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 May 30, 2012, commencing at 9:09 a.m. at the United States Access Board Conference Room, 1331 F Street, NW, Suite 800, Washington, D.C. 20004-1111.

Russell C. Redding, Committee Chair

Michael G. Schechtman, Executive Secretary

APPEARANCES

Russell Redding, Chair

Michael Schechtman, Executive Secretary

Dick George

Committee Members:

Isaura Andaluz

Paul C. Anderson

Laura Batcha

Charles Benbrook

Barry Bushue

Daryl D. Buss

Lynn E. Clarkson

Leon C. Corzine

Douglas Goehring

Melissa L. Hughes

Darrin Ihnen

Gregory A. Jaffe

David W. Johnson

Alan Kemper

Josephine (Josette) Lewis

Mary-Howell R. Martens

Marty D. Matlock

Angela M. Olsen

Jerome B. Slocum

Latresia A. Wilson

P R O C E E D I N G

MR. REDDING: Good to see you. Welcome back. It’s good to see everybody smile. I want to thank you for a constructive and productive day yesterday. I think the exchange we had was helpful and conversations evolved nicely from where we were in March and through the work group discussions. So again, I think it set the base for today.

To those attending dinner last night, thank you for being there and I certainly appreciate that exchange and opportunity to get to know folks better. And being in a social setting and out of this board rooms gives us a chance to exchange ideas and talk about family and other things that are important to us.

For those who couldn’t be there, we understand. You come to town. There’s a lot of meetings and discussions and family here as well. So I appreciate that. Michael continued his good run on selecting great restaurants. Michael, thank you for facilitating that nice evening.

Today’s agenda, as you can see, is pretty straightforward. This is not a day of presentations. We’ve had that. Today is about looking at our charge. We want to reach consensus on a framework that addresses the Secretary’s charge. We will identify the areas of agreement, and if there are still areas of disagreement, what are they, and what can we do to address them. Right.

There may be a few of those. We certainly want to review and prepare the framing points and themes. That will be a piece that we’ll get to here right away this morning. And I’ve asked you overnight to take a look at that document to make sure it reflected the conversations in your thinking, and just comprehensive as it needs to be. That will really be a critical piece for us, to make sure we’ve captured the thinking of AC-21, and where there is agreement, of course, sensitivity.

We want to review the time lines. Certainly, coming out of here today, we want to understand what that time line looks like, what’s expected of Michael and I, and certainly what’s expected of each of you, and the time line that we’re working on. Okay.

The goal remains to find that middle ground, that I think this is going to push all of this further than we’re comfortable. But I think it’s important to demonstrate that we can work together as an agricultural community, and certainly on AC21, and to demonstrate that we can find solutions to coexistence that respect the diversity of agriculture and allows all of agriculture to grow.

I mean, that certainly is a theme you’ll see in the document, but we’ve heard this over and over, that this is about respecting that but knowing that agriculture is growing. We want to continue that, and it was certainly one of the Secretary’s comments yesterday.

The Secretary spoke of the sense of community that’s inherent in rural America. Certainly, that’s a quality that we admire and we know the power of the sense of community. My hope is that we can employ that sense today to help us get to the framework of constructive framework coexistence.

So there are some opening thoughts and reflections of yesterday and where we are. I’d like to take a few minutes this morning, before we jump into the agenda, that will begin with ideas on framing, to open this up for a few minutes of reflection from you. Each of you have given a lot of thought to our charge, been actively engaged in conversations to date and certainly yesterday, and a lot of great ideas put forth. I want to make sure as we get into the work plan here today, that we have any thoughts that you want to offer before we start down that road.

So let’s take a few minutes this morning, open it up. And if you want, share sort of what has happened overnight, your thought process in how it’s developed, key points, we want to make sure that we have properly noted, you can do that now. So I’ll just open it up. Angela.

MS. OLSEN: Thank you. Angela Olsen. Last night, as I was dealing with all of my technical issues with my computer, which is why I wasn’t at dinner, but I was reflecting on our meetings, and our past AC21 meetings on the many work group meetings that we have. I was reflecting on the conversation yesterday, including the conversation that we had with the Secretary. And I have to say, I’m confused.

I’m confused about what our charge is as an AC21. And I’m hoping that my colleagues around the table can help me with that. I think it’s illustrative to walk through just a very brief chronology.

At the first meeting, the Secretary came in, and he gave us our three focus charge questions. And we were all brought together for our expertise, for the different perspectives that we bring in this room.

And the first charge question, and I won’t review all of them, only the first, is 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.

We spent a lot of time talking about that “if any” language, and I think that we’ve had very robust discussions about that. We’ve also had a lot of discussion about economic losses, including the fact that we haven’t seen data on economic losses, which isn’t saying there is or there isn’t a problem. It’s saying that as defined by the first charge question, we were asked specifically to look at economic losses. And what we looked at was rejection of loads. And that can’t be extrapolated to economic losses.

But with what we did look at, it looks like the problem, if we call that the problem, is very small.

At the second meeting, the Secretary came in and spoke to us and clarified his charge questions. And what he said to us was, hey guys, I don’t know if there’s a problem. It’s going to be very important for you, particularly the size and scope working group, and the AC21, to look at data, actual data, and tell me if there is a problem. I don’t have all the answers.

And all of this is in the transcript. I’m sure he phrased it far more eloquently than I just did. But that’s what he said, from the transcript. And that’s pretty close. And so we have taken that, and we’ve taken that as the baseline as we’ve been working through our working groups, as we’ve been working through our discussions at the AC21 table.

And he said, I don’t know if there’s a problem. You need to tell me. And if there is a problem, are there compensation mechanisms that could be examined? And that’s what I’ve been operating on, the first, the charge questions that were given on the first day, as well as that additional guidance that the Secretary gave us.

Yesterday, we had a meeting, of course, and the Secretary came in and gave us some additional thoughts on the charge. And we all want to be very helpful to the Secretary. And that’s why we were brought around this table. And we all bring diverse perspectives. And that’s part of the richness of our conversations.

But again, I’m confused by the charge. Is the charge now, here’s a solution, here’s an end point, that we as an AC21 table have not come up with. We have voted against compensation. As Michael indicated yesterday, it was not 50/50. It was 12 against, eight for, one abstained, or Russell also, so two, and then one wasn’t present, who is Darrin Ihnen. And Darrin has said publically he doesn’t support a compensation mechanism.

So are we now saying that there is a solution, which is this crop insurance product, without understanding what the problem is, or if there is a problem? And query, is that good public policy? Is that good public policy to put in a potential solution without understanding with the problem is, without understanding the different framing parameters.

And I think Mary Howell was absolutely on point when she said, we’re trying to build a house and we don’t have the foundation. And that concerns me. From a public policy standpoint, that concerns me. It also concerns me from a global and a domestic standpoint. What message are we sending to global regulators, both from a biotech acceptance standpoint, as well as an organic standpoint. What public policy messages are we sending? And that concerns me a lot.

As an AC21 committee, I think that we need to, in order to really answer the charge questions that the Secretary put before us, we can’t ignore all of the conversations we’ve already had. We can’t ignore all of the hard work we’ve already done. Why would we be sitting here. It can’t be, here is the solution, now as an AC21 member we’re just going to generate a report to justify that solution, when we might have other thoughts.

We want to be very helpful to the Secretary. And I think the way to be helpful to the Secretary is by generating a report that reflects the diverse views; generating a report that takes into account important public policy decisions, whether it’s domestic or global, or again, from a USDA standpoint, you know, we don’t want to open it up to lawsuits.

Is setting up a compensation mechanism that may not be open to everybody, that may only be open to, for example, the organic community, that doesn’t include white corn, yellow corn, waxy, IP to IP, is that good public policy?

And I think that we, as an AC21, we really need to consider those points. We need to make sure that any recommendations that we put on paper, that are going to be read by global regulators and could potentially be taken out of context, that we are basing it on actual facts, on real data, actual fact, that we’re basing it on sound science and legally defensible positions.

And so I’m very interested to hear, my colleagues, what you heard yesterday, and what our charge is, because I’m a little confused. And I want to make sure that we’re all on the same page so that we all have the same foundation as we’re making recommendations today in terms of framing the report. We all want to be helpful to the Secretary, and I want to urge us to keep all of these points in mind. Thank you.

MR. REDDING: Thank you. Doug?

MR. GOEHRING: Thank you, Mr. Chairman. Switching gears just a bit, something that you opened with yesterday and made a comment about was words. Words mean something. And I understand that not everybody is familiar with all the different terminology that’s used. And many around the table that are involved in agriculture, to some great degree, do understand that.

But I would just ask that as this conversation continues today, that to do away with some of the angst, to try and find a place where we’re talking about something specific, that we’re very careful in the words we choose.

For example, when the word fund is used, that’s generally associated with an indemnity fund. Pooling is a term that’s used with crop insurance or a risk retention group. But, again, that’s about pooling all those different policies, and that puts you in a position where you then have a product that you are trying to cover.

So if we identify things such as a risk retention group or a crop insurance product, or an indemnity fund, I think we have a clear understanding when people are communicating and talking about something, that we’re being specific so that it doesn’t cause more tension when we use the term fund with a crop insurance product, because it’s totally different.

And with respect to that, I do agree with Angela. I believe that whatever we’re doing should be inclusive. I believe it needs to encompass all of agriculture. We do have IP and seed producers. And I think it’s very important that they are also included. Thank you.

MR. REDDING: Okay. Thank you. Greg.

MR. JAFFE: Thank you. Yes, I did think a little bit about, I reflected on what we sort of talked about yesterday and tried to think of a way to put it all together in something that might be consensus, or might get most people on the committee in agreement, and moving us forward on I think what our ultimate goal is.

And so I come at it with the following sort of premise, or the following sort of facts or information, one being that, and I think the Secretary said it yesterday, but I think it’s something we’ve talked about for many meetings, is that there is a risk out there. There is some risk. There are some loads that are being rejected. And so it is a problem.

Using what I think were Charles’ words yesterday, it’s still at a manageable stage. And if I’m using your words incorrectly, Charles, let me know. But I think the thought was that, you know, based on the fact we don’t have lots of data and everything, that this is not, it’s still at a manageable stage.

Another part of this is that most farmers want and do the right thing, that we’re talking about not the majority here, but we’re trying to deal with the people, where things are not being done; and that farm management practices work in most instances; that people can put in place farm management practices to mitigate the risk.

