program first, I think, is an unnecessary and unwarranted step, that the mechanism, whether you call it one or whether you call it a bastardization of number one, however you want to word things on it, provides the Secretary that latitude, provided that industry comes forward and shows him there’s a necessity for it. I don't think that’s an unreasonable request.

 MR. REDDING: Okay. Latresia, Doug, Greg, and then to Jerry.

 MS. WILSON: I almost forgot what I was going to say. Option two, for me, I think one of the problems I have with it is, it’s not some of the more specific things, but it’s the tone of it.

 It seems to be very reaction specific, very verbal oriented. You’re going to do this, you’re going to do that, you’re going to do that. And for me, that doesn’t seem to bring us closer to consensus, when you have that kind of tone with it, as opposed to, I think option three is a good compromise between the two.

 In terms of the triggers, I agree that there are just so many different triggers out there, that I don't think we should go down that path and try to pick one at this point. I think that should be left up to the marketing for the others that do.

 In terms of option one, for me I think, I mean it’s okay, but it’s like a cop out, Barry. It doesn’t get you anywhere. It’s like, oh, Secretary, you can do this. You can do that. But he could have done that without asking us to form this Committee.

 We need to put some foot into this, some meat into this. And I didn’t think one put any meat on the table. I’m willing to go with three because I think it gives you a little bit of both. But that’s my opinion.

 MR. REDDING: Daryl, were you up?

 MR. BUSS: I was up earlier, but many of the points were earlier made.

 MR. REDDING: Okay. Doug.

 MR. GOEHRING: Doug Goehring. Well, if you wait long enough, I just get to add more and more. So after being missed a few times, I will say, to reiterate what quite a few have said concerning the number and the triggers, we don’t have the expertise here. And quite frankly, that’s something that’s done internally when you develop a program or a product.

 Even for us to suggest that it’s got to have a trigger, people, it will have a trigger. He will establish what those thresholds are, what they’re going to be at, because that’s part of what a premium and everything that’s based around that goes into the product or the development of it.

 The other issue -- and I say that with this point, it would be like suggesting you’re going to build a car, and we should probably put a gas pedal in there. It’s just a given. You’re going to have a gas pedal. You’re going to have a trigger. So no matter what, there’s going to be something. But you’ve got to let markets, whoever is doing it, whoever is developing the product they will put that in there.

 One of the concerns I have about the pilot program, which is another thing, if you develop a product, an insurance, a compensation mechanism, they always run a pilot program anyways, most generally speaking, unless it’s been well-founded as to they know what the parameters are, they know what the implications are. They’re going to do that anyway.

 So if you come up with, or it is suggested or recommended by this Committee to do something along the lines of a compensation mechanism, if the committee agrees to go down that road, and the Secretary goes an seeks the authority to have the product developed, there will be a pilot program that will be run.

 They will identify a region within the United States, whether it’s a few counties, whether it’s a whole entire state. And they’ll run it because they’ll need to vet it out and really determine what is it that they need to do to tweak this program to make it acceptable and make it work and actuarially sound.

 The other problem that does exist in all this that I think is going to be a sticking point, and I know it’s been talked about a bit, it’s the consequences and incentives part. First of all, on the consequences, who has the authority? Has authority been granted from Congress to even address that side of it?

 Incentives you can build into something, but consequences, that’s a little bit trickier. There you are imposing your will on somebody, and what you are saying is, there’s a mandated behavior that you are requiring, or a change in behavior that you’re requiring.

 Well, I have some concerns moving down that pathway. And I just want to share those. But I do agree that previous speakers talking about thresholds and triggers, they’re not necessary for us to delve into. We don’t have that expertise. It will be done.

 MR. REDDING: Greg.

 MR. JAFFE: So I guess what I read over last night, apparently, I could say all three options. I found parts of them I liked and parts of them I didn’t like at all.

 And so to me, I think there are things in all of those that probably people can agree upon. If we can bring them all together I think we might have something that has a little more teeth.

 So I think everybody agrees that we could use more data in here, and to go ahead and do more data on that. It sounds, I mean, I think we came to an agreement before that everybody agreed that if there was to be a compensation mechanism, of the three we looked at, the insurance fund would be the one that we thought was best, even though we also all agreed that there were advantages and disadvantages to that one, that on balance that one was more than the other ones.

 I think we all did discuss before a pilot program. I know there wasn’t total consensus about that. But it seems to me, if option one says, that if there is an updated to establish a compensation fund, then it seems like there would be, the logical step is, there’s not enough of that data. There is some. Then we could try to do a pilot project as a first step in that.

 So I agree, I guess, about the triggers that, I mean, I’ve always talked about this idea that at some level it’s not insurable, or you go down below a level. And to me that’s scientific base. That’s case by case. And we shouldn’t be doing that here in this document. I think that’s way too much of the weeds.

 But I guess the other point I wanted to make was, I mean, it seems to me it would awesome for you all to put something in this recommendation about this joint coexistence activity, the incentives, I call them disincentives or consequences.

 I mean, I think everybody on this Committee has decided that we all, I think, came to agreement a long time ago that coexistence was really important and, you know, where else, I mean, our cultural policy in the US is all about incentives to do things that we think are important, policy things whether it’s conservation, you know, protecting conservation, whether it’s producing, reducing nutrient runoff.

 I mean, that’s what the government does all the time. The tax code is all about incentives. It’s all about ways that get people to change behavior. And so, I’m sort of surprised that people aren’t saying we want to do incentives here.

 We all have said that coexistence was this important concept. And so I don't think that comes across in number one, unless you put some incentives in there. And Doug just said the consequence, whether you call it disincentives or consequences, I mean, I have also thought I heard that people say that 90 percent of the people here work with their neighbors, and they do things.

 So I don't think we’re changing a lot of behavior here. We’re trying to change that margin, the few people who don’t do that. So to me it seems to be able to write something about joint coexistence activities, whether they’re plans, whatever they are, again, I don't think we should get into leads on this, but the idea of it that coexistence is important.

 If we don’t put that into number one, what the other four recommendations to me seem sort of meaningless, because they’re all about education. They’re all about more research. But if we don’t say that that’s that important and needs to be done here, with everybody, all farmers doing it in some way, then those seem sort of lesser to me.

 So I guess, and I’m not a farmer, but I take what everybody said, that most farmers are good neighbors. They want to get along and they want to do all of this. And so I don’t look at this as changing a lot of behavior. I look at this, as a lawyer I’d say codifying it. But I don’t want to say that word.

 But the idea here would be the things that people are already do it, but memorialize them in some way so they now have this Committee saying, Secretary, you should make sure that this is done out there on a farm-to-farm basis, to really make this a priority.

 So that’s what I look at, and that’s why I think we could take from each of these things and put those together without all the rhetoric, without all the detail and the weeds, which I have some, there’s language in each of these that I have problems with. But I think this recommendation, then, it flows to the other recommendations.

 MR. REDDING: I appreciate that. The conversation around the incentives and consequences, though, as it’s presented in two, they are pretty well defined. I mean, there’s going to be, you’re not going to participate in USDA programs unless you do certain things. I just, I think that’s a hard sell around this table.

 And you get 10 feet out of Washington, and that’s going to be a very long conversation. Right? Because folks aren’t going to, they’re just going to look at that as an overreach.

 MR. JAFFE: Right. But just can’t we put in there that this is an important concept and the Secretary should figure out ways to incentivize it like he does with conservation, like he does with nutrient management and other things.

 MR. REDDING: That is a different --

 MR. JAFFE: And not go into the weeds. And not go into the weeds –-

 MR. REDDING: That’s a different conversation.

 MR. JAFFE: -- about which program or which thing.

 MR. REDDING: So with that type of language, that type of tracking on a recommendation get closer to, Michael, what you would envision as being acceptable in the recommendation?

 MS. BATCHA: Well, I think what I said just a moment ago, Russell, was that the concept was what was important, and that there are both incentives or disincentives and consequences. So for me, you can’t couple those two ideas conceptually.

 If it can be communicated in a way that is less prescriptive, then I think that’s something for the group to discuss around whether or not that opens doors in terms of people’s thinking, and such.

 MR. REDDING: Okay.

 MS. BATCHA: But I think for me, the very important thing is the incentives or consequences. Or to Greg’s point, and again I go back to Mary Howell and the stewardship, it doesn’t pull the rest of what we’re trying to do along by creating a system that holds those things in place. If there aren’t incentives and consequences, then I don't know how we’ve done anything that’s any different than is already being done.

 And without that, when I look at option one I am having a hard time identifying where that is a movement to the middle. I’m not seeing much there that is beyond the current status quo. And so that, I think Latresia has said it well. There’s not enough meat on those bones, and also more to feel like we’ve done much.

 MR. REDDING: Thank you. Jerry.

 MR. SLOCUM: Mr. Chairman, thank you. I’m Jerry Slocum. Most of what I won’t say has already been said by Doug with respect to the triggers, and with respect to the way an insurance vehicle is created.

 In the early, early days of crop insurance in this country, there were products offered in parts of the country that we’re offered in other parts. We couldn’t buy property insurance, revenue protection property insurance in the south until three years after it was introduced across the Midwest.

 So that concept, if you want to call that a pilot, call it a pilot, but however RMA is going to design those products, it won’t be a blanket introduction. And it will be an introduction with triggers in it.

 They will determine what the actuarially sound triggers are. And there will probably be more than one trigger. There will probably be levels of triggers that producers can choose which to buy.

 So I don't think there should be prescriptive number in there, realizing that there will be a prescriptive number or numbers by the people that design the products.

 Like Greg -- and it scares me, Greg, you and I have sat on these things together too long -- there are elements in all three I like. I really can’t support two as it’s written. One would be my preference. But there’s things in three, and I’ve used the word that Greg’s hesitant to use, that codify, that codifies the conversation between farmers.

 We keep hearing, and it does happen, conversations between neighbors, conversation between neighbors. Three, that element in three, it would simply codify that conversation and give the people involved in the conversation a financial incentive to do it, a financial incentive to do it. And I think people on both sides of that fence would respond very favorably to that.

 It would be somewhat of an orchestrated conversation, too, because you’re going to have some people that review that plan and help educate those people on both sides of that fence what it is that plan is about. So to me, I think that’s a pretty strong piece.

 And it sounds like something that’s happening, but there’s no real record of it happening. And I think maybe that’s what it brings to the table.

 And then I think about, well where else can you converse with a guy like me where coexistence is not a great issue on my farm, because the guys around me farm the same thing I farm, and we’re more worried about herbicide drift than we are pollen drift, to be quite frank with you. And we’re more worried about the seed quality, what’s in the sack, than we are pollen drift, too, by the way. So our problems are a little bit different, but they won’t be for long. I’m convinced of that.

 I think a great place to educate me, since I buy GE seed, is in that agreement I sign with Monsanto every year. It tells me what I can and can’t do with the seed, and it tells me there are certain technologies that I’m planting I can only market in certain places. And it tells me all sorts of things.

 But it doesn’t have as aggressive a conversation about what my neighbor might be doing, or what when I’m planting, how it impacts him. I can’t think of a better place to start that education than in that agreement.

 And I think the tech providers can provide that conversation. It’s a great agreement. It’s easy to understand. It’s got all kinds of descriptive pictures in it. It’s got all kinds of examples in it. It’s a good piece. It truly is.

 And I think with some, a little tweaking and a little expansion, it could become a really, really, really good educational tool that would lead us to a better conversation between neighbors; a conversation that we have a way of -- codify is too strong a word, I understand -- a recording of that conversation and incentivizing that conversation between producers. Thank you, Mr. Chairman.

 MR. REDDING: Jerry, are you suggesting that those themes be part of the recommendation --

 MR. SLOCUM: I am.

 MR. REDDING: -- for the compensation. Okay

 MR. SLOCUM: I’m taking, you know, like I do at home, I take the best of what I like.

 MR. REDDING: Right.

 MR. SLOCUM: And that’s what I’m doing. I’m cherry picking.

 MR. REDDING: Okay. Good. Thank you. Mary Howell.

 MS. MARTENS: Jerry and I are in agreement.

 MR. SLOCUM: I knew we’d get there.

 MR. REDDING: There’s a small group that’s building.

 MS. MARTENS: You never know where the middle of the road is going to be.

 MR. SLOCUM: That’s right.

 MS. MARTENS: But for different reasons. I honestly am --

 MR. SLOCUM: That’s okay, though.

 MS. MARTENS: That’s okay. I am honestly quite concerned at number one in that I think there will be very poor buy in, in the organic community. I don't think, you can put together a program, a pilot program, whatever you want to call it, but if you put that out there on the store shelves and nobody comes in and buys, what’s the point?

 We do need the incentivizing. I like the idea of credit on crop insurance because that’s already a program that we’re all in if we’re growing the most vulnerable crops. And it gives, it puts that conversation with neighbors on a positive level, rather than on a negative level and therefore, it’s more likely to create a cooperation.

 So I am definitely in favor of three, but with the understanding that one of the reasons why we need to keep it simple and keep it small is, we’ve got to make sure we have a product that anybody wants to buy, because there’s no point in doing it if the people who we’re doing it for don’t want it.

 MR. REDDING: So your point, are you saying that you need back to this pilot point, or is it just not --

 MS. MARTENS: I like the pilot idea. I like the incentivizing.

 MR. REDDING: The incentivizing.

 MS. MARTENS: So there is something of benefit to both sides of the fence that will make people want to participate.

 MR. REDDING: Yes. Josette.

 MS. LEWIS: This is Josette Lewis. One sort of question across all three that touches upon a point David made, one of the issues with option two that is difficult for me is that it specifically stigmatizes GE producers, as opposed to dealing with IP and non-IP producers at large, which the other, certainly option three is quite clear, it applies more broadly. And perhaps that’s just, I don't know if that’s intentional or not intentional. But I do think it affects the palatability of it.

 But to reiterate a point I made earlier, option two is not acceptable to me because the consequences are not commensurate with the risks, and the shared risks and the shared benefits.

 To say that a GE producer would be required to enroll in this as a condition for access to other USDA supported commodity crop insurance and conservation programs is too strict a consequence relative to the data that we’ve seen and the benefits to the organic producer. So it’s not commensurate. It’s too draconian a consequence for one side of the equation.

 MR. REDDING: Darrin.

 MR. IHNEN: Darrin Ihnen. I guess we were talking about insurance. We’re talking about incentives. An insurance type product is not an incentive. What that does is cover and provide for risk coverage. So I want to make sure that people understand that they’re not the same, at least not on my farm.

 An incentive is something that is on top of your normal balance sheet, per se. So I just want to make that distinction. If there is, you know, CRP is an incentive but crop insurance is not.

 MR. REDDING: But within crop insurance, if you receive some reduction in premium as a result of entering into some type of joint planning, coexistence, that would be an incentive?

 MR. IHNEN: In the premium that would be an incentive.

 MR. REDDING: The premium --

 MR. IHNEN: Yes.

 MR. REDDING: The premium would be incentivized by reducing your premium as a producer.

 MR. IHNEN: Yes. That’s right.

 MR. REDDING: Okay.