And so to me, the one thing I don’t know at this point is, you know, what is the cause of the losses? I don’t think we have the data yet to know the causes of the losses, know the exact reason for it. But I have to assume that some of it is for not properly carrying out those farm management practices, or some of it is because of biology. Nothing we can do about that. Even if we use the best management practices, there might still be some small percentage of loads that might get rejected.

So I don’t think there is any evidence yet to show that the practices that are being used aren’t sufficient. But that’s something that could come. And so, then I thought of, well, how do you come up with something that’s inclusive, gets all of Ag involved, where everyone’s part of it? Everybody is part of the solution. Everybody has got some requirements, something to do to help foster coexistence.

And so I’ve put together a couple, a number of things that I thought would fit within what we talked about yesterday, sort of the risk management package, the first being seed purity. What I’ve heard over the last few meetings is, everyone seems to agree that this is essential, and so that’s the most important thing to start.

And I’m not sure, I’m not an expert enough in the seed development side, or the seed production side, but you know, to me, that is an area where there could be some sort of government oversight role, whether it’s to set standards of how pure something is, or testing, or things like that. But clearly, I think that is one leg of the chair that is risk management.

The second one, and this I sort of tried to put together, what people talked about yesterday was, I’ll call it voluntary/mandatory farm management practices. Okay. And I’m sure that will be controversial, but that’s what I’m going to call it.

And the idea behind it is that, you know, farming is voluntary, and so is the choice of production method. And that should still be. The farmer should have a right to choose to farm what they want to farm. But my understanding of the industry is, but when you do choose a method or choose the seeds you’re going to choose, most of those, those are voluntary choices but then come, with them, mandatory obligations.

So if you’re an organic farmer, and you choose to be organic, you join into the program. You then have a bunch of mandatory requirements required by that to meet, and you go and meet those.

Similarly, if you’re a non-biotech specialty crop, whether it’s non-biotech or any specialty crop, you enter into a contract with the person you’re selling, and you put certain obligations on yourself that no longer are voluntary. It’s voluntary to enter into it, but once you’re in it, it’s then mandatory.

And similarly, if you’re biotech, you’re buying biotech seeds. My understanding is, everybody who buys a biotech seed enters into a contract with that tech provider. There are IP obligations under that. There are refuge requirements under that. There are a whole host of things under that. And those no longer become voluntary. But you voluntarily agree to be bound by those.

And so, you know, I look at those and I say, well, those, for the specialty on those products, or for the organic, there is already some mandatory requirements for coexistence or for reducing unintended presence. They already exist in those.

I think that the same should be true for the biotech. And I would propose something along the lines that the contracts should, and this is my language, require farm management practices to foster coexistence, and minimizes the unintended presence of GM that might impact neighboring farmers.

And I’ve tried to choose language fairly carefully. I chose the word, farm management practices. You could replace that with best management practices, but I’d have to think about that. I choose the word minimize. You could use the word reduced.

I did not, I specifically did not choose the word contain. So it was foster coexistence, not contain the crop on your land. I don’t think there is consensus for requiring the GE farmer to contain the GE crop on their land. And I’m not sure there’s really evidence so far that, from the degree of losses, to require that sort of, that kind of thing.

And I think what the Committee could do is then identify the range and types of these management practices. I know I was talking to Jerry, when we were leaving the meeting last night, and he was talking about, you know, well he’s required to have a 50 percent refuge for his corn in the south, and talked to his neighbor and plant that 50 percent refuge on the border, so if the neighbor is organic, so that’s where his refuge is, that’s non-biotech. So he’s doing the border rows there for that farmer.

Coordinating your planting times, rotating your crops. You know, if two farmers are doing corn and soybeans, pick the farms that are next to each other so when you’re planting corn, the guy next to you is planting soybeans, and vice versa, if you are rotating your fields every year.

There are lots of things. And I think we could talk about some of those as things. I think under this system I think the farmers would be obligated to document how they comply with this obligation, whether that’s writing down that I talked to my neighbor and we agreed on these planting times, some sort of documentation.

And I think that the tech providers would agree to enforce it in their agreements, just like they do other parts of their agreements, so they wouldn’t sell seed to them if they didn’t meet this, just like if they didn’t meet their IP obligations, they wouldn’t sell seed to them, or if they didn’t meet the refuge requirements they’re required to not sell seeds to them.

At the same time, to get additional groups into the mix that, you know, both the tech providers, the trade associations and others would agree to educate farmers about this obligation, and sort of make it a priority similar to IP, refuge, and some of these other obligations.

So, and then both them plus USDA, I think, would be responsible for publishing what are these farm management

practices, you know, what would be examples of farm management practices that would meet this kind of fostering coexistence. They wouldn’t be, again, a specific requirement. They would be crop specific. They would be region specific, and so forth.

But the idea would be that this would become, this fostering coexistence would be a priority for all of these different kinds of farmers through these different contract mechanisms that they already are putting in place anyway. And so to me, that’s sort of a voluntary/mandatory. Nobody has to go into it, but when you’re into the system, this has got to be a priority kind of thing.

Quickly, the other ones, the third thing would be incentives.

MR. SCHECHTMAN: The second one, just so I get the words right, would you just repeat the –-

MR. JAFFE: So the first was seed purity. The second was voluntary/mandatory farm management practices.

MR. SCHECHTMAN: But then you said, contracts should require farm management practices that foster coexistence and something.

MR. JAFFE: Okay. So the language was, require farm management practices to foster coexistence and minimize the unintended presence of GE that impacts neighboring farmers.

The third thing would be incentives. I think the USDA should have this sort of fund available to support coexistence at the farm level where incentives are needed. And you can think of an example where, you know, where there is a greater likelihood of unintended presence might arise.

For example, an organic farmer, I called it, in the sea of GM farmers. But, you know, if there is an organic farmer who wants to farm, and he just happens to be in an area where he is surrounded by all GM farmers, that that might be an incentive for the government to come in and help get some of those biotech farmers to plant some border rows, and pay them to do that kind of thing.

Or if you are in a specific grower district, and somebody is not, doesn’t want to be in that grower district or something, the idea would be the government fostering this “right to farm what you want to” right, given the fact that your neighbors also have that right, and where that -- so I think that would be something that would be part of this.

The fourth sort of bullet would be transparency. And this specifically gets at the amylase corn, but I don’t think it’s unique to that, in that there really needs to be more transparency about the products, providing testing material, data on coexistence, especially for these functional traits, you know, where they are going to be grown, and things like that. I think that with fostering coexistence, you need better transparency around from the tech providers, from others in the chain.

The fifth one was innovation. I do think that you also want to have USDA support research on gene flow restriction technologies, industry doing this, and try to use those where it could be to prevent gene flow.

The sixth is education, which I think a lot of people talked about yesterday in terms of tech providers, trade associations, USDA. I mean, I think education on coexistence and farm management practices would again need to be a priority.

And then the last would be, of course, would be the compensation mechanism. And you know I, as I’ve mentioned at other meetings, I think that a pilot compensation mechanism to address these losses as funded by the taxpayers is the way to go as a starting step to sort of find out the extent of the problem, and how to set up a more permanent mechanism.

I don’t really have strong views on whether it’s insurance or a fund and all those kinds of details. I don’t think our subcommittee has really given us a strong view that one versus the other is better for a large extent. But I do think that’s part of the package here. So anyway, those are my thoughts. Sorry to take so long.

MR. REDDING: Thank you. Missy.

MS. HUGHES: I first have to say that Doug informed me last night that using the word mandatory was akin to talking about black helicopters, and I wished he had said that yesterday at the meeting, because that would have been clear to me. So I’m now going to start using the word accountability, I think.

But all of that is to say that Greg and I apparently worked together somehow in our sleep last night because I have written down a lot of the same thoughts that Greg has, and I’d like to just take a minute and go through those. But, initially, Angela has raised an issue and it was raised at the end of our last “who pays” working group. And it’s this concept that any statement coming out of AC21 will potentially have global ramifications on, especially, I think, biotechnology, and the world’s view of biotechnology.

And for me, that issue is making me think that at the end of the day, no matter what kind of work we do, that will be a showstopper because folks will just be too concerned that we’re putting out some kind of a policy statement that will negatively impact biotechnology and the global trade.

And so one of the things that I really thought about this morning was, how do we get around that? How do we not raise this specter that, you know, could stop all of the work that we’re doing.

And it occurs to me that coming out of AC21, if we were to have an acknowledgement that there are farmers who choose biotechnology and who want to have biotechnology products available for their farms, and there are farmers who choose non-biotechnology production methodologies, and who do not want to have biotechnology in their food and crops, I think that simple acknowledgement is a platform that we can then move forward from, that’s not in existence right now.

There is this feeling, I think, that folks refuse to recognize that there are farmers who do not want to have biotechnology and that their choice is somehow faulty and therefore should not be acknowledged. But everybody, at the same time, talks about how farmer choice is important, and how we want to support that.

So, again, I think an acknowledgement from AC21 that there are these two production methodologies, as simple as non-biotechnology and biotechnology, that they’re out there. They exist. We support all agriculture. And that at times these two production methodologies are going to conflict because there’s going to be biotechnology that goes to the non-biotechnology production methodology. And when that conflict happens, then what do we do?

So now I jump to where Greg is, and Russell helped yesterday saying, at the end of the day we need to have this concept of a risk assessment. So where do we assess when this conflict happens?

And in thinking about it, it seems to me the conflict happens at three different places. One is in the seed, two is in the drift or the pollen once something is planted, and then the third is downstream. I’m going to call it downstream harvest, so in the harvest equipment, or at some other point downstream past the farm gate.

So if those are the places where conflict happens, then how can we mitigate where those conflicts are? So on the seed side of things, Greg mentioned this, we need to have some kind of a plan for seed purity. And again, I think that involves an acknowledgement that there are folks who want biotechnology, and folks who don’t want biotechnology.

And for the folks who don’t want biotechnology, there should be a seed purity protection methodology. There should be something in place that protects an ongoing line of seed from having biotechnology in its foundation levels.

And as far as I understand right now, the seed bank in Fort Collins, the seed bank in Norway do not have good protocols in place for avoiding biotechnology. And I’m looking at you guys. I said, that’s as far as I understand. That’s what I learned from the USDA back when we were talking about alfalfa. Or they could be better, maybe we could put it that way.

But I think, you know, as the seed providers and the technology providers work on new products, there has to be with each new product, a plan for, how will we have seed that doesn’t have biotechnology in it, in the core product?

And then if we talk about drift as a place where conflict might happen, where biotechnology might travel into the non-biotechnology world, we talk about the things that Greg has already mentioned and did a great job with, the education, the management practices. How do all those pieces fall together.

And then -- so if we have, so we have the risk assessment on the seed and on the drift and potentially, although I don’t think it’s within our charge, this kind of downstream conversation about making sure that combines are cleaned out, and then further down the road, who makes sure that their products are avoiding contamination, sorry, trying not to say the word contamination.

And then, of course, the last piece of it is this discussion about compensation. And I agree with a lot of what Greg said, that of a fund, most likely funded, I think, on a public/private basis, whether it’s with support from the government.

But I think that the biotechnology farmers should be participating in that fund. I think the non-biotechnology farmers should be participating in that fund.

But, again, I don’t see the fund as the ultimate solution. The real place where we can do things well is on the seed and the drift mitigation, and avoiding those conflicts in the first place. I think that’s it. Thank you.

MR. REDDING: Thank you. Chuck.

MR. BENBROOK: Thank you. Several of us were talking about just, sort of, the length of the report. And we would advise that the report be as short and focused as possible, and not try to explain all the dimensions of the challenge. We really get right to what we recommend the Department do to try to move ahead.

I think that, you know, I certainly agree, want to echo the importance of making the point about a commitment to preserving some germ-plasm that has not been manipulated to contain foreign genetic material.

And, you know, after we make that point, I think it’s really important to explain why that’s so important, because if farmers can start each year with viable access to a non-GE seed, that truncates the possible scope of the problem in any given year to the frequency and degree of gene flow or comingling, or as Missy says, some downstream mixing.

And I think all of the data that we’ve heard, and the presentations by the breeders, you know, even under sort of worst case scenarios, the degree of gene flow and contamination that can happen if you are starting with clean seed is, it’s above .9 percent, this level that is in the marketplace, but it’s not so bad that it’s going to sort of take over the whole seed supply.

So I hope we would make that point that this commitment to preserving non-GE seed options in the future is a hedge against this problem getting incrementally and progressively worse.

I like the concept of us trying to emphasize that, in practice, coexistence is about mutual respect and preservation of everybody’s market premium, for whatever reason that market premium, on whatever basis it’s founded. And I think that, I think by crafting it in that way, I hope that it’s a concept that all farmers and all sides of this debate would rally around. Market premiums, value-added income is a good thing for American agriculture, for whatever basis.

And I think when the focus is on preservation of market premiums through cooperation and fence line conversations between farm managers, it becomes, it becomes doable, just like, you know, putting in conservation structures and buffer strips, and some of the area wide pest management programs that are going in now.

There are things that farmers can do by working together across the landscape that none of them can, that’s very difficult to achieve on their own. And I think we ought to emphasize the need for some new mechanisms and hopefully, when possible, incentives to encourage those conversations and those plans between neighbors to occur. Because, I mean, let’s face it, it’s only going to be certain fence lines where these issues arise.

In fact, the vast majority of fence lines between neighbors, these issues are not going to be relevant because they are growing, they’ll be growing crops that don’t threaten the other’s market premium.

And I think as a general principal, we need to encourage the Secretary and the Congress to move towards a way to promote coexistence, that incentive cooperation, and makes it in everyone’s best interest to find practical management-based solutions to the problem, as opposed to allowing problems to fester and spread and then rely on the mechanisms to try to sort them out.

Because I think it is possible now to put something in place, but if we wait another five years to where the problems are more common and more serious, it will be more difficult.

MR. REDDING: Thank you. Leon.

MR. CORZINE: This is Leon. Thank you, Mr. Chair.

I would like to go back, for a moment, to, as I was reflecting, I was somewhat troubled by the Secretary’s comments yesterday, because I thought he added confusion rather than clarity, because it seemed like from, and Angela kind of reviewed, and that’s kind of where I was.

I thought I kind of knew where we were and what we were to do, and then we ended up in a place where all of us were trying to read his mind a little bit about where he was, and does he have a plan and now are we just supposed to be the support group to justify his plan?

And I have trouble with that part because, you know, I am here to help enhance the coexistence that is going on. What can we do? Where are the trouble spots? We still have the “if any” in play. But with that “if any”, I do understand that there are some things that maybe we can do and have in place once we do have data or some sort of, some sort of forthcoming of the need.

Now, if we want to help so there isn’t a time drag and have something in place, maybe that’s what we can do. But back to the Secretary’s comments, I was frankly really troubled with his comments to me when I asked him about the war, because I’m the guy out on the farm, and a number of us are. We’re not having war. When I see war is when I come to this town and it’s organizational.

It’s an organizational war. And the things the Secretary reflected on, the bloggers and this one and that one, those are going to be there no matter what we do. And that’s going to continue. And I think there just should be a recognition of that.

And it’s troubling, but quite frankly, I don’t look at blogs because I just flat don’t have time by the time I do what my son thinks I ought to do, and the things my wife thinks I ought to do, and maybe the things that I ought to do, and then come have fun with you all. So I think I have my order, my priorities right. Hopefully.

But anyway, that part was troubling me, because it put us in a spot that we’re all trying to figure out, now, what did he really say? So that kind of clarity we didn’t get. And I thought we regressed on that part.

But the whole thing back on the war for a moment. We talk about community, and doing community things, and we do. And like I’ve stated, I have three organic neighbors, and they are in various stages, and we get along. And we try to help each other out. And we do temporal things. We do other things that I have talked about.

There is also the part that I think, and part of the charge, as I understand it, isn’t just to look at organic or organic plus as I call it, which is really a non-GM contract, in my mind, with some other things that, in process, that the organic community chooses to do.

But I do IP also. And I know what needs to be done by the risks that are associated and the practices that I need for my particular part of the world and particular crop I may be working in.

And we’ve done very tight things to where I cannot even drive the planter down the road with the seed in it. Okay. I have to do a pretty wide border. I have to not plant until they tell me to plant. And in fact, some of the fields, maybe some of you know, maybe you don’t, you plant it twice. You have to plant it once, and leave some rows blank, so you come back later and plant something else.

So, you know, in all of that, there is risk in all of that because I may or may not get much of a premium. It is all depending on weather and some other things that may be going on.

And I think that’s where the education piece can help us to understand, it is not just for the farmers to understand, but farmers do, the producers and what it’s going to take and what the risks are associated, and in that, is the premium worth the risk.

And I think the writers of the contract, as I stated, need to be involved in the whole chain of that supply on this education piece, however. And I think there is a strong place to put that. There is also I -- that, in my border, it’s my value. I protect it.

Do we do things once again to foster the coexistence? We do. I don’t agree with Greg that the government should have a place in having a fund to pay for those borders, because there are already things in place in some of the added value things, very high value, where I know of producers in some areas that didn’t have enough of a border because of their acreage or because of whatever.

Then it really becomes a community thing because they’ve included neighbors in the border, and they paid the neighbor. The neighbor, whoever is helping protect the purity, they participate in the value. It’s pretty simple. Maybe in the education piece, something like that can be there.

But I think it’s very dangerous if you get into having a fund there to do that, because I am very concerned about the implications of what we do, call them unintended consequences, call it whatever you want, but our trading partners, as good as they are, most of them are pretty fickle, and there can be a serious concern with ramifications because we need to work on some things of harmonization of regulatory systems, and do some things to open markets to all of us.

And that’s an important part of US agriculture, and I think it should not be discounted. So with that, I don’t think we push aside the “if any”, but I think, you know, we can put something, maybe the crop insurance mechanism is it, because we have a mechanism there.

We have, like I mentioned yesterday, I buy buy-ups. There are a couple of ways I do that. I have choices in my crop insurance program, to the risk that I want to accept myself on my family’s farm.

And then there are also buy-ins, for example, the hail insurance or wind insurance. There is even now a weather risk insurance, those kinds of things that could be looked at and explored moving forward, I think. Doug knows more about these things than I do, as far as the detail of what’s doable or not.

But maybe we’ve been told not to worry about some of that detail, but I think there is a model there that maybe is possible, because then it is voluntary and you know it’s up to farmer choice. And I think that’s what we ought to have in that regard.

So I think the education piece is a very important one. I don’t know, Missy, about your comment on the seed bank. You know, the seed banks are important, and do they need to be reviewed or make sure that we have the pure seed there? I don’t want it coming out of this Committee that we’re challenging or thinking the seed bank is no good. I think we ought to be pretty careful on that one as well.

So I’ll stop there for now. But I do think that we need to move forward. And I think we’ve progressed some, but I don’t, I still find it troubling that we’re trying to all read the Secretary’s mind after the comments yesterday. Thank you.

MR. SCHECHTMAN: I’d like to respond, if I could, just to the issue about the seed banks. I’m not an expert on USDA seed banks, but having heard the discussions around what is done in the example of alfalfa, and the specific things that are done to grow all of these, grow out all of those things in very carefully isolated and enclosed cages, I think an extraordinary amount of effort is gone to, to make sure that the chance for inadvertent pollination by some outside source is minimal.

I think at the same time, no one who runs a seed bank is going to guarantee to you that there is zero GE in anything, but my impression of the measures that are taken are that they’re fairly extraordinary.

I think there is, and maybe it’s a good thing to point out, there is a constant effort to look at whether any of those procedures need to be modernized and updated for additional crops as they come along. But I can say that at least in the small window that I’ve had to see how they do some of those things, they go to really great lengths, and they are very conscious of the issue.

MS. HUGHES: Well, and I would just add that that’s part of what we’ve learned. And it was fascinating to learn that. And I guess my point is that as AC21, we need to reaffirm any commitment there is to continue assuring that there are pure seed lines going into the future.

And if there is a product that comes out where you cannot assure a pure seed line, then we need to think about whether or not that product should actually be released. But a central focus of any coexistence framework has to be that there is an acknowledgement that a seed must continue to exist in an accessible amount that doesn’t have the GE materials in it.

That’s all I’m saying, is that there is a recognition by the Committee of a value in a pure germ-plasm going forward.

MR. SCHECHTMAN: Okay. I’m trying to make a distinction between seed lines that are released to the public versus germ-plasm resources that are kept elsewhere. I think that the two things are getting a little mixed together.

MS. HUGHES: And that’s fine. And I’m just talking, I’m just talking that there is a concern that the purity of seed gets left behind when there is an attitude that the GE materials are safe. So what’s the worry.