 MR. SCHECHTMAN: And I think just to add, I think when this idea was developed, we recognized that that might be difficult to do under the current way that the rules for crop insurance work. But this was, again, trying to follow the Secretary’s instructions of being creative about how you could bring the maximum number of people involved into the mix.

 MR. IHNEN: And so, I guess, to continue on, when we talk about disincentives, I know for a fact disincentives will not sell with the National Corn Growers Association, because we are doing the same thing that the IP producers are doing, is what they want to do on their land. And so if there are disincentives, you’re not going to get buy in from our side.

 And so that’s -– and the only way you could maybe get buy in is if the reward was shared between the IP producer and the conventional farmer, the GE farmer. Otherwise, we’re not going to support any kind of a disincentive because we don’t think we’re doing anything wrong. And so that’s a different conversation, again.

 So I guess I’m going to go back and say, I do like number one option the best. It allows the Secretary latitude. It gives him a chance to collect data, which we’ve said many times over. Search for the data.

 And it gives him the latitude to do a crop insurance model, or maybe some kind of incentivized model, keeps the number out. But again, it gives the Secretary I think what he asked for in the beginning. He wanted some ideas and some guidelines, but he didn’t want restrictions. And so that’s the reason I like number one better than the other two.

 MR. REDDING: I appreciate it. Daryl.

 MR. BUSS: Daryl Buss. I was sharing in the concern about option two in part because of the tone, but also that the engagement of one segment of agriculture was based almost entirely on negative consequences, as opposed to a positive draw. And that doesn’t seem to me to be an effective way to generate any new program that’s going to be endorsed or accepted.

 And so I think that usually in my experience when I see that it’s usually a consequence of having failed to identify a positive reason to do something. So absent a positive reason, we’re going to essentially enter a way to treat lack of participation. And I don't think that’s a place where we really want to be.

 So I think, too, and we’ve also talked about incentives and disincentives as though they are opposite. And in point of fact, one is relatively the other side of the other. If the incentives are adequate, then participation will logically follow, and I would argue, you don’t need punitive actions for someone not to participate. It just becomes a good decision from the standpoint of producers.

 And also, I think the issues of pilot versus not are a bit semantic, because we’ve identified the lack of information in any number of different areas that would require any plan to function like a pilot, whether or not it was designated as one, because it’s going to have to accrue experience that, at least to our knowledge, does not now exist, in terms of magnitude of loss, all of those things.

 So I’m not terribly hung up on whether we recommend a pilot. I would feel better about reiterating the fact that to our knowledge a substantial amount of data does not now exist that would be required to put a very large plan into place. And those processes of data acquisition are going to have to follow. Whether they do it through a pilot or through some other mechanism, frankly doesn’t concern me a whole lot.

 MR. REDDING: Daryl and Darrin, this issue of disincentive, and maybe it’s Laura and others, but can -- so if you have the incentive structured correctly, there shouldn’t be a need for a disincentive. Right? There’s

no --

 MR. BUSS: That would be my argument.

 MR. REDDING: Right. Darrin, your thought? The same? If you have appropriate incentive on the front end to get participation, is there a need for a structured disincentive?

 MR. IHNEN: I would agree with Daryl. If you have a good program and it’s incentivized, then people will participate, but if it’s not a good program, it’s a burdensome program, if there are penalties on the back side, then people won’t participate.

 MR. REDDING: Right. Lynn.

 MR. CLARKSON: Lynn Clarkson. There have been discussions out here about staying out of the weeds. I live in the weeds on a daily basis. I’d be delighted to get out of the weeds. I find it difficult.

 Daily I’m challenged to meet organic standards, non-GMO standards, GMO functional traits. And I have been the one who brought .9 up time and time again. I am prepared to back off of that. It’s an essential number, but it was selected for the following reasons.

 It is acceptable, I think, to many of the people who would tell you face to face, they want zero. So the argument then becomes, I can’t have zero. It’s impractical. So, how low can I go? And .9 gets the US farmer into almost every market in the world today. And it’s practical.

 They’re capable of delivering, and it doesn’t take an onerous burden on the part of any farmer to meet that. So that’s why I was there. There has to be a trigger someplace, and this works. So I will back off my concerns about the .9 standard.

 I like the pilot program. The data that people are asking for, I helped provide the data that’s available, and there are very few companies willing to do it, because it suggests that there might be a problem with the period of existence. So I don't know what grain companies are going to be willing to share the data.

 For the pilot program, supervised by somebody at the USDA with a reputation for discretion, it would be a good source of that information.

 I agree with what Daryl said about incentivizing things. I see a penalty as just the other side of an incentive. But I would tell you that as well.

 Marty has talked on addressing stewardship through the contracts by which seed is provided. I don't think that would be, I think that would be an excellent path of sensitizing people who, in many respects, don’t even believe a problem exists. I think that’s a good place to do it.

 Just one obligation to go along with that, whether it’s if people didn’t follow the stewardship requirements that their seed company wouldn’t sell to them the second year. I don't know how to do that. But I think that’s a good place to do it.

 When I look at these choices that I think you have crafted well, I have difficulty with one for the same reason my colleague Latresia does. Number two, I am willing to back off .9 and let that be established by somebody, someplace, sometime. And number three seems to me to be a reasonable compromise.

 So if what you put in front of me, without changing any of the wording right now, I would opt for number three.

 MR. REDDING: Thank you. Daryl.

 MR. BUSS: Daryl Buss. If I could just come back to the specific number for a threshold, I think it’s already been pointed out that any such plan is going to have to have some sort of threshold.

 It seems to me that in terms of advice to the Secretary I’m not necessarily sure we’re serving ourselves well or the Secretary well by enfranchising a specific number applicable to all crops for all time. None of that seems logical to me.

 It seems we would be better served by pointing out that that sort of threshold, some threshold will need to exist. And that threshold will, in any compensation plan, I would argue, have to be reviewed over time and be both, eventually, crop specific, but also reflect current market and contract strategies, and so on.

 So it seems to me that not only is it not necessary for us to name a very specific threshold, but that it actually doesn’t make a lot of sense to me to do so.

 MR. REDDING: So keeping some latitude there, whether we include that as part of the recommendation or as potentially a general context point, right, because we’ve got several references now to the 0.9 percent in the general context. So maybe we want to modify that, get a look at that.

 MR. BUSS: Okay.

 MR. REDDING: Any other comments regarding options one, two or three? Josette.

 MS. LEWIS: I had a question on option three. It’s either a question for clarification or an inequity. It says that farmers, in the second paragraph there, farmers growing for IP markets who develop an approved joint coexistence plan with their neighbors, would be offered a reduction in their IP insurance premium. A non-IP grower who enters into a joint coexistence plan could be offered a reduction.

 So for the IP side, which in my mind is the side that signed a contract knowingly, is getting a price premium, there’s a guarantee they will get a reduction, but the non-IP, who is not getting either of those benefits, is not necessarily guarantee. And I don't know if that’s deliberate, but it certainly seems inequitable in terms of the incentives which are highly stacked on the IP side.

 MR. REDDING: It’s inequitable.

 MS. LEWIS: On purpose.

 MR. REDDING: Well, no, not on purpose.

 MS. LEWIS: Oh, just open for discussion.

 MR. REDDING: It’s a statement. No. I think –-

 MS. LEWIS: I would suggest it become equitable if we’re trying to bolster the incentive side.

 MR. REDDING: Very good point.

 MS. MARTENS: It should be the same words.

 MS. LEWIS: Yes.

 MR. SCHECHTMAN: I think the intent for having the two different words there was the could version has, they could be offered A or B. It says, they could be offered one or the other. But maybe it’s still better to have would in both cases.

 MS. LEWIS: I’d just say equity in the incentive would be more likely to be successful in this group than the way it’s currently written.

 MR. REDDING: That’s a good point. David.

 MR. JOHNSON: I just want to follow-up on, this is David Johnson, Josette’s comments about the would versus could. We asked this very specific question to USDA AFIS people when we were going through our biotechnology management system. Whereas, if we got listed under the USDA website, and under BQMS, and having gone through all of this, would we be given preferred status on petitions we submit.

 And it was quickly decided that, no, I don't think we will be able to treat you like that. So I guess as I read this, and I understand other programs and how they are going, because it says, at the end of that sentence, our preferred status under conservation programs.

 So here you can imagine, you know, who gets the CRP contract? Does your bid? Does my bid? Did I do this, or do I do that? I think that the word could, you should probably treat it as the word could, because as I understand what we tried to discuss under BQMS, there was no way I was going to get a preferred status on a petition to go through faster or quicker, just because I had gone through BQMS.

 And I think one of the reasons they concluded that, is that a lot of people are adopting those programs. And I think that as we start to incentivize, we put these things in seed stewardship agreements, that we have these coexistence plans.

 And I think that’s a great place to put them. I think it’s a great place for education. That’s why the alfalfa community went through putting them on websites and stuff like that. People are going to adopt that, and pretty soon everybody is going to be doing it, and how are we going to get everybody a preferred rate or a preferred status.

 Because I really think that’s the direction it’s going to happen because this conversation is moving us in that direction. And it’s moving us in that direction in a more rapid way than people think.

 MS. LEWIS: Undermining the preferential.

 MR. REDDING: Barry.

 MR. BUSHUE: Barry Bushue. Just a couple of comments on number three. First of all, I’m curious. I noticed here that you are looking at the possibility of US, where is it, NRCS doing some of this work. I guess I have some concerns about that one, because NRCS already is so limited in funds for technological people to deal with the water quality issues we have. And I think water quality is a much larger problem than is the problem we’re discussing here. I’m not sure how that would function.

 And I also am a little concerned about a program like this being tied in with conservation. I think there are two totally separate arguments. They have two different purposes. So I’m not sure how that works.

 FSA might be the more appropriate, rather than RCS, even though I know that in reality, in the local offices there, they are almost sisters. But I have concerns about the technical expertise and challenges. Michael, did you want to say something before I --

 MR. SCHECHTMAN: I think in putting this together

we were thinking about, you know, what are the possible places where --

 MR. BUSHUE: There you go. Okay. And that’s fine. I’m really not trying to get into the weeds, but that, I have so much to do with NRCS, I just don’t, I think they are already overwhelmed, and I just don’t see a good place there.

 And I’ve also got a real issue in terms of accredited third party providers. This looks like a really good way to guarantee them some dollars that they may not be qualified or necessarily justified in receiving for this.

 I think third party accreditation often times has negative benefits. And if we’re going to have a government program, I’d much rather have the government do it. Trust me. I’m not a huge fan.

 MR. REDDING: We get that. Thanks for that clarification.

 MR. SCHECHTMAN: That’s the best backhanded compliment I’ve had all day.

 MR. BUSHUE: I’ve always viewed you as an exception, Michael.

 MR. REDDING: The third party providers, when putting this together, were folks through the conservation districts who were plan writers and reviewers and folks who are sort of deputized, if you will, to do that. But they do the private plan development. That was the third party concept. Okay. Doug.

 MR. GOEHRING: Doug Goehring. To Barry’s point, I think if you’re going to move down this road, there’s probably two other entities you could access to do some of this that would have the expertise and the ability to work on these type of verifications. That would be Extension that exists in almost every state, and also State Departments of Agriculture, many of whom actually deliver and work with the organic programs already. So you would have some ability there. Plus they work with third-party verifiers who are trained and do know.

 And I understand the point that Barry raised, but there is that ability that if you have those entities working together, they could actually administer that part of it without NRCS being tied up in this, who doesn’t necessarily work on these types of methods, systems, or practices.

 MR. REDDING: That’s a good point. Some other, even capital would be helpful. All right. Mary Howell and then Marty. I’m sorry.

 MS. MARTENS: NRCS really isn’t the right place for it. But because FSA already is communicating with our insurance agents over crop insurance, there’s already a sharing of information. I know our crop insurance agent goes directly to our FSA office and collects all the information he needs on acreage and everything. And then he comes and sees us. So they all know everything about us already. So it would be the better place to have it.

 MR. GOEHRING: Including satellite photos.

 MS. MARTENS: Oh geez. The other place that is very logical for us organic farmers, we have an organic system plan, which includes maps, and includes all sorts of other information which then all of the certifiers are accredited by USDA, therefore, that information is accessible by USDA.

 But it certainly does make sense to link it into relationships and linking of information that already exists. And I think that that’s really important to make it as simple as possible without too many extra lawyers of new agencies or new groups involved.

 MR. REDDING: That’s a good point. Marty.

 MR. MATLOCK: Marty Matlock. Amen. We’re working with the Keystone Alliance in the field of market, Alliance for Sustainable Agriculture is working with NRCS on this wicked problem of water quality.

 And it really comes down to knowing what your neighbor is doing so you collectively can manage your watershed to reduce water quality impacts in agriculture; and also understand what else is happening in your watershed so you can distinguish between your water quality contributions and urbanization, and road building, and other things in the landscape, so you don’t get blamed for everything because you happen to have a tractor, which is what’s happening in most urban watersheds, or agricultural watersheds, I might add.

 So this notion of integration for efficiency, integration for effectiveness, and integration to reduce the burden on the farmers themselves so that you have a connected body of information so that you’re not, you’re sharing enough, but not too much with your neighbor; and you’re sharing enough but not too much with the government; but you’re sharing enough so that you can make wise decisions, better decisions about your own profitability, I think is absolutely key. And so if you can articulate that, it would be beneficial.

 MR. REDDING: Very good. Great discussion. Leon, you want the final word before we break here for public comment?

 MR. CORZINE: Okay.

 MR. REDDING: Okay.

 MR. CORZINE: I would like to go back and say, I support the option one. We’ve already talked about taking the number out. And we’ve got language that addresses it really well and gets us to wherever that trigger ought to be.

 And I wonder if it’s palatable. There are a lot of things in two and even three that I have a lot of problems with still. And around the concept of a pilot program, I’m wondering if, there are so many loose ends that we’ve been talking about like who, what, where, you know, what data. It just seems really difficult to me, and we’re a little bit of getting the cart ahead of the horse.

 And that’s my trouble with a pilot program. We just aren’t, we’re really shooting in the dark, because we don’t know. And generally if you have a pilot program, you may be shooting in the fog, but you’re not shooting in the dark. Okay. And you really are in this case.

 So what I would wonder, and I haven’t really had discussion about his is, are we really talking about a research project of some sort that we could recommend to look into these specific things?

 And to me, that would do more than a pilot program would, and could be done more quickly without going through a pilot program of insurance that you’ve got to do this, you’ve got to do that, you’ve got to jump through all these hoops or go over these hurdles to get to that point.

 If you could specifically, if we could recommend that, okay, we want a project to do this and this and this and this. And USDA could do that. Sorry?

 MS. WILSON: And the research that we’ve got to think about.

 MR. REDDING: Yes.

 MR. CORZINE: Okay, well --

 MS. WILSON: As I was saying, Latresia Wilson. Page 16, I guess, of the original research.

 MR. CORZINE: I’ve only got 14.

 MS. WILSON: Okay.

 MR. CORZINE: But to me, I would like to see something like that explored, because I really think we ought to have a few answers to a few things, or back to my analogy of not shooting completely in the dark. I think it could be more effective. And then maybe we get to a pilot program from there. I don't know.

 But I think this is a step that we need something to answer some of these questions. Because we can banter it back and forth. We don’t have answers.

 MR. REDDING: So that may be the middle point between nothing and a pilot is research. Right?

 MR. CORZINE: And I’m always, I’m right with you trying to get that middle ground.

 MR. REDDING: All right. So let’s keep thinking about that. The conversation is great. I think we’re going to do the public comments. We’ll do a very quick break. So hit the restroom. Come back. Public comments, and then we’re going to pick up with the conversation and try to resolve what that recommendation one will look like. Okay.

 (Whereupon, at 3:06 p.m. a brief recess was taken.)

 MR. REDDING: Now is the scheduled period for public comment as provided for under the Federal Advisory Committee Act. Each person who has signed up will be given no more than five minutes to speak at the microphone, which will be here at the back, the microphone stand.

 Please provide Dr. Schechtman with an electronic copy of your remarks. We intend to post the text of your remarks on the Committee website.

 I’d like to note to Committee members that this is a time to receive comments from the public, and this is an important and mandatory function of the Committee. It is not, however, intended as a dialogue with comments. There will not be a back and forth with members of the public at these meetings. So for the first --

 MR. SCHECHTMAN: And also, just to remind everyone that there are comments some of which are the remarks of people who are speaking today, and some of the ones that we have are comments that we received only electronically of people who are not here. They are in a notebook by the sign in table. Please take a look at them before you leave today, members of the Committee. Okay. Thank you. Sorry.

 MR. REDDING: Thank you. To begin, the Center for Food Safety, Sharon Parone and Abigail Seiler. Dr. Schechtman will give you a one minute notice.

 MS. SEILER: Okay. Thank you. Hello, Committee. My name is Abigail Seiler. I’m speaking on behalf of Colin O’Neil, the regulatory policy analyst at the Center for Food Safety. The Center has presented public comments to the AC21 on behalf of our over 200,000 members, as the Committee was reconvened.

 Yet continually the recommendations that we and other engineers have provided in our public comments have fallen on deaf ears. And we are very concerned with the narrow and imprudent focus of the AC21’s draft final report.

My comments today are an abridged version of a position paper that was submitted to the Committee prior to the meeting.

 Despite US Department of Agriculture’s responsibility to enhance most agricultural markets at home and abroad, this policy and practice of permitting the unrestricted use of GE technologies cuts off valuable export markets and expedites the dominance of genetically engineered, GE cropping systems above all other forms of agriculture, particularly in the face of transgenic contamination.

 Preventing GE contamination should be a primary goal of the USDA’s biotechnology program, and should be the backbone of any AC21 recommendation to the Secretary. Mandatory contamination prevention measures are critical not only to stop transgenic gene flow, but also to preserving the future success of all types of US agriculture. Compensation does not equal protection from transgenic contamination.

 Without USDA enacted and Agency enforced restrictions and limitations on GE technology, organics and conventional guards remain largely unprotected from contamination by GE crops, that have been deregulated and commercially run.

 This lack of protection ensues even despite the routine efforts, time and money farmers expend to prevent contamination, which include creating buffer strips, wind breaks, hedgerows, and temporal and spatial isolation of their crops.

 Moreover, since USDA has never mandated restrictions on the planting of GE crops, there is little empirical evidence to demonstrate how contamination can be prevented.

 The AC21’s charge of identifying compensation mechanisms to address the GE contamination problem assumes that contamination is an acceptable cost of doing business for organic, identity preserved, and IG farmers.

 The charge follows the logic that as long as farmers are adequately compensated, contamination is permissible and GE can coexist with all other forms of agriculture. This is simply not the case. Compensation for contamination does not in any way equate with coexistence.

 On the contrar,y USDA’s so called coexistence policy merely normalizes contamination in the face of market losses, and legitimizes the continued and impeded use of GE technology, unimpeded.

 GE contamination is a causable injury and can be traced back to the source of contamination, the GE patent holder. Therefore, it is the duty of a GE patent holder to prevent contamination. It is not the responsibility of organic or non-biotech growers to purchase insurance or to pay into a fund to compensation for the economic cost of GE contamination.

 The institution of organic crops, seeds –- sorry. The restitution of organic crops, seeds and soil and a full range of other social and biological damages that result. The Center opposes any compensation mechanism that requires organic, IP and conventional non-GE growers to purchase insurance or pay into a fund to compensate themselves for unwanted GE contamination.

 This proposed scheme of penalizing the victim is fundamentally unjust, threatens farmers economic viability, and fails to address and prevent the root cause of the problem, GE contamination.

 Furthermore, the Center calls upon USDA to institute an immediate moratorium on the approval and planting of new GE crops, unless and until contamination of organic, IP and non-GE conventional crops can be scientifically proven to be preventable.

 This proposed scheme of penalizing the victim is fundamentally unjust and threatens farmers’ economic viability and fails to address and prevent the root cause of the problem, GE contamination.

 Furthermore, the Center calls upon USDA to institute an immediate moratorium on the approval and planting of new GE crops unless and until contamination, organic, IP and non-GE conventional crop can be scientifically preventable.

 For those crops that have already been deregulated without restrictions, as per the current USDA GE policy, CFS calls upon USDA to do the following.

 Require ongoing government oversight of GE crop planting and the monitoring of gene flow, resistant seed contamination, monitory changes in pesticide use and toxicity from the planting of existing deregulated GE crops to provide a basis for ascertaining the health and environmental effect of increasing GE crop production across the US.

 Establish a set of mandated best practices to prevent GE contamination by all farmers who use GE technologies. And require GE farmers to institute concrete contamination prevention measures on their farms to supplement those already being used by organic growers.

 Immediately create a GE contamination register so that USDA can track and eliminate known sources of GE contamination across the supply chain. This will ensure that non-contaminated foundational seeds not only remain a source of our national heritage, but also can be used for public plant breeding in perpetuity.

 Acknowledge that liability for gene contamination elimination, economic damages from lost markets, and restitution for adverse livelihoods impact much rest with the GE seed patent holder. Thank you.

 MR. REDDING: Thank you.

 MS. PARONE: Hi, my name is Sharon Parone from National Organic Materials. And I’m speaking on behalf of National Organic Coalition, of which the Center for Food Safety is a member.

 The National Organic Coalition is a national alliance of organizations representing organic farmers, environmentalists, consumers and other organic industry member concerned about the integrity of the national organic standards.

 The goal of our coalition is to assure that organic integrity is maintained, that consumers’ confidence is preserved, and that policies that effect the wider organic community are fair, equitable, and encourage diversity to be NOC’s position.

 NOC has been following the AC21 process since its inception, and has read with interest its final draft report. The recognition within this final draft that farmers who choose not to use GE technology to grow their crops have the right to do so is an important point. And we’re gratified to see this statement.

 However, we are extremely disappointed with the narrow scope of the recommendations and the community’s failure to seriously address farmer and consumer concerns about the unwanted contamination of our food supply with genetically engineer organisms.

 The report’s fundamental definition and presumption of coexistence falls short of addressing the heart of the concept, facilitating all forms of agriculture and not allowing the use of one technology to preclude the use of others in this field or marketplace.

 We believe that it’s the responsibility of the USDA and this advisory group to ensure fair farming for all. Yet the failure of this Committee to address the prevention of GE contamination issue head on by addressing the problematic nature of this technology would suggest instead that some type of after the fact compensation mechanism will be sufficient to address contamination falls short of dealing with the reality of the issue.

 Can you imagine what it would be like for an organic farmer, who has no desire whatsoever to farm using GE technology to be asked to buy insurance to cover the cost of contamination from which they derive absolutely no benefit and only costs? Yet this is the compensation mechanism that brings the greatest support from AC21 members.

 Clearly there is something wrong with this picture, and the proposal to blame and penalize the non-users of GE technology to pay for their own compensation.

 While we support farmers being compensated when their crops are contaminated by GE organisms, we believe that compensation in the absence of GE contamination prevention measures put in place by the patent holders of this technology merely perpetuates this contamination suffered by organic and non-GE conventional farmers. This ill-conceived idea of penalizing the victim is unjust.

 The draft’s final report’s suggestion that cultivating neighbor to neighbor relations is the best strategy for minimizing GE contamination provides little comfort to organic growers. The problem of unwanted contamination is not just between farming neighbors since pollen may travel much farther than adjoining fields, and does not address their mechanisms of unwanted GE contamination, such as seed, or post-harvest handling.

 While good relations between neighbors is a start, they provide no legal finding or reliable assurances that concrete contamination prevention measures will be taken by GE technology users, particularly when deceiving ones arise.

 The report’s assertion that GE crops do not create risks novel to agriculture have been debunked time and time again. With the discovery of super weeds and the out processing of GE crops with wild opinionated relatives, as well as other agronomic, environmental and socio-economic challenges, these serious threats to farmer livelihoods require solutions that extend far beyond any temporary or minimal relief that compensation can provide.

 Moreover, consumer preferences cannot be ignored. In many domestic and international marketplaces, consumers reject products that contain novel GE traits. This continues to pose new economic risks for farmers, and it would continue to do so even if they were insured.

 In conclusion, organic can no longer be considered a marginal sector of the US economy. We urge participants of this community to not join the consensus of the text of the AC21 draft final report. The work of the AC21 Committee should include a more thoughtful and detailed description of USDA mandated measures needed to prevent GE contamination.

 The recommendation that GE contaminated farmers buy insurance to pay for unwanted contamination should not be part of the Committee’s recommendation to the Secretary.

 Moreover, AC21 should urge USDA to reinvigorate classical breeding for public cultivar development to ensure improved and unique breeding lines and varieties are available to all farmers and breeders. This will facilitate breeder choice and options in the marketplace. Thank you for your consideration.

 MR. REDDING: Thank you. Genna Reed, Food and Water Watch.

 MS. REED: Good afternoon. My name is Genna Reed, and I am a researcher for Water Watch, a Washington based national consumer advocacy organization supporting safe, accessible and affordable food to consumers and fair access to markets for farmers.

 I thank you for the opportunity to comment today on the Committee’s draft recommendation to Senator Vilsack. I’ve had the opportunity to attend all this Committee’s meetings, and have made comments urging Committee members to understand coexistence as not just a farmer to farmer problem, but as a bigger issue involving farmers, technology developers and the USDA.

 After reading through the AC21 draft recommendations, I’m disappointed with the Committee’s inability to capture the scope of the problem at hand, and to suggest recommendations that would sufficiently cover those most affected by potential economic loss by gene flow.

 There are some fundamental flaws in the recommendations. First, coexistence as we know it depends on stopping GE contamination altogether. Since the introduction of GE technology, balance in agriculture had been diminishing.

 This is not a problem that affected farmers until GE seeds came on the market. It is unacceptable that we have to be content with some foreign impurity in our agricultural seed stock rather than working hard now to ensure that seed purity is detected from GE gene flow in the present.

 Instead of stopping GE contamination in its tracks, USDA has made the approval process for these crops even more streamlined. Food and Water Watch urges USDA to enact a moratorium on GE crop approvals until the Agency draws a stronger stance on contamination management in agriculture.

 Crops currently in USDA’s deregulation pipeline, like stacked herbicide assisted crops, and cost of industrial and pharmaceutical purposes will raise new coexistent issues which should be considered before their approval, not after.

 Second, it is unfair that those being harmed by GE contamination most are the ones that would be responsible for also paying into an insurance program. During the past plenary meetings there has been almost no discussion about the idea of compensation fund paid into by the technology patent holder. The liable party for contamination should be the patent holder of the gene technology, not the farmer who grows the seed.

 The companies that profit from the technology should build a fund from which contaminated farmers can be compensated. The recommended crop insurance mechanism in which the nonusers and harmed parties are paying for insurance for a risk from which they are not at all benefitting would set a dangerous legal precedent in dealing with these types of issues in the future.

 Aside from the fact that organic and non-GE growers should be responsible for their harm from GE contamination, the crop insurance mechanism would not even work right for organic growers.

 Often organic growers that are reimbursed for losses at conventional prices, instead of receiving a premium associated with specialized production. Many other organic or specialty crop growers deny them access to crop insurance because there is less risk associated with these crops.

 Even if crop insurance are the answers to compensation questions, there would have to be several reforms to its accessibility and to (indiscernible) for organic and non-GE specialty farmers.

 Third, it is unacceptable that the recommendations do not feature the USDA as an integral part of the resolution of the situation. USDA must put its resources into researching, tracking, analyzing incidences of contamination and associated economic losses on a coexistence database.

 USDA should also monitor that GE and non-GE growers are following best management practices. And the USDA extension service should be involved in helping to educate GE, non-GE and organic farmers about this growing problem and the best way to avoid contaminating or being contaminated by neighbor’s fields.

 Earlier this month the Oregon Department of Agriculture announced that it would be allowing canola plantings in the formerly protected zone of the Willamette Valley. Farmers are up in arms about the potential for the promiscuous gene canola to contaminate specialty vegetables used, like canola’s cousins, cabbage, cauliflower, broccoli, brussel sprouts, kale, turnips, kohlrabi.

 Some organic handlers and buyers have already threatened to begin sourcing outside of Oregon, due to the high potential of ruining the seed. This Committee cannot possibly think that some of these specialty farmers would be impressed with the idea of paying into an insurance program to protect themselves from the farming decisions they did not make.

 The recommendations as they stand simply perpetuate the status quo, allowing GE gene flow to continue and harm to farmers to continue to pay for economic losses due to no fault of their own. It is incredibly important that these fundamental flaws be addressed in the final draft of the AC21 Committee’s recommendations. Thank you.

 MR. REDDING: Thank you. Scott Sinner, SB&B Foods out of North Dakota.

 MR. SINNER: Good afternoon members of the Advisory Committee on Biotechnology and 21st Century Agriculture. My name is Scott Sinner. I am a fifth generation farmer in both a family farming business and exporting business located in North Dakota.

 Thank you for the opportunity to appear before you today to provide my views concerning your draft report dated August 17th, 2012. I am also here presenting on behalf of the Northern Food Grain Soybean Association.

 Our association is a regional group of producers, processors, and marketers of identity preserved non-genetically modified food grade soybeans that directly supplied food manufacturers worldwide. Our best estimate is that the companies in our association handle soybeans for approximately 300,000 acres in the upper Midwest.

 After receiving and reading your draft report last week, let me say that we appreciate the dedication and work of the AC21 Committee members to try and develop workable solutions for the support of coexistence in production agriculture.

 I must also be honest and express our disappointment of not knowing anything or just now learning about this process that currently started sometime in 2011. We have a knowledgeable group of experienced producers and exports that have provided valuable input.

 Our immediate reaction to your suggestions for developing a crop insurance product to protect an IP producer from GM presence was that it is not only unnecessary, but actually could create a change in attitude for the producer growing the IP grain under contract.

 Our members have discussed this idea, and the consensus was that less than 1 percent of all deliveries to our facility by producers are rejected due to GM presence. Combine this with the fact that our tolerance level is less than 0.2 percent, you will quickly understand that producers are doing a good job of delivering a product that is acceptable to contractual specification.