And all I’m saying is that there is a contingent, and it doesn’t seem to me to be faulty to say, going forward, we need to assure that there are seed lines without GE material in them.

MR. REDDING: Thank you. Mary Howell.

MS. HOWELL: I’ve got a whole lot of people to respond to, but I’m going to start with Angela, because that’s been a while back, because she quoted me, and I don’t think she quoted me quite in context.

When I talked about not feeling like there was a foundation under the house we were trying to build, it was in relation to the fact that I felt like we were trying to build a compensation mechanism without dealing with the mitigation first.

And my listening to Greg and Missy, and outline what they had come up with last night, I feel like we’re starting to have that structure of the foundation finally. You know, something that I feel comfortable would be the structure, the framework about where our core concerns would be addressed, and then number seven, the last item, would be compensation. To me, that’s a much more comfortable structural concept than going first with compensation, and then sort of as an afterthought mitigation.

A little bit on the whole concept of global opinion, and whether or not this would have us coming across as being wishy-washy, or not certain as to the value of biotech crops.

I doubt it from what I know about the global opinion. They’re concerned about American agriculture not being sufficiently concerned about this situation. So if we were to come up with a structure that laid out the acknowledgement of farmer choice, of farmer options, but numerous systems were equally legitimate and equally protectable, and then this is the way we’re going to do it, or this is the way we’re going to recommend it be done.

My sense is that global opinion would say, yeah, you know, finally. Finally there is acknowledgement that we can do something about this and not just kind of let it happen.

Finally, a little bit about germ-plasm resources, because that is something I know a little bit about, not in seed crops, but in grapes and apples. The USDA maintains the germ-plasm repositories. And as part of that is a computer system that they call GRIN, which is germ-plasm resources information network.

Everything they have in the germ-plasm resources is characterized. Every accession, every line gets characterized for being a typical characteristic, like leaf shape or flower color or something like that. And more and more they are being characterized for genetic characteristics, marker genes.

I see no reason why there wouldn’t be a possibility of adding maybe a small funding component onto the germ-plasm repository system to make sure that everything gets characterized for certain marker genes for GM traits, too. I mean, it doesn’t seem like it would be a very difficult thing to add onto a system that is already in place.

MR. REDDING: Thank you. Paul.

MR. ANDERSON: Okay. Thank you. I just had to find the button there. I just want to expand upon, just a little bit, some things that I have heard several people say, Chuck and Missy and others. And so it’s not novel, but maybe just stating it in a different way.

And that’s to acknowledge that the Secretary has given us a pretty narrow charge here. And that narrow charge is to focus on biotechnology and GE plants and their impacts on non-GE farming operations. I’m rephrasing it, putting it in my own words. But this is really a subset of a larger situation. And people have said this kind of in different ways.

And that larger issue, or that universe if I could maybe choose to frame it in these words, is about the freedom to operate an identity preserved business of any kind on your land. Okay. And we think about it in those terms, this is really a small subset of that.

It doesn’t account for new things that can happen in the future. It isn’t inclusive of all farming operations. It puts, sends a very limited message globally. I think that’s a very important issue.

And so what I would encourage us to do, and this may not make the Secretary very happy, okay, but I’d encourage us to think about this problem and answer it on a higher level than the lower level, the level that he’s asked us to address it on. And I think, my feeling is, that solves a lot of problems for everybody in the room. Again, just an opinion.

MR. REDDING: Thank you. Angela.

MS. OLSEN: So four points, the first regarding the seed banks. I also don’t have a deep knowledge on the seed banks, but I’ve never heard any concerns of seed purity issues there.

It seems that that issue might be off the table for our AC21, but maybe an issue for the other group, the NGR, what is it, the NGRAC to look at. We haven’t spent time talking about it. Again, I haven’t heard any concerns.

And if it’s something that needs to be looked at, I don’t know that we’re the right committee to discuss that, since none of us really have, other than Mary Howell with grapes and apples. And Mary Howell seems to have the most knowledge of anybody at the table on the seed banks, and Michael, you as well. But I don’t think we’re the right committee to look at that. But I have not heard any concerns.

Second, regarding seed purity, and this is a point that I’ve discussed at the table in the past, as biotech providers, we spend millions. We invest millions to ensure seed purity, to the very best of our abilities. We have the American Seed Trade Association that outlines best management practices for producing seed. Our customers demand pure seed.

So it’s not as if we produce seed and we’re hoping that we’re meeting the mark. There is a lot that we do. There is a lot of investment, not only at my company, but other companies, other biotech companies as well across the board. Again, this is very well coordinated through ASTA.

So seed purity is something that is very important to us as well, that I think is important to everybody at the table. Should it be the central issue? No. It’s an important issue. Everything else that has been discussed at this table is equally important.

Best management practices on the farm. What happens after farm gate? Issues that we hear about sometimes are because trucks haven’t been cleaned out. There is a whole variety of issues that are where a potential problem could occur.

So again, just the acknowledgement that the seed companies do a lot to ensure seed purity. That’s our business. Our customers wouldn’t buy seed from us if there was an issue.

And the third point is that we’ve heard from Leon. We’ve heard from Don Cameron. We’ve heard some really good best management practices that folks use on the farm as well to minimize potential issues.

Don said, you know, I never use an open bag of seed. I always open a new bag. I think that there is a lot that can be done to reduce the issue of farm gate as well. So I’m very supportive of talking about education, about enhanced stewardship. The areas where everybody seems to, I think we can really move the ball, if that’s what we’re talking about.

I think going right to a compensation mechanism really drives a wedge. And it particularly drives a wedge if we’re talking about a special protected class that Congress hasn’t designated as a special protected class. If we’re just talking about the organic producers, for example -- and I buy a lot of organic, too, so it’s not, it’s nothing against one class -- I’m concerned.

If we’re going to make a policy decision, if USDA is going to make a policy decision and designate one class as a protected class that has never been deemed a protected class, I’m concerned about that from a policy standpoint.

And I agree with Paul, and I know that Alan raised this point as well. If we’re going to, first of all, we haven’t seen anything to justify a compensation mechanism, however, if we go there and we have the discussion, I think it is something where we need to think about, it should be open to anybody, everybody that has a product.

And I agree with Paul, you know, anybody that grows the white corn, anybody who grows waxy, it shouldn’t just be, for example, for the organic sector.

MR. BENBROOK: Angela, who have you heard make the argument that it should just be for organic?

MS. OLSEN: I asked yesterday. I asked that clarifying question yesterday.

MR. BENBROOK: Who said that it should only be open to organic farmers?

MS. OLSEN: Michael, wasn’t that a clarification, when I had asked the question yesterday? We had said mitigation was open to –-

MR. SCHECHTMAN: I think it was open to folks who had GE-related losses. But that, I think, was broader than just organic.

MS. OLSEN: So even taking that as the starting point as GE-related losses, again, even that, choosing that as a protected class, it seems to me that, I agree with Paul, still, that opening it up to folks that grow any identity preserved cropping system, one of the things that we’ve heard through our working group calls, and at the table, is that this is no different than any other identity-preserved system, whether it’s white corn or whatever it might be. So that point.

And then the last point that I want to make, the fourth point is, yesterday, part of my confusion as well, in terms of understanding our charges, are we protecting? Are we going to form some recommendation to protect against all risks?

We heard that the Secretary wants to look at one in a million risk, one in a trillion risk. I don’t know of any policies -- I guess I question, is that good policy to protect against all risk? And that is a concern that I have. So I want to raise that. I want to open that up for comment as well.

MR. REDDING: Thank you. Josette.

MS. LEWIS: Thanks. Sort of thinking about some of the themes that you outlined in some of your documents, and then also that have been echoed this morning, I do agree that the beginning has to acknowledge the importance of the diversity of US agriculture.

I don’t agree with the idea of posing it as biotech versus non-biotech, to imply there are two camps, because that’s very polarizing and because it doesn’t reflect the reality that we have out there where there are crops where there are no choices of biotech or non-biotech. And that’s not always a choice. That may just be an economic reality.

There are people who choose low input agricultural practices, but don’t go for organic certification, for whatever reason. So there is really a diversity. And I think finding a way to encapsulate that diversity is an important thing.

And it’s not to deny that there are people who choose not to have biotech. I acknowledge that. I think that’s fine. That’s good for agriculture. It’s created new market opportunities. It’s created value added. And that’s a good thing. But I don’t think it’s as simple as just two camps. That’s, to me, a very polarizing way.

I guess I would echo some who have said that, I don’t know the best way to describe this, but I’m not entirely certain that the narrow charge -- well, that’s not the right way.

I feel like the narrow charge that we’ve been given by the Secretary has not been productive in terms of really looking at what some of the root problems or issues are, because it has been so narrow and because we have followed, respected that narrow charge and tackled this question of a compensation mechanism.

So for some of us, we look at the data and say, there is an issue, but it’s a problem that’s manageable, and it’s not at a level that is warranting certain, the policy option that was put on the table by the Secretary for us.

Listening to the Secretary again yesterday about where the problem lies, and it’s in public comments, it’s in lawsuits against APHIS decisions for deregulation. I acknowledge all of those occur, and those are uncomfortable situations. Whether a compensation mechanism is the right solution for those problems, to me is not at all clear. In fact, I would highly question that it is the right solution.

So I think some aspect of the context, and there is probably ways to word it that aren’t quite as, that don’t necessarily reflect my narrow view on this, but that reflect that there is a general agreement that compensation mechanism is necessarily the central tool to address the range of concerns and potential risks associated with coexistence.

I think I then embrace, as many have, that a very important part of this is to send a message that there is a lot of actions and scope to improve upon risk mitigation measures. And so actually in the report, I think, there needs to be a section that specifically outlines the kinds of risk mitigation measures that we’ve talked about in the last couple of days.

So the way the report is currently structured, in terms of the outline, there isn’t actually a specific section of the seven that you had outlined. It would have been swept under one, the second to the last one on recommendations. I would actually advocate there be a specific section on risk mitigations, to send a clear message to the Department.

We think this is actually a very important set of investments that USDA and people in the industry, whether they are producers or food companies, all the way up the chain, should be making those kinds of investments. And many of those we talked about again this morning.

I think just to put my two cents on the seed purity, I embrace the idea that our germ bank, our germ-plasm bank should be, make sure they’re on the watch about the issue of potential GE issues, but it goes way beyond that, actually.