 The concern we have with an insurance product is that it very likely could reduce the incentives for the IP producer to meet contract specifications. Furthermore, what prohibits a producer from signing an IP contract with no intention of delivering an IP product and then collecting on the insurance.

 There are many excellent points made in your report. Your second bullet on page three clearly notes that risk mitigation tools have evolved an improved over time, and are being used successfully. A good reason for this is education.

 When producers enter into a contractual agreement for the production of IP crops, they are being well educated by the companies offering the contracts. In addition, we agree with your first bullet on page five that simply putting in place a compensation mechanism to address economic losses to farmers arising from unintended GM present would completely eliminate such intended presence. In fact, we would argue that it could actually create higher levels of GM presence.

 We also like your comments in several areas of the report that relate to strengthening neighbor to neighbor relations with neighboring producers and creating incentives for better cooperation and good stewardship. This ultimately is a win-win for all involved, and would go a long way to help mitigated most of the coexistence issues.

 For the same reason, if an insurance program was, in fact, implemented, your option three under recommendation one, we believe is a more positive approach along with recommendation three.

 Regarding your seed quality statement on bullet one on page 19, we do not necessarily agree that there has been unified industry commitment to ensure that quality seed for the IP non-GM producers contains no or even low levels of GM presence. Regularly IP non-GM producers that purchase seed supplies from private seed companies are not allowed to pretest seed lots for GM presence prior to purchasing.

 It is important that recommendations be considered to improve the relationship and trust between seed companies and producers to ensure producers they are buying a crop that will meet his or her contractual obligations. The recommendation five is a very good initial step to make this happen.

 Finally, let’s be candid and agree that currently the most significant issue related to coexistence is the unintended GM present in agriculture production. Your final bullet on page three indicates that GE products are legal and have been evaluated by scientific experts and regulators to determine as safe for humans.

 Please understand that many consumers and food manufacturers internationally dispute this consistently, and argue the validity of the scientific claims. It is important that the agricultural community recognize these global concerns and do everything we can do to support coexistence of American agriculture.

 Again, thank you for the opportunity to present our views. And I’ve got brochures from Northern Food Grain Soybean Association. So if anybody has any questions they can contact us.

 MR. REDDING: Excellent. Thank you. Michael Sligh, RFAI USA.

 MR. SLIGH: Good afternoon. Thank you for this opportunity to visit with you this afternoon. I appreciate the devotion all of you have given this serious question. I also particularly thank the farmers for coming out at such a difficult time.

 I’ve tried to participate in this process, as I did in the original Board of this process. I think that we have to recognize that a respectful dialogue is very useful. And it may actually end up being more important than you agreeing on all the points at the end, because I think if we can get a greater understanding of what the real problems are, we are making some progress.

 However, I think these issues are not going to go away. They are just going to become more complicated, especially if these functional traits do come into the marketplace. We have looked at your recommendations, and we have some suggestions.

 On the clarity of purpose in your definition of coexistence, we would strongly urge that you add a phrase about one marketing system or marketing stream not imposing on others; otherwise, I don’t think we’re really giving it the essence of the issue here. I think that is why we are here.

 Secondly, we do support the need for additional research and outreach. We think that is important to do. We think that we do need to establish additional baselines of impact. However, I would urge for a much wider scope of analysis in order to get a true and accurate picture.

 I don't think we can fairly assess the magnitude of the impact without a much more comprehensive approach. For instance, USDA under its existing authority over seed quality could test the initial seed, foundation seed of the crops in question, and we could have a baseline of what is the contamination in our existing conventional seed system. That would be valuable information to this process.

 While we are very strong proponents of fair contracts to farmers and farmer education, we would not agree with the very narrow focus on that education. We would urge you to do education to all farmers who sign contracts. I think the GMO contract farmers should also get education as well. In my experience, those are complicated contracts. And they warrant scrutiny as well.

 We would also urge you to look, in conducted research, at the harm and cost incurred, if you take a much wider look at the unintended consequences, and not just the cost borne by the non-users. We must look at the effects of the technology on society as a whole, and on the technology users as well.

 We have all listened and discussed the pros and cons of the various compensation funds. We’ve been around the barn two or three times. I’ve come away with a few just kind of concrete observations. One is that private property and responsibility and benefits of ownership are bedrock American principals.

 If my bull gets out and damages my neighbors crop or herd, I am responsible. We shouldn’t do anything here that undermines that bedrock American value. I don’t think we should be asking taxpayers to pay for this. And I don't think that they would agree to it if you asked them.

 There’s a lot of talk about crop insurance. It’s the panacea to all our problems. But I’m fairly convinced that’s the wrong tool for the right problem. I think it, if you look at the current farm bill debate, crop insurance is already quite a lightning rod. I think adding this to that mix might be quite problematic.

 I don’t believe the taxpayers nor either the farmers involved in the crop insurance issue would want to make cuts in the existing farm programs to pay for this. So I think that’s a real problem.

 And then I think, you know, my granddaddy said that if you find yourself in a hole, the first thing you are supposed to do is stop digging. I’m not sure that we’ve done that yet. So thank you.

 MR. REDDING: Great. Thank you. Barbara Glenn. Crop Life.

 MS. GLENN: Good afternoon. I’m Dr. Barbara Glenn. I’m the senior vice president for science and regulatory affairs for Crop Life America. And Crop Life America is the nation’s premier association for the crop protection industry.

 Mr. Chairman and AC21, CLA commends the Committee for its work over the past year in response to the charge it was given by the Secretary of Agriculture. Indeed, I’d like to commend you for this morning mentioning neighborliness, education and research, all three vital parts of modern agriculture today.

 In our first comment, CLA urged AC21 to conduct an honest analysis. The outcome of your deliberations has the potential to impact our industry immensely because we are Ag biotech, and Ag biotech is us, vice versa.

 From CLA’s observations, however, in review of the AC21 minutes, we contend that the Chairman’s draft report has several limitations regarding the recommendations focused on compensation. So, first, regarding the recommendation one.

 The Secretary’s charge says, if any, for a reason, based on the evidence presented that no data on economic loss was presented, and on the principals of identify preserved agriculture, really the most defensible recommendation at this point as I stand here today is that no compensation mechanism is justified.

 CLA strongly urges AC21 to recognize that the honest recommendations that no mechanism is needed. So notwithstanding our current view, the evidence of actual economic loss is provided in the future. And while we have reservations, option one is clearly the more defensible recommendation, based on the context outlined in the report, given that no data on economic loss has identified that option one is really a compromised recommendation.

 So CLA urges revision of option one, first of all, to state that it’s not only the Secretary but it is with agreement of inter-agency consultation that he or she may then make a request of Congress. But with this addition then Crop Life America strongly urges adoption of option one, recognizing again that this, indeed, is a compromise position.

 Second, the evidence and discussion that the AC21 has considered has not justified establishing a pilot program at this point in time. And therefore CLA does not support option two or option three.

 Thirdly, regarding the setting and insurability trigger and a .9 percent threshold, we oppose any endorsement of specific marketing standards in the report. The unintended and vast regulatory foreign trade and market consequences that have been discussed at length indicate that this is not appropriate. To our knowledge, AC21 really doesn’t have the technical expertise. I think this has been mentioned, and hasn’t really done the due diligence that would justify establishing this specific marketing standard.

 We feel that the marketplace is the appropriate mechanism to establish a range of appropriate thresholds, based on what is on deal to meet market demands for different crops, technologies, and production practices. So therefore, CLA strongly urges deletion of the .9 percent or any other number or specific market standard from the report.

 So in conclusion, CLA urges the AC21 to complete your honest analysis, take credit for having identified that there are no economic loss data. Someone said, that’s just status quo. That’s not status quo. That’s a huge effort that you’ve achieved.

 The solution going forward must comport with US modern agriculture, including our science-based regulatory process, international trade and markets supporting both US and international food security.

 Option one of the chairman’s draft report is indeed the best, honest conclusion. We thank the AC21 for all of your work, and we look forward to future deliberations. Thank you Mr. Chairman.

 MR. REDDING: Thank you. Kristina Hubbard, Organic Seed Alliance.

 MS. HUBBARD: Good afternoon. My name is Kristina Hubbard, and I’m the director of advertising and communications for Organic Seed Alliance. I want to thank the Committee for your ongoing efforts with this difficult task.

 My comments are quite lengthy, so I’m only going to share a few items here publically, the rest in a written form later this week. I did also submit for public comment my comments from May, out of that is, that are results from a senior district survey I conducted to look at some of the challenges organic seed companies are facing when it comes to the unintended presence of genetic engineered material and the seed they are selling.

 I’ve also provided an article that was recently accepted for publication in the peer review journal, Agriculture and Human Values, that focuses on coexistence. Mr. Dalton actually uses Roundup Ready alfalfa as a case study to look at the current regulatory framework for agricultural biotechnology. In conclusion, we pointed to the need for cohesive and comprehensive coexistence policies here in the United States.

 For starters, I’m glad that Dr. Schechtman mentioned earlier the need to re-present the definition for coexistence. So I’m not going to get into that. But it does sorely lack a main element which is, yes, these production systems are happening in the vicinity of each other, but the whole goal is for them to impact each other as little as possible. So if these different systems were successfully coexisting, I don't think we would be here today.

 I’d also like to quickly respond to some comments by members that I’ve heard today that demonstrate a sentiment that there is still, to their knowledge, is no problem worth talking about.

 And I think this sentiment, sustaining an assessment, this sentiment only alienates those farmers and other agricultural community members who are not here in the room with us today who have received economic harm, or at risk of economic harm, but are having a difficult time communicating this out of fear to their reputation.

 Organic Seed Alliance agrees that we want to protect neighbor relations. We want to avoid litigation. And we don’t want to pit farmer against farmer. Yet the recommendations, as I read them, lack two essential principals that would move the US toward appropriate policies and tools. And these principals include fairness and prevention. And without them, I fear that we are setting a dangerous precedent.

 When it comes to compensation, we are in support of some type of compensation mechanism. However, throughout these recommendations, the crop insurance model is hailed as a promising mechanism in cases of unwanted genetic mutated material.

 And we understand that the purpose of these recommendations is to avoid administering blame. Yet such a purpose should not side step the central question and that is, does the proposed model adequately reflect the responsibility of all players?

 I don’t want to go on and on about what is required to certified organic producers. You know that they have to follow a mandated organics systems plan which includes mitigating gene flow to avoid excluded methods like genetic mutated material, as well as prohibited substances.

 Some of these organic producers, including farmers that my organization works for, works with, are paying for testing. Some divert higher valued products to lesser value markets when unwanted gene material is found. And in so doing, they are taking personal responsibility for prevention, monitoring, and eradication to protect consumer choice, the integrity of the organic label and their reputation.

 I’ve heard that we don’t want to continue the status quo. Yet the status quo right now is for owners and users of genetically engineered products who do not share in this responsibility for preventing impacts of their technology. And there’s no requirement for them to do so.

 The article I mentioned earlier that will be published in Agriculture and Human Values details how we largely rely on voluntary compliance, both before genetically engineered products come to the marketplace, as well as after.

 The compensation plan that we do support is, while it was only briefly noted in these recommendations, is one where the compensation plan would be paid into by technology owners.

 And the recommendations note that if technology providers painted this compensation fund, it might signal the consumers that the products aren’t safe. And I’m not sure I agree with that. I think it really only speaks of the fact that we’re dealing with what is essentially a living technology that cannot be contained.

 And lastly, I just want to reiterate something that Mr. Sinner, I believe, mentioned. And that is, earlier, there were comments among some members that were more or less encouraging less transparency in this process.

 And I find that pretty upsetting, as I found out about these recommendations a few minutes ago, I know of many farmers who would love to be here to weigh in with comments, and certainly could not be here today because this process has not been that accessible.

 So I encourage you to remedy that by putting out

public notices sooner, and engaging as many members of the public stakeholders who will be affected by these decisions as much as possible. Thank you.

 MR. REDDING: Thank you. Chris Ryan, Beyond Pesticides.

 MR. RYAN: Chris Ryan. I’m speaking on behalf of J. Feldman, director of Beyond Pesticides. Beyond Pesticides was founded in 1981 as a national grassroots membership organization that represents community-based organizations, and the range of people who seem to be curiously interested, consumers, farmers and farm workers, advances to improve protections from pesticides, and alternative best management strategies that reduce or eliminate a reliance on pesticides. Our membership and network span 50 states and groups around the world.

 We appreciate the Committee’s hard work in developing the AC21 report, and look forward to following this process and ensuring equitable coexistence for all American farming communities. However, we have serious concerns regarding certain elements of the draft report.

 We would like to see more attention given to the prevention of contamination, and more balanced allocation of responsibilities among all parties, so that all involved are working toward the same goal, and have equal investments and opportunities to attain successful coexistence.

 The most critical issue that we would like to see addressed is the definition of coexistence as outlined in the report. Without a solid understanding of the central concepts, any plans for implementation would be ultimately frivolous and would lead to only more conflict and misunderstanding in the future.

 The current definition in the draft report falls far short of the true understanding of what is to coexistence, and lacks any assurance that the involved parties would receive the necessary protection required in order to effectively coexist.

 Specifically, as you’ve heard from some of the other comments yesterday, we suggest an inclusion of the phrase in the definition stipulating that all parties are entitled to assurances against trespass from genetic drift.

Coexistence of any kind should include a shared understanding of boundaries and a requirement to respect those boundaries.

 Without any guarantee that coexistence will

ensure cultivation without trespass, organic and other non-GE farmers will be at a significant disadvantage. And some called coexistence will result in a severely imbalanced system.

 Responsibility for ensuring this guarantee should be shared equally among organic, non-GE and GE farmers alike. A system in which organic and non-GE farmers are forced to expend resources to protect themselves from the choice of other while potential trespassers are merely allowed to go about their business is not equitable coexistence and it’s not a permanent solution. Sadly, this is precisely the system that has been proposed in the draft report as option one.

 Additionally, the draft report suggests a compensation in the case of genetic contamination as the most proper mechanism for ensuring perpetual coexistence. If contamination occurs and harm is done, appropriate compensation should always be determined to be made available to all affected parties.

 However, it would be more proper to put enforceable measures in place to prevent contamination in the first place, thus minimizing the issue of determining compensation in most cases.

 The report can set this idea by suggesting the cultivation of good relationships between neighbors with separate production methods as a way to avoid contamination.

 While this is always a good start, it is by no means a solution to the issue of genetic trespass. Much greater emphasis should be placed on the adoption of preventive measures by all parties in order to minimize circumstances in which contamination could occur.

 Organic producers are prohibited by the Organic Foods Production Act, as you know, from using any crop materials that are genetically engineered. Consumers have come to expect and demand that organic foods are free of GE materials.

 Based on these expectations, some retailers and processors specializing in organic products will test shipment of organic material they receive to ensure that they are not deceiving their customers.

 A rejection of a shipment from a large retail store can be financially devastating to an organic producer, and crippling to a farmer’s reputation to meet the standard and consumer trust. This can happen despite the farmer’s best efforts, and be entirely due to forces outside of his control.

 It is time to rectify this by creating a truly balanced and equitable system of coexistence. The draft report as it now stands is incapable of creating such a system. And we urge the members of the Committee to rewrite the report in order to ensure that concrete measures are included to prevent contamination and to more appropriately balance responsibilities among all involved. Thank you for your consideration.

 MR. REDDING: Thank you. Nick Maravell, Nicks Organic Farm in Potomac, Maryland.

 MR. MARAVELL: Good afternoon. I have asked for copies of my comments to be handed out, but I’m just going to point out, in listening to your conversation I have made some additions to those. So what I’m about to say will not be exactly what’s written there.

 I’m Nick Maravell, an organic farmer for the past 32 years. I operate Nicks Organic Farm in Frederick and Montgomery County, Maryland. We raise certified organic corn seed, soybean seed, small grain seed, porridges, vegetables, spreads and livestock.

 I do not want to participate in any of the compensation options as currently presented in the Committee report. My reservations are discussed, many of my reservations are discussed in the draft, except the key argument that non-GMO, that the non-GMO farmer, the general taxpayer should not be asked to pay for the damage created by another party.

 I fully support recommendation number three concerning development of mitigation measures, and recommendation number five, recommending the commitment to maintain the purity of the USDA commercial germplasm collections.

 Given the prevalence of GMO technology in many commodity crops, I support in principal recommendation number four regarding research to promote coexistence. I did not find the research topics and priorities, the delineation of the funding sources and levels, and the exploration of cooperating institutions to be fully developed or taking a broad enough view of the issues. I am encouraged by the Committee’s discussion today to consider this recommendation in more detail.

 The report states, farmers need to have ongoing dialogues with their neighbors on how they can work together. If that were a viable strategy, in and of itself, we would not be here today, because farmers are generally cooperative with each other, and would already have solved the problems under their control.

 Furthermore, placing all the responsibility for coexistence on the farmers totally leaves out the biotechnology patent holders and USDA’s leadership role. By the way, this approach is an idealized version of days gone by. Today’s land ownership and farm management patterns have changed, and they do not result in adjoining owner/operators talking over the fence.

 Holdings can be huge and scattered. Land owners can be very distant. And farm managers and renters can change frequently. Personal bonding to the land, to the place has weakened. The incentives for working together have changed and dwindled.

 I feel the report takes too narrow a view of the considerations driving an organic farmer’s concern about compromising the purity of organic product with GMO material. And I would indicate that this is not just organic. It is for all IP producers.

 The report states the decision to produce for a commodity or identity preserved market is influenced by factors such as price, yield, weather and contract terms. These are important business considerations, but by no means the only or even the most important considerations.

 The downstream and long term effect of the current and projected future uses of GMOs and associated pesticides creates a very complex set of interactions that are not fully understood.

 Scientific studies are replete with cautionary flags. Weed and pest resistance, disease acceptability, out-crossing, adverse impact on livestock, and environmental

damage to traditional ecosystems above and below the soil and existence. I’ve got to hurry up. I will skip through some of this.

 Very legitimate scientific inquiry has enabled biotechnology to be a powerful tool. However, for the reasons stated above, I do not want use it, and should not be subjected to it.

 I am reminded of some older technologies, the introduction of chlorides was heralded with the slogan, end world hunger. Unrelated to agriculture, scientists touted nuclear power generation as energy too cheap to meter. We found out that there were environmental and health issues associated with those movements.

 Acknowledging these broader concerns is key to understanding what is lacking in the compensation models presented in the report. They provide no adequate incentive for patent holders or GMO users to prevent GMO material from finding its way into unintended places. I want effective means of preventing adventitious presence. I do not want to substitute compensation. The damage I seem to avoid, cannot be compensated with money.

 It is clear that despite the best efforts of the committee to propose compensation options have sent a limited effect on advancing coexistence that they will be totally overshadowed by current and future political actions, lawsuits, and marketplace education efforts.

 My recommendation would be not to endorse any of the compensation options as the sole or primary approach, but to ask the Secretary for a new charge to recommend a comprehensive strategy for coexistence. The Secretary’s direction would be to identify strategies that are fair to all stakeholders, clearly legal in their applicability, and rare with regard to compensation, because other measures would alleviate that need. Thank you.

 MR. REDDING: Very good. Thank you. That concludes our list of those who signed up to give public comment to each of you. Thank you for making the trip in here, whether that’s either in town or across the country. Thank you. And if you would, please submit electronic versions to Dr. Schechtman, just so we can post those on the AC21 website, please.

 Okay. But again, thank you for being here. We appreciate the insight and thoughts, reflections of both today’s conversation as well as the draft if you had a chance to look at it. Okay. Thank you.

 Picking up on the conversation, just before public comment, we were again back to recommendation one, and looking for a way to identify some middle ground on the recommendation. We had a very good exchange. And I think we actually identified a number of points. And I’ll try to run through those, and we can talk about sort of what, in fact, we can claim as middle ground on the recommendation.

 But using the option one as a base, the data point, need for data was noted that is included in option one. The crop insurance as the model is noted in option one.

 Picking up the pieces of what people liked in options two and three, you know, to complete that we would need to bring, or have some notation about the insurability trigger in the option one.

 We would need to add, again, this incentive concept in some way. And again, we’ll have to come back for clarity around that, but I think we need some incentive. And that could be what is already noted in option three. We would also need the joint coexistence plans. Am I correct in saying that. I mean, if we bring that component out of three forward to one.

 So they’re the points that are either in option one, or folks identified as wanting to see in option one, okay, that they liked in the other two options. Anything that I’ve missed?

 Now, there’s a couple of things that aren’t there yet, but just want to make sure that those couple of points were in agreement. Okay.

 The mention of the need for data driven decision, that is in one presently. All right. That’s already there. The crop insurance model is already in number one. So that’s there.

 We would need to add to that the insurability trigger with some language, I think what Daryl had shared, something about review and reflecting sort of over time. But that should really trigger language. Joint coexistence plans, which is now in three. We bring that forward to one.

 We would have to define a little bit around the incentive concept. Okay. So they’re the points that I see in one, or have been talked about in two and three that you want to bring forward.

 What’s not there yet are the consequences. And again, there’s some question about what that would look like to the discussion earlier, whether you put the incentive in. Is it enough to disincentivize, if you don’t have the incentive, is that a consequence. And the point that we did not talk about, but needs to be noted, the optional versus sort of mandatory participation. Okay.

 Option three, it is an option for the producer to participate. What I read in number two is, it’s mandatory that a producer participate. We didn’t talk about that. Just putting that on the table as those differences between one, two and three. Okay. Anything that I’ve missed. Okay. Mary Howell.

 MS. MARTENS: I’m an organic corn and soybean producer, in addition to other crops. You’ve heard from Nick Maravell, who is also an organic corn and soybean producer. And we both have clearly said we don’t want to buy option one. It doesn’t make sense for a business to develop a product that the market doesn’t want. I think we’re going about this wrong.

 MR. REDDING: I’m sorry. Laura then Angela.

 MS. BATCHA: A couple of points on your summary, Russell, thank you for doing that and reflecting the conversation that we had before public comment. And then my reflection on what I heard in the public comment.

 I think in my notes, and looking at the question that Mary Howell has called here about a product that people want or not. You know, I think it comes down to our earlier discussions on which mechanism would be appropriate. And the analysis of the idea of a fund that we’ve moved away from at a certain point in conversation based on what, at least, I perceived to be direction from the Department and from the Secretary.

 I think underlying the issues that were raised by both public commenters and Mary Howell here is the challenge around that who pays part of the recommendation on the options. And that the belief and understanding that fundamentally it shouldn’t be something that the IP growers should be paying for to participate in.

 So I want to acknowledge that we’re hearing that,

and I’m hearing that as a challenge not only to the structure of crop insurance, because crop insurance is an accepted risk management tool in this country, but it’s really about who pays for the mechanism, is what I’m hearing.

 So I think as much as we’ve tried to move away from that challenging conversation that we’ve had over the course of the meetings, it’s still here amongst us. So I’m recognizing that as we go forward.

 The outstanding question around consequences, and I appreciate Daryl’s perspective that incentives work better than punitive threats. And I get that. I think the important thing is that there be confidence that the end result will be prevention. And that’s what we’ve heard from the public commenters.

 So wherever we land on this balance between incentives and consequences, the message needs to be clear that the point of either or both is prevention, and that there needs to be some confidence that that is what the outcome will be in order for the system to hold together in terms of that.

 And I think that ties into this optional versus mandatory participation, which I think is a core difference in two and three. I think you’ve identified that, Russell. And we didn’t talk a lot about that before the break. And maybe that’s as important as the idea of the balance of incentives and consequences in terms of the direct link to prevention, and how we think about getting to a place where the hybrid option could hold together.

 MR. REDDING: Okay. Angela.

 MS. OLSEN: Angela Olsen. Just a few thoughts just to put on the table. I found it interesting, Mary Howell’s comments, and we heard comments earlier, and the organic producers who have come in as well, not one of them has asked for a compensation mechanism.

 And I’m wondering, it was interesting to think, wow, we could be developing a product that nobody wants, or we could be thinking about developing a product that nobody wants. And so I just put out there, is that potentially a research project, whether it’s a survey or something that USDA puts out to understand what people might want.

 So I just put that out there, is that another recommendation that we may think about. I hadn’t thought that we may be going down a path that folks wouldn’t want. So thank you for that. I think, you know again, I think that’s data that would be useful to have.

 MR. REDDING: But that puts us back at the start. And I guess that’s where I pause just a little bit. I mean, everybody wants this to be the alpha and the omega. It is not. Okay. I’m sorry, it is not.

 We’ve been down this road. We’ve narrowed that road to be crop insurance. That’s the piece we have. Again, imperfect as that may be, I think that’s what it is. All right. And if we get this charge, or a second charge, a more comprehensive strategy, whatever it looks like, then I think you can sort of develop this.

 But it gives us a point to start. All right. And you bring some of these conversations together in a way. So, that, I’m just a little anxious about going back to all of that plowed ground.

 MS. OLSEN: Yes. And I don’t want to go back, but maybe it’s helping to shape what that looks like. Maybe it’s, and I just put it out there, maybe it happens concurrently. I just thought it was an interesting, you know, an interesting input.

 In terms of the, and Russell, thank you for kind of pulling together the comments from option three regarding the insurability trigger. I like the idea of incentives. I don’t have further ideas on how we might be able to incentive farmers, but I wonder if there are other areas that maybe we haven’t thought of. I don’t have the answer to that.

 And regarding joint coexistence plans, I feel that I’d want to know a whole lot more about that. I don’t necessarily agree with the way it’s written in option three. But maybe as a Committee we can talk about that more and come up with something. I think I just don’t fully understand it, as well. So I don't know what I’d be agreeing to.

 MR. REDDING: Thank you. Darrin, did you have a card? No. Mary Howell.

 MS. MARTENS: Angela, I appreciate that reflection, because I think finally, you know, you’re talking about plowed ground, Russell. This is no different than what I’ve been saying all along. We’ve been saying this for the past year. We’re going down the wrong path. We have been going down the wrong path, even though that’s the way the Secretary of Agriculture phrased it, framed it in points one and two.

 From the very start many of us felt those were, that the priority system of one and two being before three was the wrong priority system. This isn’t brand new insight. It really, truly isn’t. Our interest, for those of us who are most likely to be affected here, our interest is in prevention. Period.

 MR. REDDING: Not disagreeing.

 MS. MARTENS: Okay.

 MR. REDDING: No, no, you’ve been consistent from day one.

 MS. MARTENS: Right.

 MR. REDDING: No issue. I think the, and it’s even, I was looking for it in our overall context, there is a comment that clearly it states prevention is key. It is preferred. So that is here.

 My only point was, after a year’s worth of discussion, and then the exchange we’ve had with the Secretary, and I think whatever level of disappointment we have about the charge and the narratives of the charge and the sequence of the charge, the charge is the charge. Right.

 And I think we’ve given it our best run here to really try to sort through what that should look like, and form that debate and discussion within the USDA about where to from here.

 I think this point about the next charge, I could easily write what that next charge would be, if I were, I wouldn’t have to give that, because I think there’s a whole other layer of discussion around what the mechanisms and further dissecting some of that.

 But I don’t, don’t misinterpret the point. I think you’ve been consistent. If it were prevention, focused on prevention, we wouldn’t be having to talk so much about compensation. But that’s the charge we’ve been given. Okay.

 MS. MARTENS: My only concern is that there seems to be a sense that we’re putting together a product as a gift to the organic community. Maybe we don’t want it. You know. Don’t give us a gift we don’t want.

 MR. REDDING: It may not be a gift.

 MS. MARTENS: We know.

 MR. REDDING: But I think, and stepping back from it, I think the dialogue is a great discussion. All right. And it’s a compensation mechanism that has brought us here to sort of flesh this out.

 I have found the conversation incredibly enlightening. Just public comment today to each of you, thank you. I mean, the discussion around the table. It’s complex. We’ve made a good faith effort, I think, to try to find a solution.

 But also, not to miss the point the Secretary has made, and Michael has made several times, your previous reports, there was a lack of recommendations and maybe tangible pieces for the USDA to take some action on. That is, at least, in our draft comparatively to before.

 So I guess I’m just trying to temper the expectations a little bit, and also recognize we’re on Christmas Eve. Right. We’re there. I mean, we’re trying to, sort of after a year, try to figure out what to do with everything we’ve got, and the list we’ve got to accommodate.

 I think we can do that in a respectful way. We can certainly acknowledge in the context of the report that there are some things that are important, even more important than compensation, but at the same time allow us to deliver what the Secretary has asked us to do. Doug.

 MR. GOEHRING: Thank you, Mr. Chairman. Doug Goehring. You had talked about a joint coexistence plan. And just thinking about that a little bit, I’m not sure what anybody is envisioning, or what they’re thinking, but it’s probably something probably pretty simple.

 And maybe it’s a plan, an agreement that if you look at coordinating planting days to address pollination, and to something that was suggested, although I think it would be a little difficult, but certainly put it in there.

 I wouldn’t necessarily be opposed to this, but maybe that incentive is a reduction in insurance premiums, and let OIG and RMA fight it out. See where they can go with it. Maybe it’s as simple as that, because that seems to be the issue surrounding this whole dialogue.

 So I’m not comfortable with a lot of the rest of it, but as an incentive and talking about a coexistence, joint coexistence plan, maybe that’s something that isn’t so bad that could be lived with if it’s developed in that manner and put out there in a voluntary way. Thank you.

 MR. REDDING: While we’re –- I’m sorry. Greg. Then I want to come back to your point.

 MR. JAFFE: Yes, I just wanted to, I thought you put a very good list together, Russell, of things we talked about earlier. There was one point that Jerry made that I thought was very important, and I didn’t want that to get lost, was that maybe it’s a compromise to this optional/ mandatory, or whatever.

 But he did talk about some general language in the technology agreements or the contracts that people when they get seeds, about making coexistence a priority. And that leads into these coexistence plans that would happen.

 So I think that that’s something that I think is in some of these options, maybe spelled out in slightly different language, that maybe has too much rhetoric or other things attached to it.

 But I think that that can be massaged and be something that’s a valuable part of all this. And it may get us away from having to get too much into this optional versus mandatory.