I think when you talk about the risk at the farm level, the risk that they face for lack of seed purity, has more to do with seed production practices in the seed industries that they purchase seed from. So I would just emphasize that’s two pieces, and promoting seed industry practices that assure seed purity is a very important thing.

There we go.

And then I guess the last part that I would really echo, and this is almost like, again, you know, in terms of the report, we would have a comprehensive discussion of the compensation mechanism in recording all the ideas or the main concepts that we’ve come up with through the working groups, and in our AC21. Then we would have a section on risk mitigation.

I could, I would also support some of the contexts that we’ve heard this morning that perhaps another section could find a way to address the idea of incentivizing, preserving, reducing the risk of identity-preserved markets; that we believe the diversity of identity preserved markets that add value to the farm is an important thing for the Department to support.

I agree with several that I think a broad definition of those value-added markets or identity-preserved markets is going to serve them well in terms of bringing more people under the tent and reflecting the reality of agriculture.

And so whether, I don’t have an answer as to whether it’s an incentive or it’s some kind of preservation system or risk mitigation insurance mechanism, but I think again it would be potentially a valuable contribution to the Department to hear that a positive way forward is to focus on enabling those, and enabling choice and enabling the growth of the value-added marketplace in this agriculture.

MR. REDDING: Thank you. Darrin.

MR. IHNEN: Thank you, Mr. Chair. Darrin Ihnen. Just, I guess I’m going to skip around, too. There’s a lot of people to respond to.

Going back to the Secretary yesterday, I did feel that he was trying to tell the Committee what to do versus let the Committee come up with a solution. And I did find that troubling as well. He put us together for a reason, and to me it came across that he had the solution and was looking for some cover. And so I did have some heartburn with that.

You know, one of the former meetings that the Secretary spoke at, he did talk about sound science. And I think we’ve always said that science is the key. And so I think we do need to get back to that charge.

You know one thing, farming is a risk. No matter what type of practice we do, it is a risk. And if you take risk out of it, everybody is going to want to do it. And I’m not saying that’s a bad thing, but when people get involved, especially in agriculture, that don’t have the background, or if they think it’s easy, or if they see the opportunity that may or may not be there, it creates problems because if there is no risk, we get sloppy.

Risk keeps us on our toes. It keeps us using best management practices, because if we don’t do that, it’s our livelihood. We don’t stay in business. And so, you know, the Secretary, when he says, you know, one in a million, one in a trillion, you know, you can’t do one in 500. I mean, you can’t take away all risk. And so I just wanted to say that.

And for the record, I know it’s been stated by other people, I do not support the identity fund, indemnification fund. And so I wanted to put that on the record since I’m officially here at this meeting.

You know, we’ve talked a lot about buffers. One thing, and Lynn mentioned this, and I think others have, buffer strips do have value. To say they don’t have value is not a true statement. If, you know, you can plant an alternate crop, whether it’s organic or GE, I’m just saying, buffer areas do have value. And to say they don’t have value is not a factual statement.

I do want to be on the record that I do not support a pilot program. In rare instances they work, but it seems like they cause more headache and heartburn. As past president of the National Corn Growers, our association is very supportive of all farming practices. And I do want to be on the record to say that we support organics, IP. We support all facets of agriculture. We’ve always been on the record for that.

And to say that we, as a corn grower, don’t support organics, for example, is not true. Some of our most active members in our association are organic farmers. In fact, one of the largest organic farmers in the country is a member and has done a lot of work on our behalf in our committee structure. And so we support all farming practices.

And, you know, we as agriculture need to stick together. And for us to tear down a certain system does not bode well. And that’s why the Secretary gets all those blogs, because they see us as fractionated. And we need to stick together because all of agriculture is under attack in some way, shape or form. And together we can push back. But if we’re going to be fighting each other, we can’t do that.

And, I guess, lastly I would just say I agree with Mary Howell that if we lay the foundation, and to me the foundation seems to be, and I think there is pretty good consensus on that, is stewardship, education, and you know it’s been mentioned around the table, if we talk to our neighbors and figure out a system where we can coexist, we don’t need the government to tell us to do that. We can do that on our own and be much more productive than a mandate, than incentives, anything.

There’s ways that we can do that as neighbor to neighbor. Lynn has proven that. And in my area there isn’t organic, so I don’t have to deal with that, but some folks do. And if you talk to your neighbor, 99 percent of the time the problems is solved. Thank you.

MR. REDDING: Thank you. Laura.

MS. BATCHA: Thank you. Laura Batcha. I think, is that on? Okay. I have a few reflections on the meeting that I want to share back to Russell’s original question to us to get started, and then just a couple of comments on what I’ve heard.

You know, I think for me for the course of this meeting with the big objective to kind of determine if and where there can be consensus reached, in terms of giving you all counsel on a recommendation or a report, and then coupling that with the comments from the Secretary that kicked off the meeting yesterday.

I think honestly for me, the biggest hurdle, I think, to reaching consensus in this document, comes down to not necessarily the different specifics of things we’ve talked about, but the, for me, the big issue of whether or not we can reach consensus that there is, in fact, a problem or a conflict that exists, and if it does exist, is that a problem or a conflict for all of agriculture, or is it only part of agriculture’s problem. And what we think about the role that the government plays, and the Department of Agriculture plays in mitigating risk and covering loss when it occurs.

We understand that there is a historical and current role for the Department of Agriculture in that regard, and an unwillingness to then see that same basic role be exercised in this circumstance. So I think, as I look at it, that those are big things that I still don’t have confidence we’re going to be able to reach consensus about.

And so the challenge for me then becomes, as we build a report with different elements of it, I think Greg outlined seven, different things, recommendations, how we structure it, it becomes challenging, I think, to look at each of those sub-pieces as an item that you can say, okay -- and I’ll qualify this, Alan, by saying that I’m not opposed to education, but I’m just going to use the idea of consensus around education in the context of no consensus around whether or not there’s a problem and a role for government in the solution.

I think it then becomes really challenging to agree to sub-elements that, standing alone become, to some views, completely inadequate. And so it’s hard to then buy in to a subpart. And I think I can assume the same is true for folks who don’t agree with me, that if there are elements in there that, if there is a statement that says, we agree there’s a role for the government in this, and you don’t agree with that, then it becomes difficult to agree to the sub-pieces.

So for me, those are the biggest challenges at the top. And I was really struck when the Secretary spoke to us yesterday because there really, in my mind, is a safety net that is put in place for agriculture, primarily legislative, through the Farm Bill, and implemented by the Department of Agriculture. And I see this as an evolution of the thinking on that, to meet the current reality in agriculture in the United States.

And so my biggest challenge, I think, is if we are not in agreement around that, how do you get into any of the details? So that’s sort of my big reflection, and I wish it was more optimistic for you at this point.

As far as some of the specifics go, I agree with much of what Greg outlined this morning. And what I think Missy, at least her thinking, was in parallel to that. I like the way, Greg, you framed up the voluntary mandatory so you could choose, and looking at existing contracts as a way to provide some transparency around mitigation efforts.

I’m really happy we’ve carved out time to have the mitigation conversation at this meeting in a way that I think is more in depth than we’ve had in past meetings. So I think on our own the Committee has brought that more into the forefront, and taken responsibility for coupling those things. So I’m pleased about that.

And then specifics in terms of the report, in terms of structure, I think, Russell, you identified yesterday the -- like, three pieces of this being awareness, mitigation, and then the idea of covering loss.

And I think you could potentially structure the discussion and the recommendations in those three buckets in a way that would create some cohesion to the report, and would recognize the role of education and awareness and existing practices, and I think would bring to the forefront what this, I think there is agreement on the full Committee that covering losses without an emphasis of mitigation is inadequate. So you could bring that up front and put the covering the losses at the bottom.

So that’s just a structural thing, and I think Josette was kind of going in that same direction in perhaps her thinking on the structure.

And then I think my last comment is back to the question around global markets, and the sensitivity around that. And I want to first acknowledge that I understand how important overseas markets are to American agriculture.

And it’s important that our farmers, whatever method they choose, not be disrupted, because it’s a critical component of how our agricultural system is driving right now, and important. So I totally want to honor that, and recognize that you guys are very sensitive to that, and the implications on the global markets.

At the same time, from my perspective, I go to what Lynn talked about yesterday and the idea of buyers having confidence in regions, and how that will, as a result, steer them to purchases from certain regions.

And I think there may be a way to, if communicated properly, to think about the report that this committee does draft in a way that could bolster confidence in that it is a recognition of a commitment to delivering whatever it is that the customer is asking for confidently, and that it doesn’t have to be viewed as something that undermines the position of biotechnology or the governments overall support for the safety of those products in export markets and that kind of thing.

But I think it could be framed in a way that bolsters confidence in practices and mitigation so that all buyers, regardless of what they’re looking for, could have confidence in the US market going forward. So that’s my last thought.

MR. REDDING: Thank you. I want to welcome Under Secretary Dr. Cathy Woteki back to AC21. Thank you for being here. We have a few more who want to sort of offer some reflection and comment, then I think we are going to take a break. But let’s do this first. Daryl, Isaura, Lynn and David are who I have up. Some of the cards I think may, oh, are you back up? Okay. Mary Howell, are you back? Okay. Well, let’s do these four, and then let’s take a break. We’ll come back and resume then with Marty and Mary Howell. Okay. Daryl?

MR. BUSS: Well, we’ve emphasized in the past that words are important, and that’s certainly true, but above and beyond that, tone in the report is going to be important.

And to me, our discussion today really is starting with Greg’s comments, seems to me, we have identified a series of coexistence critical control points. And the fact that we identify them as a reality does not and should not imply some sort of pejorative statement, or a perception of a problem, purity of seed being one of those. I think we would acknowledge that’s important. The fact we say that doesn’t and shouldn’t imply that there is an issue with it. It’s just the reality.

And then it seems within that, among those other control points, things like education, the management practices and our, perhaps, thinking about recommendations to incentivize those or enhance those, I think are all part of that larger collection of critical control points.

But it seems to me that it would be fair, I think, a fair characterization of where people are coming from to say that we believe those control points implemented and managed very well, may well abrogate the need for any compensation scheme. But in the event future events require a compensation scheme, it doesn’t seem to me we are precluded from recommending a compensation plan that would include any and all types of IP production.

So I think by leading with, I guess what I’m thinking of as coexistence, critical control points, and emphasizing the importance of management of those, and then leading into a compensation plan if future events prove it to be necessary, is important.

As a side comment, too, we’ve talked several times about the Secretary commenting on one in a million or one in a trillion risk, I don’t actually remember him ever saying anything of the sort. My recollection is, those were terms that were generated within this Committee, not from the Secretary.

MS. OLSEN: He said, do other people remember that? I distinctly remember that, and took notes on it.

MR. BUSS: Okay.

MS. OLSEN: He said it was one in a thousand, one in a million, or one in a trillion.

MR. REDDING: Thank you. Isaura.

MS. ANDALUZ: I just want to talk about seeds again, but I think there’s a crisis with seed in the United States. And a lot of people that I’ve talked to, companies, I mean, they’ve actually moved their seed production out of the United States. And it’s been years that they’ve done that.

And so, for example, like for us, you know, we have a local seed bank in New Mexico. And actually, we’ve actually inherited other seed collections from other people who can’t maintain them. And we’re actually having trouble because there is no money for people at the local level to maintain these genetics.

And we’ve actually also rescued things from Fort Collins that were being dumped because USDA didn’t have the funding or something, capacity to maintain those. And we’ve actually took some of these on.

The other things is, you know, people get the same say, you know, can grow these seeds out, you know, in isolation, you know, with cages and all that stuff. But the fact is, when I plant those low impact drought tolerant corn that’s pesticide resistant on its own, I need it to be out in the open. I need it to be out hitting the sun, the wind, the hail, and the pests to come in, so to activate all of those genes in there.

And so I mean, somehow we need to make sure that that seed industry is a viable industry in the United States.

MR. REDDING: Okay. Thank you. Lynn.

MR. CLARKSON: Thank you, Mr. Chairman. Lynn Clarkson. First of all, let me go back to the vision of US agriculture. In my vision, the United States should be the leading supplier of commodity crops to the world, and the leading supplier of identity-preserved crops to the world. We should offer good segregations.

I go back to Paul’s comment about phrasing this as a matter of choice and purity following a decision of choice. I sell to buyers domestically and internationally, and every buyer I know is interested in optimal purity.

The issues about GMO or others just break down into subsets of the problem in providing a pure product to a client. So to me, I would step right up and say, yes, Paul, let’s phrase this as a major problem and focus on the subset. And genetic engineering creates a particular challenge to that. It creates so much value, we want to preserve that value, but where it conflicts with choice, we need to do some things.

And frankly, in the marketing world, we can handle the .9 pretty well. There are minor rejections. And I’m one of the people at this table that actually rejects farmers votes. It’s a painful process. I don’t like to do it. They don’t like to hear it. But they immediately, most of my cases, lose their premium. Adjust behavior in the future, and I hope to avoid it.

The biggest challenge I see are those functional traits which, no matter what you do, if I plant it on my farm, I’ve got you covered for about a half mile radius for certain markets. It has a lot to do with your choice and your marketing decisions. But those things can be handled.

Those things can be handled by putting markers in. Those things can be handled by better buffer strips where maybe you don’t raise corn on your buffer strip. Maybe you raise sorghum, Sudan grass, something that will block the pollen flow. So I think those are a handle-able.

Secondly, I want to point out that I apparently didn’t take away the same perception of the Secretary’s visit yesterday. I thought it was inspirational. I appreciated his underlining, for me, that we have lots of differences of opinion here, but it’s extremely important to show people that folks in agriculture, representing the breadth of the community that we do, can find something that we agree on to address a problem and minimizes it.

So I didn’t leave the conversation with the thought I was supposed to do anything except address the first challenges that were there.

With respect to seed purity, this is becoming a more important issue. As you might imagine, I’m responsible for approving the purchases of seeds for various IP programs. So when I place a phone call -- and maybe Jerry Slocum does the same, I don’t know -- but when I place a phone call to major seed companies, in the past couple of years I’ve said, so when I buy non-GMO seed from you for a program, what am I really getting? Here is a paraphrased answer. Good question. We don’t quite know. We can tell you what the range is, and we think we can tell you what the average is, but we’re not quite sure.

I say, well is this becoming a problem for you? Well, yes, Lynn. Maybe you didn’t know that we used to produce all of the seed that we sold in Europe in the United States. We quit doing that in 2009 because we didn’t think we could meet the GMO tolerance standards of the Europeans.

Now, let me point out that if those of us who really have to have to meet clients’ requests, a very tight tolerance on GMO, and say, well, we can go buy our seed where those seed companies moved the seed production, which might be Austria for the United States.

Now, I think that’s unfortunate, but it still leaves me flexibility in acquiring the seed. But this is a problem. And I’m sorry the United States is no longer the supplier to the Europeans as some of that seed.

With respect to the points I’ve heard today, I wish to complement Greg. I think he did a nice job in addressing issues and giving us something to do, so I’m signing onto a conversation thread developed by Greg, furthered my Missy, yesterday, started and pushed along by Chuck and Jerry Slocum, and what Paul has said.

And one thing, that we have a tool that the Department of Ag could use today without any particular changes in funding, would be the conservation rules that have permitted many of us in agriculture to put conservation strips along waterways, along creeks, on rivers. It’s a support for pure water.

It is not currently approved to put those conservation strips along the borders of fields. But I can envision easily a program called, pure products, for pure seed, or pure fields, whatever you want to call it, where we would allow that. And I don’t think that requires an act of Congress to get done.

So I think there are some things we can do here. The major problems are problems down the road where folks introduce things that are scientifically perfectly acceptable, perfectly safe, but really start to interfere with the choice of other farmers who are trying to tap markets. And I don’t see us having in place at this time the ways of contending that.

Now, Leon has pointed out, and Alan has pointed out that we have trade associations, groups of farmers that work with seed developers and other things. And in general I think they’ve done a very good job. But there are a couple of things that they’ve let through or have happened recently that worry me about that. And we don’t have a public position on that.

In fact, our rules say that the government and the USDA can’t regard themselves or involve themselves in those decisions about market disruptions, only about safety. So that concerns me.

But I think we can address the current situation, and I’m endorsing a conversational thread that started here yesterday.

MR. REDDING: Thank you. David. Then we’ll take a break.

MR. JOHNSON: Okay. I’ll keep my comments brief, and I’m going to keep my comments related to seed purity at this time. And as a plant breeder and trained plant geneticist I thought I should offer some comments on this.

I was really excited that Greg brought that up, that seed purity should be a part of our mitigation strategy. I’m supportive of what Missy said in this area about seed purity. It’s one of the reasons we had the alfalfa conversation more than a year ago.

And like it or not, we had to have that conversation so that we would move towards our management practices to get a handle on that subject, because we were detecting GE in our seed stocks as well. Okay. So we were never asking for a compensation mechanism.

But this conversation had to happen. It had to happen with the Secretary of Agriculture around a table before alfalfa went back on the marketplace so that the industry would start moving in the right direction. And I think that that fostered a whole number of things to help us move in the right direction.

Now, regarding seed purity, under the National Genetic Resources Advisory Council, you can go to their website, you will see that there are committees set up for various crops. There’s one for alfalfa. I happen to serve on that committee. It’s comprised of experts in alfalfa genetics from industry and from the private sector.

And we worry about these genetic seed stocks, these seed stocks that were developed prior to the advent of biotechnology. They’re in germ-plasm banks. They have no GE in them.

At our company, CalWest Seeds, we have a seed vault in Woodland, California that’s under climate control that contains the seed stocks that we’ve produced since CalWest Seeds has been a company. And from time to time we refresh some of those seed stocks that we think are important. USDA does the same thing.

So there’s that issue. You’ve got your seed stocks that you can go to to breed, that are free of GE, and then you’ve got stuff that makes it into the commercial world. And that’s sort of two different subjects. And I just wanted to point that out.

As a plant breeder at our facility, I am paid to make sure I’ve got clean seed stock, and then I’ve got seed stocks that we’re working on with new traits. And I’m paid to make sure that that stays the way it is. It’s in my job description. It’s a very serious thing that we take at our facility.

We have separate facilities to do GE research, and we have separate facilities and growth conditions to do pollinations without that. So I think industry is taking that seriously. I think USDA take that very seriously. Stephanie Green is the chairman of the subcommittee on alfalfa that’s under this larger advisory committee. She’s a scientist in, I believe it’s Prosser, Washington.

And the Secretary of Agriculture last year, in response to these discussion on alfalfa, put nearly a million dollars into the Biotech Risk Assessment Research Program, which Dr. Woteki oversees. And Stephanie was awarded a grant that was reviewed by many public scientists. It was reviewed by those of us in industry.

Lots of comments went into that. And it’s designed to look at research on a landscape level. You know, prior to crops going to full commercialization they’re done on a lot smaller acreage. But once things get into a larger landscape, she’s conducting that type of research.

And that’s why when we get into these, you know, voluntary mandatory farm management practices, I fully agree that we need farm management practices. Now, whether we call them voluntary or mandatory or the language we use on that, I think that’s open. But we do need them. And they are essential.

We have a field right now. I can tell you about it. It’s in the Pacific Northwest, and it’s from a selection that we made in Italy. And we’re trying to blow up that seed to send back to Europe. And there’s a Roundup Ready hay field nearby. And we’re trying to work as neighbors with the farmer that’s farming that, to make sure that that is not in bloom so that we do not have risk of genes moving into that field.

And that involves conversations with the farmer, with our field production guys. It involves conversations with our company and the owner of that line that’s in a hay field, to make sure that that’s managed correctly. So these ongoing, these are ongoing discussions, and we continue as an industry to work very hard in that area.

So I wanted to assure Michael Funk who is not here today, that there is research ongoing. And I think Stephanie’s grant is a four to five-year grant. It’s very detailed in the number of studies that they’re going to do related to pollen flow, gene movement, you know, what happens with feral alfalfa plants, the whole nine yards.

And so I just want to let people know that Ag policy is very complicated. There are many problems that we’re not touching on. And I wanted to provide some assurance to my friends Missy and Greg and Isaura that we really are looking at seed purity and trying to ensure that pure seed stocks are there and go forward.

And I can tell you that there are dozens and dozens and dozens of pure seed stocks. Now, what happens when they get in to the commercial world and how we manage them there, that’s a slightly different subject. And I just want to differentiate those.

MR. REDDING: Great. Thank you. Great discussion. Let’s take a short break. We’ll come back. We’ve got Mary Howell, and I think Marty, your card was up. That will conclude sort of the reflections on progress to date and yesterday.