 MR. REDDING: All right. I was going to talk about. Doug has mentioned it, and we really haven’t sort of been down the mandatory versus optional. So thoughts on that? I mean, I know what mandatory means, and having listened for a year, that may be difficult. So is there a way to use the technology agreements as a vehicle to help get that education grounded incentives out there. I don't know. Just putting that out on the table.

 MS. OLSEN: As an optional basis, or a mandatory? Is it optional language in the contracts? I’d need to know a lot more about that.

 MR. REDDING: Yes.

 MS. OLSEN: Is it included as, growers should talk to their neighbors? Growers, there’s an incentive to talk to their neighbors? Because then you have to get into the whole policing aspect.

 So I assume that within the contract we’re talking that there are mandatory provisions which are outlined by EPA if you are going to use the traits. And then there is the, and here are the things that growers should do, if you’re going to use the technology, meaning it’s voluntary, but these are what would be recommended.

 MR. REDDING: Jerry, I guess I look to you. What’s on the street now that you look at and having some additional language in that agreement that would spell out the --

 MR. SLOCUM: I think my –- Jerry Slocum. I think my initial thoughts there would be, it would be an introductory piece to people that perhaps haven’t thought about coexistence, because they’re surrounded by people like them. And just begin a discussion with them, and not a high level discussion, but a discussion.

 In those tech agreements there’s so many illustrations and there’s so many examples of how to manage refuging, for example, and why you manage refuging. And there’s talk in there about weed resistance. There’s all kinds of themes that, they are good educational pieces.

 And I think it would be a great place to start the conversation with the growing public. It’s not necessarily the public that grows GE crops. All of us are not necessarily as concerned with coexistence as you are in other parts of the country.

 And I think it would be a great piece, a great educational piece, not a mandatory thing. It’s a should. These are things you should consider. And I think it would be the next step then would be that conversation with the party that’s going to initially help those neighbors draft coexistence plans.

 This is what they should look like. These are the elements of a productive and an effective coexistence plan.

And if you do it, you’re going to be eligible for these incentives. And if you don’t do it, you’re not going to get the incentives, and you may have issues down the road with your neighbor over the crops that you choose to grow on your own farm.

 We plant a lot of Roundup Ready corn. Not because we want to plant Roundup Ready corn, but to manage herbicide drift. And we pay about $75 bucks a bag for seed corn. That’s what the Roundup gene costs me for seed corn.

 There are a lot of guys in the Delta that plant Roundup Ready corn and never spray glycoside on the corn crop. It’s all about drift issues. So that’s a coexistence issue. We don’t necessarily think of it as one, but it’s a coexistence issue. I think it would be a great place to start the discussion.

 MR. REDDING: So if we include it in the recommendation, some language around encouraging the tech providers to include recommendations. I’m not sure how to frame that. But if we put that in as a point --

 MR. SLOCUM: I’d say more as it’s an introductory educational piece, if you would. It’s a precursor to that more formal conversation between neighbors about what they’re going to do on each other’s farm, so they don’t impede each other’s ability to do what they would want to do.

 MR. REDDING: Okay. Good. Leon. I’m sorry, Laura and then Leon.

 MS. BATCHA: Thanks. I have a couple of questions for Doug, with some of the ideas that you brought up. And then I think part of it goes to Angela as well.

 So in this idea of the coexistence plan, and Doug you referenced planting dates. In your mind, can you see a place where those plans include more than just planting dates, and include responsibilities for shared buffers and setbacks and other elements of distance, in addition to timing of pollen or whatever else would be appropriate for that crop in those recommendations for what would be in the joint plan, number one, is my question.

 What is the level of openness to recommending to the Secretary that future deregulations include the parameters of what a joint coexistence plan could include, while it might not be what you would call a deregulation with conditions.

 It would be a deregulation with recommendations about what then would become shoulds in a technology contract and a basis for a format for neighbors to easily get to a coexistence plan, where some work has been done for them in advance to identify what specific elements of the plan would be appropriate for the crops that they are planting, is an idea that’s in my mind.

 And then third, I have four things. Third, the cost of the insurance to the, in my mind I’m talking about the organic grower here, because those are the stakeholders that I represent, and I don't know enough about the IP growers. I ask other folks to weigh in.

 But is there an openness to the Committee to recommend that as, if we are looking at crop insurance as a model, that has a coexistence plan element to it, that a recommendation be made to the Secretary that organic farmers should no longer be paying surcharges for their policies in general, and that there should not be a surcharge attached to a policy related to a risk that is not in their control, not borne by them.

 If you’re certified organic, presumably you’re following your own stewardship plan already or you would be getting noncompliances from your accredited certifier. So ideas around that, see what people’s reactions are.

 MR. REDDING: So there is a current surcharge?

 MS. BATCHA: For some crops.

 MR. REDDING: For some crops.

 MS. BATCHA: It’s been eliminated for some crops, and it exists for all others, a 5 percent surcharge on premiums for organic producers.

 And then, what happens to the IP grower if their neighbor decides they don’t want to join them in a joint coexistence plan? What are their options at that point? I think we need to think through that.

 Presumably people will want to do this as neighbors. But we can’t pretend. We have to anticipate what their options are if their neighbors won’t join them in a plan, based on those recommended parameters.

 MR. GOEHRING: Mr. Chairman?

 MR. REDDING: Yes, Doug.

 MR. GOEHRING: Doug Goehring. Well, first of all, if you’re trying to address pollen shed, buffers are certainly part of that system, but they already exist within anybody who is growing an IP crop seed, organic. So that responsibility, because a premium is derived, I see it as staying there with that producer that’s growing an IP crop.

 But working with to eliminate or mitigate some of that risk, I suggest coordinating with your neighbor on planting dates, understanding when pollen shed is going to take place, you start to address the issue with pollen shed, because it’s done right now. We have seed producers that do it right now.

 If they have different seed varieties that they’re planting on their farm, they are looking at the dates they plant it. They know what each variety is with respect to when it’s going to shed pollen, and they start to coordinate that.

 They move fields, they keep some distance between them, especially if they are going to be in a close period of time when they are going to be shedding pollen to address that. So I would think that you’re going to do a lot of mitigating that risk just by looking at that aspect of it for those like species and types.

 Concerning moving that, or discounting the value or a premium for anybody that is planting a crop, a couple of reasons why you may be surcharged. And this is for anybody out there. Is first of all, you either have an increase in value that you’re trying to ensure, or you have an increase in risk.

 For example, you live in an area where you’re prone to having your car stolen. You pay a higher premium than somebody in the next state that doesn’t. In the same sense, if you have a lot of losses in your farm, and you are being indemnified quite a bit, you pay a higher premium according to the value that you’re insuring.

 If you have an endorsement that is going to give you more value for the same product, you’re probably going to be subject to a higher premium also. So those things all coordinate or correlate with the type of product that you’re ensuring and for what the value is. And that’s part of having an actuarially sound product delivered.

 MS. BATCHA: I understand that, Doug, but I’m sure you’re well aware, because I know that the original research was done much by the same group that did the risk retention group proposal for you, and they are based in North Dakota, but that 5 percent surcharge on premiums for organic producers is not based on actuarial data. It’s an assumption that’s applied across the board that based on ’08 farm bill provisions is trying to be picked away at and challenged one crop at a time.

 So the surcharge is not based on actuarial data, number one. And number two, the presumption is that the price election is conventional price, not organic price premium on the repayment, unless otherwise proven. So we’re in a crop insurance position where our surcharge and our price elections are not based on actuarial data.

 The assumption that underlies, unless it’s sort of guilty unless proven innocent, is the model that we work on in terms of crop insurance. Risky unless proven otherwise. Lower price unless the data is available in terms of the price election.

 MR. GOEHRING: But that exists --

 MS. BATCHA: That may be the case generally for crop insurance, but it’s not the case for the operating position right now that the organic producers are in, as it relates to crop insurance.

 MR. GOEHRING: But that exists everywhere in crop insurance, until you refine it, you work out some of the bugs, and you really get a good handle on the dataset, then you start to see the premiums are reflected in the type of risk associated with the coverage and how much, how many claims are associated with that.

 MS. BATCHA: Was that the case with the initial writing of policies for GE crops and their crop insurance? As the presumption a surcharge?

 MR. GOEHRING: Well, first of all, what it did was address part of the risk that it’s associated. For example, you want BT. They actually ended up showing, ultimately, that they had less claims. So it was years later that there was actually a premium reduction.

 MS. BATCHA: But there wasn’t a premium surcharge initially, right? There wasn’t a presumption of risk.

 MS. LEWIS: But it wasn’t a premium product to begin with either.

 MR. GOEHRING: Yes.

 MS. BATCHA: It was or it was not?

 MS. LEWIS: It was not.

 MR. GOEHRING: It was not.

 MS. LEWIS: You didn’t get paid a price premium for growing a BT corn.

 MS. BATCHA: Yes, but the surcharge is about risk. It’s not about price election. It’s not about what you are being reimbursed. It’s a surcharge that’s based on assuming it’s a riskier –-

 MR. CORZINE: Well that, Laura, is why they ended up with biotech yield endorsement was because the risk is less.

 MR. SCHECHTMAN: Please, everyone, identify yourself when you’re speaking.

 MR. CORZINE: Shall I continue? Leon Corzine. That’s exactly the way it works. And Laura, where there are definite surcharges, where there is higher risk. In Illinois, there are areas that have a lot more risk just growing crops.

 And I would say you’re fortunate to only have a 5 percent surcharge. Those guys have about a 40-50 percent surcharge, if you will, in those areas, compared to what I pay on the land that I farm. So those kinds of things are already there.

 MS. BATCHA: My question is, if there was a presumption of increased risk because there was an absence of data out of the gate when the first products were written for GE crop insurance the way there is for organic. That’s my question, Leon. My question was not about the other stuff.

 MR. CORZINE: The crop insurance was not, did not address that because there was no, it was, there was no premium product. It was not differentiated, because you are still growing for commodity crops.

 MS. BATCHA: The premium has to do with the price election and not the assumption of risk.

 MS. LEWIS: But the amount of payout is related to a combination of risk and the price of the commodity.

 MS. BATCHA: That’s the price election, though, Josette. That’s not a premium surcharge. It’s different.

 MR. CORZINE: Well, you also pick the percentage of how high you want to be, starting at 65 percent and going up to 85 percent. So, and you pay more as you go up. It’s just kind of –

 MR. REDDING: I think the general point is, I mean, in the report, could we include. And I know we have a general reference in here about the availability of insurance for organic producers. This is a general statement, right. The question now is whether we could enhance that to include some consideration, the Secretary giving some consideration to the elimination of the surcharge.

 MS. LEWIS: Can I respond to that, please?

 MR. REDDING: Right, yes. Please.

 MS. LEWIS: Josette Lewis. I guess, given the discussion we just had, to me, there is a lot of, there’s an absence of background. I mean, I understand the point was made earlier in our meetings that the crop insurance mechanism did not work really well for organic producers. And I respect that. And I do believe that’s noted in the report.

 With respect to the specifics of recommending an incentive for organic producers to participate, option three specifically provides for a reduction in the IP premium, which is a way at getting at what you’re asking for, Laura, without going the extra step of specifically recommending a reduction in the premium that organic producers pay, for which I would just suggest we don’t have the background to fully understand that dimension of it.

 But that the option three, in a sense, gets at that, if organic producers are paying a price premium. They might not see a reduction for the organic specific, but they would see a reduction in their premium cost. That’s what

is --

 MS. BATCHA: If they can get their neighbor to agree to entering a joint coexistence plan.

 MS. LEWIS: I understand that second point of yours. But to me, this option three is something that we have the degree of familiarity with. If we want to look at a reduction in price premium, that’s the way to kind of phrase it, as opposed to introducing a new idea that we don’t have the background to fully evaluate.

 MR. REDDING: Leon.

 MR. CORZINE: Leon Corzine. I had a couple other things I wanted to mention to address what Laura had said. One to the issue of putting deregulation language. I’d be opposed to that. We have, the deregulation process is complicated enough, but I don’t see complicating that, and I would support that.

 The question I had, then, we talked about putting coexistence language like in tech agreements. And maybe that is all right to do. What about in organic or IP contracts. Do you have coexistence language about talking to your neighbors in those?

 MS. BATCHA: We have stewardship requirements that are built into organic certification.

 MS. MARTENS: Yes, it’s part of our organic systems plan.

 MS. BATCHA: So you accept that all of it is your burden, regardless of what your neighbor does. You have to take all the specific steps and you have to maintain those records for your certifier.

 MR. CORZINE: But do you consider that good enough coexistence language?

 MS. MARTENS: We develop a GM management plan for our farms.

 MS. BATCHA: And it’s mandatory.

 MS. MARTENS: It’s mandatory.

 MS. BATCHA: And it’s verified and inspected every year.

 MS. MARTENS: Oh yeah. And all of the places where we border with hospital risk, the inspector walks those lines and evaluates whether we have successfully handled the risk.

 MS. OLSEN:  You’re asking about the neighbor, aren’t you? Have you discussed it with the neighbor?

 MR. CORZINE: Yes. You have neighbor discussions?

 MS. MARTENS: Oh yeah, we have to have a letter showing that we’ve discussed it. Of course, we have to have a letter showing we have sent them to our neighbors, but not necessarily that our neighbors have --

 MS. BATCHA: Agreed to talk.

 MS. MARTENS: -- responded in kind, which is a very big issue. So it’s a very big issue.

 MR. CORZINE: So it’s a more formal and a letter sending, not actually just across the fence discussions.

 MS. MARTENS: We’re supposed to show evidence that we’ve tried, but it isn’t always possible. That’s partly what we’re trying to address here is where there’s be incentive for our neighbors to want to talk to us.

 MR. CORZINE: Okay.

 MR. REDDING: Darrin.

 MR. IHNEN: I guess I’ll just follow-up with a question. This is Darrin Ihnen. Why don’t your neighbors talk to you? I mean, I’m just trying to figure this out because –-

 MS. MARTENS: Because they don’t want to change their planting plans. And there is no incentive for them to do so.

 MR. IHNEN: They’ve said that?

 MS. MARTENS: Oh yeah. They think it’s kind of funny, actually, to screw up our planting.

 MS. BATCHA: And some of them are GE farmers, and they won’t tell me.

 MR. IHNEN: I guess, this is Darrin Ihnen again. I’m just having a hard time grasping this, because where I come from, we just don’t have that problem.

 MS. MARTENS: You’re lucky.

 MR. IHNEN: I mean -–

 MS. MARTENS: I’ll trade you some neighbors.

 MR. IHNEN: -- not our neighbors are easy to be around sometimes, but we’ve never had a communication problem, from the time we grew IP crops, seed corn. And I guess a suggestion would be is, when we grew seed corn, whoever the company we grew for, we went with them to our neighbors together with them to see what they were growing, would they share boundaries, all that kind of stuff.

 I mean, the people you write your contracts with, do they go with you and help you try to –- I mean, maybe, that seems like a logical place to start communication because then it’s not solely you, if you’ve got kind of a, not a neutral party, but a semi-neutral party with you to help ease some of the frustrations.