And then we’ll get into the document that you have before you, which is the framing points and themes.  Okay.

I would just like you to think about the structure of this report. Greg, thank you for your insight and others, in terms of the structure, but you have sort of, you have a context component of this report that we need to really be critical about, right, because it will pick up these threads.

And then you have education, mitigation, compensation, right, as a package. And then, don’t forget, that in the charge we do have point three, which is those other actions that would bolster or facilitate coexistence, where if we don’t catch it in the context, we put it in the body, we can put it in the third component. Right. That goes back to the Secretary.

So I think that is another area where we can lay out some of concerns, future thoughts. And we’re working here as though this is the first time the AC21 has sort of been together and has been thinking about this.

I went back and looked at some earlier documents. Some of you have been on those committees and discussions. Great thinking. Right. So the concern about the broadcasting of what this report will mean in a global marketplace, I think we have some previous experiences with, the 2006, 2008 and other reports.

I don’t want to lose sight of those, because they really are looking at opportunities and challenges. They’re preparing for the future, and all of that. They’re really good content that I think in the framing of this report we ought to make reference to, cross-reference to, because I think they reinforce some of the original thinking, and the challenge that we have. Right.

And this point of conversation, I think this is another installment on that conversation. There will be another one, but I don’t know what the next charge is, but there will be another charge to a committee to further think. And that’s where they can pick up the threads of either the context component or any of the pieces, but particularly in the part three of the charge.

Several comments were made about the Secretary’s comments. And I appreciate very much his points yesterday and underscored for me, sort of, his passion for what he is doing. And I think clearly he gets it, and in his years as governor and as statesman around agriculture, I have a lot of confidence in what he is saying.

I think his points around the insurance pieces, Darrin and others, is more a reflection of the briefing, or an outgrowth of the briefing that Michael and I had with him back in March after the last plenary session, because we went in and were very specific in terms of what the Committee’s concerns were about respecting the diversity of agriculture, voluntary, whatever the end goal was, there had to be some respect for the geographic diversity, crop diversity. There are pockets of pain around the country that may be different than others. So I think what you saw in that was a reflection of how we characterized the thinking, at that moment, of where AC21 was.

So I just wanted to put that on the table, that I don’t think he reached out and grabbed that, but I think we certainly informed that debate when we went to the table to say, Mr. Secretary, you have to understand there are sensitivities around just the order of your charge to us, number one.

Two is, this compensation mechanism based on the vote, you know, I’m a little nervous about that. But here are some themes that we would really want to impart to you as you think about what we’re doing, and we keep you apprised of that.

So that, I think, came out strong yesterday. Okay. That he wasn’t predetermining what the solution was. But I think that was informed by the feedback that we provided him in the March meeting, and other points in between. Right.

MR. SCHECHTMAN: I think that’s right.

MR. REDDING: Okay. Let’s take a short break. We’ll come back. A 10-minute break, and we’ll resume with the points and the themes. Okay. Thank you.

(Whereupon, at 10:49 a.m., a brief recess was taken.)

MR. REDDING: So let’s pick up on the reflections. We had two that we need to come back to, Mary Howell and Marty. And again, we’re going to go to the potential framing points and themes document for discussion. Okay. Mary Howell.

MS. HOWELL: Okay. I’m going to address a little bit more on seed purity, since I sell seed, and have been tangentially or actually in the seed industry for quite a few years.

One of the problems that I hear from the seed companies I deal with is that they are having a hard time getting the better quality inbreeds. This is, I’m talking about corn. And I work with Blue River Seeds in Iowa, Welter Seeds in Iowa, Albert Lee Seeds in Minnesota, and Brown Seeds and American Organic Seeds in Illinois.

They make the corn seed that we then buy, but they have to buy the inbreeds from companies that own them. And what they’re finding is, more and more those inbreeds that are available to them are not the better quality ones. They are not the highest yielding ones. They are not the ones that are representing the more advanced genetics minus the GE traits.

If we’re going to talk about seed purity, we need to talk about not just the total net percent GE presence in the final seed in the bag. We have to talk about the fact that those farmers like us who choose not to grow GE crops, still need the right to get the better quality hybrids, need to get the better quality seed.

And here’s a little capsule that doesn’t have to do with GE, but it’s sort of the same idea. Years ago we grew snap beans for processing. And because it was processing, we had to buy the seed and grow the variety that the processor required.

The seed came. It came from Syngenta, and we opened the bags and we thought, what’s wrong with the seed. It’s tiny. And we called up our rep and he said, well, we’ll look into this. We planted up and it didn’t come up well. It came up really unevenly, which in organics means, it’s really hard to control weeds if the plants are coming up at all different times.

And when the Syngenta guy came out, he did reveal that the better quality seed, the bigger seed, the healthier seed, immediately gets treated. And the untreated seed, it’s kind of the culled.

So from the get go, anyone buying the untreated seed is being put an agronomic disadvantage, because you’re getting the bad quality seed. It’s a very subtle thing, though, because, then in the end run we say, oh, well, organic crops yield less.

Well, why do they yield less? Do they yield less because we’re not very good farmers? Or is it because we’re just not getting the good quality seed? And so I think we need -- this probably isn’t in the jurisdiction of our committee, it’s probably in the other committee that has just been formed. But it is tangentially in our committee, because we’re talking about if farmers are going to have choice, and if part of that choice concerns seed quality, seed purity, then our options need to be preserved, our options to buy the better quality genetics, and our options to buy the better quality seed.

We can’t be put at a disadvantage just because we don’t fit the mold of what the majority is doing. The minority is, you know, we Americans have been trained from childhood that minorities shouldn’t be discriminated against. That includes organic farmers.

MR. REDDING: Thank you. Marty.

MR. MATLOCK: Thank you, Mr. Chairman. Marty Matlock. Boy it’s hard to follow you. I’m going to speak about something on which I am expert, ignorance. In fact, I have three degrees that qualify me to speak about this subject.

We’ve proclaimed as one of our underlying principles that science should drive our decisions and inform our decisions. And I think that as we prepare our document, we should define what, how that process should play out in this particular realm.

Decisions should be science based, but they also should be risk based. And risk is not the same as science. Risk management is also informed by science. But risk management is also about values. And values are in the policy realm, not the science realm.

Some of the questions we can answer as scientists is, does the phenomenon of adventitious traits presence exist or occur? And that seems to be affirmative. Can the rate of adventitious traits presence be reduced or mitigated through a set of practices? And that seems to be affirmative.

What is the probability of the presence under a specific set of circumstances? That seems to be knowable, though not particularly known in every circumstance. So what are the impacts of those traits in the marketplace? That’s moving into the more scurrilous science of economics, but it certainly is knowable.

So there are things this science can inform in this process, but science cannot necessarily reduce all ignorance. And in fact the lack of knowledge, while it is in the realm of science, is really acknowledged, a lack of knowledge is an acknowledgement of ignorance more than the need for science.

That ignorance often is just the lack of collection of information. That’s not science. That’s bookkeeping, that’s accounting, that’s documentation. So let’s not confuse the need for science with the need for accounting, for documentation.

Ignorance over problem is not the same as no problem. So I want to make that point again. Just because we don’t know the extent of the problem doesn’t mean there is no problem. And equating those is risky. And that’s a big concern. Ignorance in this case is risk. The increased probability of adverse farmer to farmer conflicts resulting in undesirable outcomes for all parties.

So I guess I would like to conclude with a question for all of our colleagues and friends here. Who benefits and who loses from a process, a well thought out process of compensation? Because I think we know who benefits. Who loses? And I’m trying to understand that, because I want to understand where the heart of our conflict resides.

I don’t understand who loses in a process of compensation as long as the boundaries for that compensatory mechanism are equitable and transparent and well described. Thank you, Mr. Chairman.

MR. REDDING: Thank you. Leon, do you have a comment? And then we’re going to pick up with the themes.

MR. CORZINE: Yes, I’m not prepared or thought out Marty’s questions. But in the interest of time, I just wanted to quickly respond to Mary. And I understand the concern. I mean, we’ve had that in conventional agriculture.

As far as seed supplies, and you get into those issues, and I’ve had to plant lower, maybe lower germinating seed, and some of those kinds of things. And it’s a year to year thing.

The issue that we have to be careful with about, that we are still talking about a private industry, as far as a seed industry, and they are going to go where the profits are. They’ve got a lot of money invested. So because we, as National, when I was more directly involved with National Corn Growers, when we worked with them as far as requiring things for refuges that don’t have certain traits in them, to maintain the genetics available in these different areas.

But the caution is, we shouldn’t get in the business of saying, you have spent hundreds of millions of dollars developing this particular seed, or these genetics, and by the way, we’re going to make you put X amount of that here. Because they run a risk, too.

They had a deal, one of the companies introduced something new, and that was a traded product. The issue was, they only, the first year to rush it out, had it in one or two genetic packages. And it was a big failure, just because it was the wrong genetics.

So I think we have to recognize that the concern that Mary has in the seed supply, but we have to have a little caution there and understand the investment in these seeds for all the companies, for a lot of the companies that you deal with that are trying to develop strains for the organic seeds, there’s a big investment there as well.

So all that investment, I just get a little concerned about us demanding this. I mean, we can express concerns and work with them on that. But there is a caution here in all of that. We still are, we are still not in a socialistic society. And I’ll just stop there.

MS. HOWELL: I’m not for socialism.

MR. CORZINE: I know. I know you aren’t, but that’s my concern. Okay. And I’ll stop there. Thank you.

MR. REDDING: David, did you have a comment?

MR. JOHNSON: So I understand Mary’s concern, too. And there is one thing I would ask Laura and Missy at the end to help me with, and I’ve raised this issue before, in the national organic standards, there is an allowance for you to go buy seed that’s not necessarily produced organically.

And so as we try to develop businesses to provide seeds for those markets, there are some policy decisions that can help out, provide incentives for private sector to build businesses in those areas. And I think that’s what Leon is getting at.

And I would also add that we’re committed to providing GE-free seed that can be used in organic production systems. And it’s of high quality. So sorry to hear about some experiences you had.

Last year when there was a significant drought in Texas, and many of you are familiar with that, there’s a huge shortage this year in sorghum, sorghum-sudans. And some years the seed quality that you produce in the commercial sector is less than desirable. And sometimes that’s all there is to plant. And so sometimes you run into seed quality issues based on our environmental conditions. And I just wanted to add that to the subject.