 MS. MARTENS: I agree with that, and I don't know if where I am that’s --

 MR. REDDING: I was trying to hit Keith and then back.

 MS. MARTENS: Okay, but I want to add to that.

 MR. KISLING: Well, I also want to add, this is Keith Kisling. This is an elementary question, an elementary statement, but who’s your neighbor? We have ice cream socials at my house every summer, and I invite the neighbors that are two, three, and four miles away.

 And while we’re talking about incentives, we’re talking about real money here. So who’s your neighbors. How far are you going to go? Is it across the fence? Is it across the road? Is it across a section? We haven’t even discussed who your neighbor is. That needs to be discussed. And if we’re going to use that as an incentive to talk to your neighbors, we need to know that. Who are your neighbors? How far are you going to go? Is it going to be in the contracts?

 MR. REDDING: Okay.

 (Discussion off the record.)

 MR. REDDING: Mary Howell.

 MS. MARTENS: This gets away from the personal issues and is more of a biological thing. You’ve been pretty dry out there, haven’t you?

 MR. IHNEN: Yeah.

 MR. GOEHRING: How do you mean that?

 MS. MARTENS: The problem with relying on temporal isolation is that whenever you have adverse weather, corn especially does not necessarily pollinate on schedule. We’ve seen this many, many times when we think we have adequate separation in time between our corn and a neighbor’s corn. And it’s cold or it’s hot or it’s dry or it’s wet, and lo and behold, they’re pollinating at the same time. Adverse weather does a marvelous job of screwing up biology.

 MR. GOEHRING: Do that point, Mr. Chairman.

 MR. REDDING: Yes, Doug.

 MR. GOEHRING: And you’re right, and we deal with those things. That’s primarily why I suggested that maybe the first element to start to mitigate some of that is to first coordinate those plantings, understanding when pollen check takes place, it does eliminate the fact that you still have to have buffers in place. But it certainly lowers your risk.

 And yeah, we see some things right now, this last year, we’ve had everything from plant pests in another field going onto another individual. We’ve had dirt blow cyst nematode into other fields. Farmers just manage it. They work through it. It’s an irritant. It’s a problem. But they try to deal with it, and they do try to talk.

 Hopefully, in time, some of these things get worked out. And conditions, certainly mother nature has a way of messing up all good plans, but you do your best to operate in this business, and it is tricky at times, understandably. Thank you.

 MR. REDDING: Lynn.

 MR. GOEHRING: Mary Howell –- sorry.

 MR. REDDING: Lynn and then Leon.

 MR. CLARKSON: Lynn Clarkson. Sometimes I have an inability to distinguish the weeds from the broader concept that we are trying to move into.

 First of all, I like the crop insurance idea because it focuses a significant resource on what actual losses are. If more people would get focused on that, and the researchers would focus on the actual losses than what we likely are, then we are going to come up with a prevention plan, which is a coexistence plan, which will be suggested as a part of the biotech contract, or the seed contract we make by growing. But we might need a clause in the blue corn contracts. I think these are appropriate injection points to sensitize the community to an issue with real consequences.

 So I listened very carefully to the organic comments about, prevention is what we seek. To me, the compensation tool is a step toward prevention. None of us want to be compensating in the compensation period. So I think it is a better way of moving ourselves into a coexistence plan.

 The second thing that Mary Howell and others were talking about here really is transparency, what’s going on across the fence. And I might in point comment that it seems to bother me beyond the bounds of this community, is that we don’t see transparency when we introduce at time or with proof through our regulatory process, a new trait for a planting. We open the doors to the entire US production system for a seed and a date.

 With respect to the amylase gene, there are stakeholders that have been unable to secure a tank holder for their own private testing. So all the data that’s available is data that came from the petitioner.

 So I would like for us, as a minimum, when people get approvals for a new trait, that stakeholders are available, or can get a sample for their testing. So we develop more points of light about what is actually going on.

 The transparency issue, whether it’s across the fence, or transparency with respect to the seed that’s being introduced, if we go into tomorrow, I think are important issues.

 MR. REDDING: Lynn, where do you suggest that be included in our package?

 MR. CLARKSON: Under the general request of what guidelines or what recommendations do you have to encourage coexistence, or to support coexistence. I don't know whether it’s appropriate right here. But it’s so important, I wanted to inject it right here.

 MR. REDDING: Angela.

 MS. OLSEN: Angela Olsen. So two points. One is responding to the point that we’re hearing at the table today for the first time, which is including additional language on coexistence in the deregulation process. The deregulation process is set up to do safety environmental assessment. It’s not set up for that purpose. So I don’t support including that as part of the deregulation purpose.

 And I think through the coordinated framework, the agencies do an excellent job of assessing the risk. Anybody who has really looked at these dossiers, you know, read through them page by page can see it’s a very comprehensive assessment. I don't think addressing coexistence is the place to do that.

 The second point, I like Jerry’s idea a lot. That doesn’t mean I can commit the whole industry to that. But I think that is an interesting thought in terms of encouraging tech providers to encourage coexistence, maybe put that in as part of the agreements, encourage that conversation, because there are parts of the world where people are growing the same thing, and they don’t really have to worry about that. But that doesn’t exist everywhere.

 So again, I can’t sit here and bind everybody to that, but I like the idea of encouraging that. I think that’s an interesting concept.

 MS. BATCHA: Can I ask a follow-up question of Angela?

 MR. REDDING: Go ahead. Yes.

 MS. BATCHA: Given the constraints around the coordinated framework, Angela, or the perception of the narrow authority available to the Secretary, could you support a recommendation that encouraged the Secretary to, on a parallel track, release those coexistence recommendations for the joint plans alongside a regulatory action?

 MS. OLSEN: As I –- I’m sorry.

 MS. BATCHA: It may not be part of it, because of the current limitations that Lynn has spoken to so well. But could you support recommending that the Secretary do it concurrently?

 MS. OLSEN: Angela Olsen. I’m not sure what we’re asking to be supporting? Joint coexistence plans?

 MS. BATCHA: A recommendation from the Department when a new event is deregulated, what the appropriate actions would be to take and include in a joint coexistence plan, so that the Department could do some advance work to inform the community about what their recommendations are for good practices to include in the joint plan for that particular event, because we know that there will be new things coming at us like amylase, for example, that Lynn speaks to.

 MS. OLSEN: So based on, as I sit here today, no, no, I can’t support that as I sit here today. These are legal products. We don’t produce any functional traits. It doesn’t mean that there aren’t functional traits out there. Maybe that’s a different bucket, a different carve out to consider. But I don't think we can address that at the table here today. So as I sit here today, I can’t support that.

 MS. BATCHA: Okay. Thank you.

 MR. REDDING: Thanks. David.

 MR. JOHNSON: David Johnson. Just to address this conversation, as related to alfalfa. You know, alfalfa was taken off the market and then put back on the market. And the Secretary did release essentially ideas for coexistence with alfalfa. Let me give you one of those. I’ll give you a couple of those examples, just so you’re aware of them.

 A lot of people wanted to go deer hunting. All right. And they wanted to use Roundup Ready alfalfa to establish their deer food plots, and were doing that prior to the deregulation. And this resulted in parallel alfalfa being spread out throughout the country and in areas where seed production was being done, or being allowed to go to flower.

 So if you read when Roundup Ready came back out, it’s not allowed to be used in deer food plots. It’s not legal for sale in that regard. The question I would ask is, does AFIS actually follow-up and make sure that that doesn’t occur.

 The second example, when the Secretary got the Roundup Ready back out there was, could you allow your hay fields and seed producing areas of the west to go past 20 percent bloom? And no, you don’t. There’s a specific mandate in there, a coexistence mandate, so to speak, if you’d like to call it that. So there is a precedent for the USDA, I believe, and in the case of alfalfa, to offer some pretty helpful tools to those of us who are trying to grow alfalfa, either with GE or non-GE in the western US and then throughout the US.

 MR. REDDING: Thank you. Josette.

 MS. LEWIS: I would also agree that I can’t agree to a new regulatory requirement. But I would offer that under recommendation four, which speaks to some very specific areas of research, that we could draft some language about asking USDA to specifically look at new products that are coming down the pick.

 USDA has access to information on what new products are being developed, to a certain degree, because they have to permit field trials, which is an early stage. So they could be proactively doing research to develop improved on-farm and post-farm mitigation techniques on a crop by trait basis. They have some tools to do that.

 So I think that for me a compromise is to come up with some language encouraging USDA to be more proactive in doing research along the lines of what new products are going to come in, and ways to bolster coexistence for those new products, but to disassociate that from a regulatory decision.

 MR. REDDING: Right, and decoupled from the compensation mechanism, right? So you’re going to put that in as a separate point under research potentially?

 MS. LEWIS: Yes.

 MR. REDDING: Yes, okay.

 MS. LEWIS: You could put it easily under recommendation four, with some specific language about getting ahead of the curve on coexistence.

 MS. BATCHA: And could you end reference that it could inform the joint coexistence plans?

 MS. LEWIS: Sure.

 MR. REDDING: Okay.

 MS. LEWIS: Presumably in looking at the adequacy of those, that would be based on whatever research has been conducted. So that makes sense to me.

 MR. REDDING: All right. I’m sorry. Yes, Missy.

 MS. HUGHES: This came up before, and I’m not sure. I was going to say something before, and I waited. So now I’m waiting. I’m still not sure if it’s the right time.

 MR. REDDING: Okay, well don’t say it.

 MS. HUGHES: Okay.

 MR. REDDING: I’m kidding.

 MS. HUGHES: The way that the report is currently drafted, it’s, the impression I get from it, this is our, you know, hopefully we’ll get there, our recommendation on a compensation mechanism. And these other pieces would be nice.

 And I think that a final report would more accurately, and when you said before I could write our next charge right now, I’m almost thinking that our report should write our next charge, and should say, we did the work on a compensation mechanism. We need to be able to do the work on these other pieces in order to have a comprehensive strategy.

 Because what worries me is that the press release on our work says, we solved coexistence. Here’s the compensation plan, or the compensation mechanism. And I think that to be true to all of our conversations, it would say that we’ve just painted one part of the wall, and we need to paint the rest of the wall in order to have a comprehensive strategy on here.

 So I’d like to see that in the report, that our work needs to continue, as much as I’d love to say that. But, you know, here is our best thinking on what a mechanism would look like, but it has to include further work on these pieces, and write our charge. Take control of what we are doing, because we have been a little bit struggling underneath the way the Secretary set this off. He did it, I think very thoughtfully, but let’s say, here’s what our further work must now be.

 MR. SCHECHTMAN: Let me just respond on this point bit, one little bit to this. I think you are voicing enthusiasm for continued work. I think it’s a great thing. And identifying some areas where you think future work needs to be done is another. And saying that you think the report only goes part of the way towards what a comprehensive solution would be, those are all good things. You don’t get to write your next charge.

 MS. HUGHES: I understand that.

 MS. BATCHA: Can we recommend our next charge to the Secretary?

 MR. SCHECHTMAN: I think it’s very possible that you could do that. I don't know that we’ll get it done between 2:45 and 3:00 tomorrow. But –

 MS. HUGHES: I think most of it is here. I think most of it is included in the discussions that we’ve been having. I think it’s just tweaking it. As I said, this

says, here is our mechanism. These other things should be considered. And instead, I think we should say, here is our mechanism. These other pieces are part of, are a critical part of a comprehensive strategy of coexistence.

 I’m not saying any, I don't think I’m, I think I’m tweaking rather than saying something, you know, or writing our charge. I understand we’re doing that.

 MR. SCHECHTMAN: What do other people think about that?

 MR. REDDING: I’ve got to think about it.

 MR. GOEHRING: We really have an awful lot to do just with this.

 MR. REDDING: Well, think about it overnight, because I think it’s worth some thought. I think Missy’s point about how this, when it gets delivered from the Secretary, gets broadcast to the agricultural community. What does it say? We’ve heard the public comments, the pretty consistently, you know, raise some questions.

 But I think the real story is, is only part of the story. Right. It’s only part of the story to, around coexistence, whether that, whether you sign up for, or want to sign up for a comprehensive plan, or a strategic plan around coexistence, I don't know.

 But I think it’s important to say, this is only part of the work that needs to be done. I think that’s an important statement.

 MR. SCHECHTMAN: And I think whether folks around the able think that more comprehensive stuff needs to be done versus figuring out what the best practices are, or figuring out how best to organize communicating, getting the communications network together, or whatever those other things were that are part of current recommendation one. There are clearly a whole bunch more steps of things that could take place.

 I don't know that in the course of tomorrow we will be able to decide all of that, but I wonder if folks are okay with the sort of general statement that there is a lot more to be done. I think we’ll have to revisit this tomorrow when we see how far along we are.

 MR. REDDING: Okay. So, in summary, this is what I hear from recommendation one, is that we use the current, what we call option one as our base. Okay. We borrow components of number three that deal with the joint coexistence components. There’s also incentives in three. I think to bring that forward to our number one.

 In addition to that, we would add this insurability trigger language, no number, but language. Right. We would add to that the encouragement of the tech in this technology agreements, the tech providers, in their agreements, we would add some language about encouraging the inclusion of that in the agreement number one.

 And to borrow some of the words around, that Jerry had shared, to round that out. But there will be a genera; reference about tech providers in the agreement, including language about that. Okay. I’m not sure what all that would look like.

 And this is where, so that’s the basic framework. Is there something that we’ve missed? Because we’re not going to have a chance to rewrite this overnight. We won’t be able to rewrite it tomorrow. You’re going to have to trust that Michael and I have heard these pieces.

 We’ve had the three options in front of us. We’ve stripped off, too, what we can’t use. And we’ll rebuild a recommendation, based on the points that I’ve just shared.

And that would be coming back out to you in draft.

 But I want to make sure we’ve got at least the components in that recommendation that folks here will say, I can’t support that. Yes, Josette.

 MS. LEWIS: Just going back to the earlier list, I’d like to see an inclusion of a data driven incentive.

 MR. REDDING: Yes, sorry, the data.

 MR. SCHECHTMAN: That’s in one already.

 MS. LEWIS: Okay.

 MR. REDDING: Yes, so that’s just why I sort of started with one.

 MS. LEWIS: Okay.

 MR. REDDING: I had the crop insurance piece. I had the data, and then we coupled the trigger, we pulled the joint planning and the incentives.

 MS. LEWIS: I’m on board.

 MR. REDDING: Okay. All right.

 MS. BATCHA: There’s not an option to reflect something back to us tomorrow, based on the conversation, given that this was a full day of discussion, that part of your challenge is to reach consensus. I mean, I say that for your benefit as much as for our benefit, you get to choose to sign on or to not sign on, or to provide comments or not provide comments. But I think it’s going to be very difficult for you to feel confident about a pulse without reflecting that act to us to be able to. That’s all.

 MR. JAFFE: Yes, my comment’s the same. I mean, when you say, coming back in a draft, but it doesn’t come back in a draft. It comes back in a final report. My understanding is, the only comments at that point are errors in fact, typos, et cetera. So it’s not, it is not a, there is no opportunity to look at that language and say, it captures what you just said, or how it captures what you just said. So, I mean, that’s the problem here.

 MS. MARTENS: I agree. I think that this is too critical and too core to what the whole product is going to be for us not to have a chance to see it one more time before the final report.

 MS. LEWIS: Would there be an option short of you guys having to skip dinner and draft something for tomorrow, would there be an option of, as we did in the last round, just sending us by email a draft that at least gives you a sense of the pulse of where people are, so that when you go into the final report, you’ve had a little bit more input than that. So, you know, not necessarily asking for a full report as another draft, but just that recommendation number one. Otherwise, you can skip dinner.

 MS. BATCHA: It’s a risk to go from here to final.

 MS. MARTENS: Yes. It really is.

 MR. REDDING: My experience is, you’re either at the table or on the menu. So –

 MS. LEWIS: Well, you can forget sleep if you prefer.

 MR. REDDING: Let’s try to, we’ll try to rough this out overnight, okay, in some form so you can look at it tomorrow with your own eyes and say that, yeah, that captures pretty well what we thought we heard. Okay.

 MR. JAFFE: I think that’s worth doing.

 MR. REDDING: All right.

 MR. JAFFE: And since it’s cut and paste, plus add some things or subtract some things.

 MS. WILSON: Well, Russell, quickly I just wanted to ask, how did we go from one being the basis? Isn’t three a compilation of one and two? Why are we changing one? Well, somewhat. But why are we adding to one to make it from three to one, when we already have three. That is a compilation of what we talked about in one.

 MS. MARTENS: Yes, I guess I agree with you, because I feel like we keep going back to one when we’ve discussed one is not being something that the recipients want. So why do we keep going back?

 MR. REDDING: Okay, so --

 MS. HUGHES: But why don’t we --

 MS. MARTENS: Give us four.

 MR. REDDING: Yes. We’ll give you, will give you something new. Okay. We’ll give you something new that connects these pieces. Okay.

 MS. MARTENS: Okay.

 MR. REDDING: All right.

 MS. HUGHES: You’ll give us option four.

 MR. SCHECHTMAN: Yes.

 MR. REDDING: Yes. We’ll give you –-

 MS. MARTENS: Option four.

 MR. REDDING: Pardon me?

 MS. HUGHES: I think I have a couple of things that I’m missing.

 MR. REDDING: Missy, you have some other points?

 MS. HUGHES: Melissa Hughes. Two pieces that I am not quite comfortable with right now are, one is, we seem to have lost the pilot program. I understand that there were some concerns about it, but I still am not sure that it’s fair to lose it from option four at this point.

 And the piece that seems to be coming with, along with option one is this, the Secretary should do more research before he decides to take up X, Y and Z. And I’m not sure that I’m comfortable with the idea that more research needs to be done at this point.

 Not only has data been presented, but also the Secretary very clearly said to us, there is a problem. Show me what the mechanism is. So I am hesitant about the carrying on of this idea that the Secretary should do more research at this point into whether or not there is economic loss. I know that people will disagree with that, including Doug who seems to want to disagree with everything I say.

 MR. GOEHRING: I don’t mean to. Doug Goehring. I don’t mean to disagree with Melissa, but I would say that instead of dwelling on a pilot program, a pilot program is a given. Whatever you’re going to put together, it is a given. It will happen. They’ll identify a region based on the diversity that exists there to do that.

 Secondly, I think there has been a discomfort with the fact that maybe not all the data exists out there to move forward and really design something. If that’s what we’re moving forward and suggesting and recommending, there maybe needs to be more data so that you can actually price the product accordingly, whatever you’re going to deliver into marketplace.

 So collecting more data and doing the research is not a bad thing, because there’s a lot of dynamics here that we really have to consider. And I think that’s something that I think is credible and valid to put on the table is, collecting that research and data and moving forward and looking at this, if they develop a product, there will be a pilot program. Thank you.

 MR. REDDING: Missy, I guess the exchange this afternoon was about, it sort of assumed there will be a pilot. And whether it ends up crop insurance for sure, but I guess the thought was it would end up being a pilot in some form. We don’t say that, but it would be.

 MS. HUGHES: I guess my position would be that we recommend that there be a pilot rather than, I understand there would be. I would like to convey to the Secretary that we don’t know all the sides of the box. And we know a couple of sides of the box. And that using a pilot or some other smaller effort will help round out what we’re trying to understand.

 So I mean, I understand that that’s going to happen, but I think we should explicitly say, this is not necessarily the total solution, but will help us start to understand where we need to find more answers and what works and what doesn’t work. I guess I would rather just see it explicitly stated.

 MR. REDDING: Okay. Angela then Greg and Laura.

 MS. OLSEN: Angela Olsen. I think it’s critical that the Secretary of the USDA collect data on actual economic losses. That was our charge. We have seen data on rejection of loads. As I’ve stated in the past, one cannot be extrapolated to the other.

 If you have a driver that drives through contractor point nine and loads are rejected, drives down the road, and maybe gets a dollar less, maybe it’s $3 dollars less, I don't know what those numbers are. We don’t know the delta. We don’t know the scale of the harm, of the economic loss.

 Take that same hypothetical. Drives through, rejected at point nine, but then drives down the road and enters into a contract for $1.2 and gets the same amount or more. There wouldn’t be an economic loss.

 As I’ve sat at the table, I don't know if there is or there isn’t. But I think that data is critical. And I think in order for us to make recommendations, they have to be based on actual fact and legally defensible positions and sound policy. And I don't think we can do that without data.

 MR. REDDING: So we would include data in the recommendation. All right. I think that’s a point that’s pretty consistent throughout. I think the question remaining is whether we have a pilot program in the recommendation. Right? We haven’t resolved that.

 A preference would be for some to have it in, some not. Leon’s point earlier the day was to substitute sort of research for a pilot. But we need to resolve the issue around pilot. Greg.

 MR. JAFFE: So two comments to Missy’s thing. I mean, I also think that data is critical and needed and I don’t think I’ve seen, I’ve been in Washington for around 100 years, and I don't think I’ve seen a single advisory committee that’s ever asked for more research or more data.

 So putting that in seems sort of pretty pro forma in these committees, but I think maybe what Missy is trying to get at, and maybe I was a little taken back by some of the language in option one that sort of predicates the results from the data on establishing the fund.

 And so I think we should have in this recommendation, then, data as needed, and data will be helpful. But I think maybe what she’s getting at is this predicate that the data needed to come out a certain way before one can establish the fund. And that is one of the reasons a lot of us were in support of the –-

 MR. REDDING: For the crop insurance, the mechanism.

 MR. JAFFE: For the mechanism, right.

 MR. REDDING: Yes.

 MR. JAFFE: And that’s why I think a lot of us were in favor of the pilot language because it didn’t have that, you didn’t have to have every piece of data crossing the T’s and dotting the I’s before you could then establish the fund.

 The language was fairly restrictive in option one, sort of saying that the decision, the Secretary, in my mind, could make a policy decision independent of what’s the data, you know, how strong the loss was, or things like that. If you think this is important, that language suggests that somehow that you had to wait until all of this data is in, and if you take away the pilot thing, then it sounds like you’re never going to get to that potential fund.

 So I think we should include the data stuff, and somehow massage some of that other language in option one or three to not make it as strong a predicate or for under, to have to complete this step and have to come up with a specific result before the Secretary can make a decision.  He can make a decision with whatever amount of data he thinks meets it. And this didn’t seem to suggest that.

 The other thing to Missy’s end, with the pilot, I think may there is some compromise here. And this was one of my little comments when I read the whole report through, was when we talked about the history of this Committee or what went on, we talked about all three options. But the language on the pilot was in brackets, for some reason. When this was, kind of actual stuff that this was –- just let me finish.

 MR. SCHECHTMAN: Okay.

 MR. JAFFE: This was factual stuff that we did. And maybe one solution to not including an explicit reference to the pilot in option four would be, we’ve had a lot of discussion, Doug, and a whole bunch of us have had this discussion that we obviously think we’ve talked about a pilot, and we think that a pilot was necessarily going to be needed in some way to collect data and things like that.

 And if that’s included in the background saying that that may help smooth this over, if more explicit discussion is in the background or in the stuff that we’ve done to date about our discussions around the pilot, our discussion that we’ve considered that it’s in the option, but that we took it out of the options because, in fact, we knew that that’s publically what’s going to be needed anyway and we didn’t need to therefore state it.

 MR. SCHECHTMAN: Let me just respond specifically to why that paragraph was in brackets. And that paragraph was in brackets because it said there was not agreement to conduct a pilot project.

 One of the other recommendations said there should be a pilot project. If it was agreed that there was going to be a pilot project, that paragraph would be wrong. That was why it was in brackets.

 MR. JAFFE: Okay. Well, but we had lots of discussions. I brought up as one possible --

 MR. SCHECHTMAN: Yes, yes.

 MR. JAFFE: -- thing. For a whole half a meeting we discussed it. We event took a vote on whether there should be a pilot. And so that was the only mention of it in this thing. And I was sort of, the only mention of that whole part of our background seemed to be in brackets.

 And I don't think that should be, whether you, because of voting or not, I think there needs to be discussion in the background part of this document that one of the things we discussed very seriously was a pilot program.

 MR. SCHECHTMAN: The intent was either that there be a paragraph that says it was discussed and it wasn’t agreed to, or a paragraph that had a recommendation for a pilot project. That was, that was what that bracket was meant to signify the choice of.

 MR. REDDING: Laura.

 MS. BATCHA: Laura Batcha. I support continuing the recommendation that there be more data collected. I absolutely am not opposed to that. I think that’s a good thing. But I do believe it needs to be concurrent to the recommendation to the establishment of a pilot, and not sequential to the establishment of the pilot for me for one very important reason. And that is, I believe that the pilot is the best way to collect the data for actual losses, because that’s where the claims of economic loss get made.

 And that’s where the real data is. That’s where people are going to disclose when they’ve lot market value, because they’re going to be entering into a claims situation. So within a region, wherever it is selected, that is going to be the best data that could be collected.

 So I think you can’t make them sequential, in my mind, and ever get to adequate data that would be actuarially sound. I mean, I think that, by establishing the pilot and collecting the data that way, we’re getting actual, getting at what we want.

 MR. REDDING: Leon and then Doug and then Barry. Sorry, it was behind the mike. We’ll get you. Sorry.

 MR. CORZINE: Leon Corzine. I would just say, I think we’re getting the cart ahead of the horse. I mean, if we are implying that we’re going to end up with a pilot, then maybe we are. But if we put that in the language and put it ahead of the research, we’re in agreement we need to collect the data. And a research project, now, it doesn’t have to be some big lengthy one, but you’ve got several loose ends before I think you can even do a pilot.

 I mean, you’ve got to get some data on loss. You need to get some data on what are the parameters around what that mechanism would be. And that’s what is before you can set that pilot and see how it works. If you start off with pilot language and start with a pilot without including the other components that you could call a research project.

 And you’re right, Laura, it could end up being, a pilot could be maybe part of that research project, once you’ve got a couple of other steps in that project done. Otherwise, I don’t support a pilot program without, until we get some of these other loose ends tied up in that program.

 MR. REDDING: Doug.

 MR. GOEHRING: Thank you, Mr. Chairman. Doug Goehring. Maybe there’s a better confusion over this world pilot and pilot program. That is actually much like a verb or an adjective. It’s a function. It’s an action. We really need to look at what it is that you’re doing with a pilot program.

 And there’s pilot programs for everything. So just to say a pilot program, we need to identify and define what it is that we want, and what it is that we’re looking for. You can call research and collecting data, you can call it a pilot program. So it gets confusing when we start to go down this road.

 And I guess that’s why I’m somewhat perplexed, because if we’re going to talk about a pilot program, let’s relate it to a specific product that we’re trying to deliver or achieve, something we’re trying to get there, because I’m getting hung up on the issue about a pilot program.

 MR. REDDING: I think the thought was, you’ve got to collect some data to have some basis to do something. Right? So you have some data. You need a midpoint before you get to a full blown program. You have some data that says, there’s a problem. What we’re saying in here,

Mr. Secretary, consider the pilot. Because you can sort of experiment.

 And it seems like a reasonable midpoint between data collection and a program. Right? I mean, I guess I’m looking at Barry just because he’s been, you know, articulate about this pilot point. But I guess I’m just saying that if our report says, Mr. Secretary, if you identify a problem before you go to the program stage, try a pilot. And that’s what, I guess what we’re trying to articulate in this report.

 MR. BUSHUE: And if I can respond, Doug clarified quite a while ago for me the concept that ultimately, no matter what process you end up with, the Secretary, if he does decide to do a compensation mechanism, will establish a pilot to see if that is a function. So I think to me that’s a given now.

 MR. REDDING: Okay.

 MR. BUSHUE: My, I think probably Greg and I disagree in terms of how it should be approached. My issue is, you don’t launch a pilot program to get data to prove that you need a pilot program.

 You do research, as Lynn said, you do research to determine amongst the industry. And I just, I kind of can’t understand where people keep saying, well, we can’t get the data because people won’t give it to us because of privacy matters or marketing matters. Man, that, to me, is a whole different ball game, a whole different ball game. Somebody, this industry, if there is an issue and they’re not willing to come forward and share the data that there is an issue, why are we even here.

 So somewhere along the line there needs to be, the industry needs to come forward, provide information to the Secretary that says, here is our definition of loss. Here’s the data that shows people are suffering from economic loss because of advantageous presence or inadvertent presence, or whatever we’re calling it today.

 And then the Secretary says, man, there’s a problem here, or there isn’t a problem. If there’s a problem, then it goes to where Doug was talking about. He establishes a pilot program to launch this thing, see how it works. When it works, bam, you make it wide open. If there isn’t a problem then he says, you know, at this stage we’re not going to warrant the cost.

 MR. REDDING: Right. So what I would like to recommend is that we have, we need data. This has been a consistent one. You need data. Okay. So in our construction of the recommendation, we would say, data collection. We would reference a pilot, based on the data, before you get to a program.

 In the research section, we could mention the need for, if it’s not already there, additional research which gets to the point that Leon had mentioned. Is that okay?

 MR. BUSHUE: I’m kind of lost, frankly, now.

 MR. REDDING: Well --

 MR. BUSHUE: I think, basically, yes, I understand where you are coming from.

 MR. REDDING: So we’ll try to, I mean, I think we understand where the sensitivities are around a pilot. I don’t want anybody walking away from the table believing that we don’t need data. We do need data. The question is the sequencing of that.

 And there would be a desire by some to have things happen concurrently versus sequentially. We can try to structure that in this recommendation, but you’ll get a chance to look at it. Okay. So let’s wrap up for the day. So we’ll try to come back, bring a product back for tomorrow morning. Okay.

 Keep in mind that tomorrow --

 (Discussion off the record.)

 MR. REDDING: Yes, so tomorrow, we’ve got tomorrow to get through the test of the recommendations, the title of the report, and some definition and instructions. Okay. The meeting is adjourned.

 (Whereupon, at 5:26 p.m., the meeting was adjourned.)

 Digitally signed by Teresa S. Hinds

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 Teresa S. Hinds, Transcriber