MR. REDDING: Okay. Thank you. Let’s now sort of shift to reviewing the potential framing points and themes document. And not that we’re going to sort of try to edit this, these pages, but I want to ask two things.

One is, with what you see here in this draft document, are there points that give you heartburn? Meaning they’re just flat out objectionable to you and we need to sort of be aware of that.

Number two is, does this draft document reflect the last day and a half’s conversations? Right. Are there points that really need to be part of the framing that we haven’t captured here, and need to be included as we move into this sort of drafting phase, to make sure that we have the proper context. And then we can talk about sort of how that gets sort of triaged in the final report, on the draft report.

But I want to make sure that one, if anything here is objectionable, say so. Two, if there are things that are not here that we need to get into this framing document, let’s put those on the table.

MR. SCHECHTMAN: And just one thing to add to that. We were not attempting, when we put this together, to capture everything that everyone said about compensation mechanisms, for example, because that had not been agreed upon.

And we’ve certainly heard some new things about framing some of these things that are still being discussed, and about stewardship as well here today. But it’s sort of most important, do we have the tone right, and what do we need to add based on the idea that we’re not trying to get into detail on this thing which is already too long.

MR. REDDING: We have, just again being mindful of the agenda, I’d like to get this review done. We’ve got to grab a quick lunch in here, and as you see we’ve got sort of a time block of the afternoon, limited time. So we need to come to agreement as to what there is consensus on. So we need to fit all of this in in the course of the next several hours.

By the way, I found the morning reflection component incredibly helpful. Each of these conversations is really helpful to me and others, I’m sure, just to focus my own thinking. And where there’s agreement, where we need to be sensitive in the writing. So I think that’s very, very helpful. Thank you for that discussion. So let’s open it up. Angela.

MS. OLSEN: My question is more of a process question, and that is, Michael and Russell, how can we be most helpful to you, given the time that we have as well, because I’m sure there’s a lot of wordsmithing, you know, where the concept looks good but there are some wordsmithing issues. Or there might be a word or two.

And we could spend a lot of time doing that, or we could talk about the broad concepts, you know, areas that give me heartburn, for example, are pilot program, and some of the other issues, where I think that we need to have a more robust discussion at the table about those.

Do you want to talk more about the broader categories where there’s agreement, and not, and then how do you want to handle some of the areas where there might be some wordsmithing suggestion, send those to you? How can we best help you, given the time that we have?

MR. SCHECHTMAN: I think obviously the big stuff is most important. It’s probably worth just noting now, because it will become a big deal at the next meeting, that there will probably be less opportunity for wordsmithing given our time constraints, than all 23 editors around the table would like.

So I think everyone is going to need to remember that this is not a report, this will never be the report that you yourself would have written, and we’re going to have to hope for a happy medium on some of that stuff. Things that are, you know, that are real heartburn need to be dealt with, but everyone is going to have to exercise control over their writing hand as much as they can, given what we need to do.

That having been said, you know, what you need to tell us, tell us. But I think certainly starting on the big picture stuff is really the most important.

MR. REDDING: Laura.

MS. BATCHA: Thank you. Laura Batcha. I just want to focus on two areas first. I’ve got a lot, but I won’t go through my entire list here. One is, it may fall in the category that Angela is encouraging us not to get into wordsmithing, but I think it’s important to highlight it because I think any place where we can be inclusive in our choice of words, I think it will help.

So I’m looking at the bullet that is the discussion of coexistence focuses on the choices of farmers and consumers among legal products and methods of production. And I think I understand that about farmers and consumers. But there is some place in here that I’m not seeing that it’s also about the discussion of coexistence. It’s about choices that the government makes and that technology providers make as well.

And so I think to have the idea that choices within coexistence are limited to farmers and consumers is too narrow from my perspective. Because the government does make choices about when and where to put the hands on the scales, so to speak, and when to require things, and when not to require things in regards to coexistence, as do technology providers. So that’s one point. And then when I go down to the contract piece --

MR. SCHECHTMAN: Tell us where.

MS. BATCHA: Let’s see. The bottom of page three, when growers use written contracts. And I guess this –- is it the bottom of page two? Thank you.

So this is an area, whenever we start discussing it, that I have to say I’ve gotten a little uncomfortable in the discussion because I think you’ve done a nice job taking value judgment out of this statement.

But a lot of the conversations that I’ve heard at the table, I’ve interpreted it to have an undertone of the IP growers or the organic growers don’t, are not savvy enough to enter contracts that are reasonable.

And so I’ve had a discomfort about some of the contract conversation that we’ve had. And you’ve acknowledge that when contracts are, that not all the time contracts are used. So I appreciate that, Russell, and I know we’ve had that conversation. But I think it’s important to underscore that.

But I also am thinking in terms of the ideas that Greg put on the table this morning. If we’re going to talk about contracts and transparency in contracts, and what the outcomes of, and expectations are for contracts in terms of coexistence that we have to bring the contracts between the technology providers, the seed providers and the farmers who choose biotechnology into that discussion.

We can’t just talk about contracts on one side of the equation without talking about contracts on the other side of the equation. So my request would be, either we go into the conversation about contracts, or we don’t go into the conversation about contracts. But it has to be both sides.

MR. REDDING: Okay. Alan.

MR. KEMPER: Thank you, Mr. Chairman. With the exception of my friend Jerry Slocum, I’ve refrained from chatting today, and that’s probably why you’ve had a good morning, Mr. Chair. But, and it was two hours plus, Michael.

I agree with Laura on the contract piece. Either we need to probably take it out or address it as a neutral practice, as neutral everything in just contracts. And I would almost rather just take it out if I was going to be able to vote on that.

I want to come back, a moment, though, and talk a little bit about the stewardship, because I don’t see a whole lot in here with the word stewardship practices in your framework document.

As we look at stewardship practices on all farms across this country, and I think USDA, in particular the National Conservation Services maybe have a major role to play in this.

As you all know, we do a lot on all farms across this country about conservation. We deal with filter strips for water quality. We deal with no tilling. We meet tolerance levels of soil erosions. We do a good joint work with waterway construction with the USDA and others.

As we look at, though, the buffer strips, particularly on pollen drift and others, it might be well to investigate the possibilities of incentivizing those strips along the edges of farms, either through one, two, or three year contracts, or possibly even put them in the Conservation Reserve Program.

I know they are environmentally sensitive, like the Conservation Reserve Program likes to talk about, but they would be friendly to that. And I think it would enhance not only the wildlife habitats, but a lot of other areas of the environment. Thank you, Mr. Chairman.

MR. REDDING: Good. Thank you. Greg.

MR. JAFFE: So I just have sort of three sort of general overall comments. And as a lawyer, language is important, I think. And so it’s hard to get away from the language when deciding if there are problems with different provisions.

So three things I just wanted to mention though. One is, I do think that generally these things should be limited to things we really discussed. So I can find some things in here that I don’t think we really discussed. And an example might be the third bullet on page two where we talk about the AC21 understands voluntary innovation and incentives are a tradition in agriculture and are generally more strongly supported by farmers than government mandates or regulations.

I mean, I don’t know, we may have mentioned it once, but we really didn’t have any evidence or real discussions about that. And so it may be a true statement, but it’s just not part and parcel of what we’ve discussed in these four or five meetings.

And so I know there is a tendency to add more in the reports to sort of soften blows or add things around it, but I really think what Charles said earlier, let’s stick to the stuff we really discussed, and not all the fluff and other things around it. So to me, there are a number of things.

Another example is, we mentioned this term coexistence zones, the next one, we encourage farmers to create coexistence zones. I don’t think we ever discussed coexistence zones.

We’ve talked about, you know, what are they? I’ve never heard the term coexistence zones. We may have talked about other kinds of groups getting together and having things like that. So I just, I could go through a couple others of those examples. One is very limiting to things that we really spend a lot of time discussing.

The second one was defining these terms. So if we are going to use a term like coexistence zones or a term like stewardship plans or some of these other things, I think it’s important to define what those mean, because I didn’t know what a coexistence zone meant in that context.

So if we’re going to use some terms, I do think it’s important to define the terms.

And the third one is, I think there is a tendency here to put in the same bullet different actors and sort of, at different times. So I’ll give an example, the third bullet on the first page, first we start talking about all US citizens. And then in the second sentence we say, everyone needs to be involved in making coexistence work. I mean, I’m not sure we’re talking about every US citizen being involved in coexistence working. So that’s one example.

A second one was the last bullet on page two where it says, any compensation mechanism that is put in place that is perceived by one segment of agriculture. So the first sentence is talking about segments. But the second sentence is talking about most producers.

And so is a group of producers a segment? What’s a segment? What’s a group of producers? There’s a tendency here to mix, I’ll call it apples and oranges. But let’s try to keep it in the same bullet, the same, talk about the same entities, as opposed to trying to do that.

And I understand some of the reasons for trying to do that, but I think it’s confusing and will lend itself to people wanting to then wordsmith these things.

MR. REDDING: Fair point. Yes.

MR. SCHECHTMAN: I do just want to respond to the voluntary and coexistence zones. There were two sets of language that we worked from for a good chunk of what was in here. One was the language that you suggested, the various items that you thought should be in this. And another one was the language that was provided by Alan Kemper when he read out a paragraph of introductory items.

And those two particular things that you mentioned were things that he read out for framing statements, a little bit before you read out a section for framing statements. So they were read out and perhaps only briefly discussed. But I tried to incorporate, we tried to incorporate things from all of the people who made contributions to the introduction.

MR. JAFFE: Okay. Thanks for that. I didn’t realize, I did not remember I didn’t go back to all of the notes. But I do think that if you are going to use things like coexistence zones, we do need to define those terms.

MR. REDDING: A great point. The other thing I would say is, some of what’s in here is a reflection of work group conference calls and a lot of different pieces that are interwoven in this conversation, not just plenary sessions. Okay. But I appreciate the comment and observations about the definitions and consistency. Leon, I think –- Alan, are you back?

MR. KEMPER: I’m sorry.

MR. REDDING: Okay. Leon.

MR. CORZINE: Thank you, Mr. Chairman. Leon. First, just to respond, and maybe it’s a difference. Maybe that’s why we have states. I mean, my friend, Mr. Kemper and I, do a lot of things, but he’s in Indiana, I’m in Illinois, so I’m not going to agree on one point. I think the contract language is important that we have about contracts. And if we need to clarify those a little bit, I think that’s something.

But in my experience with what we’ve done on our farm for years, and is looking forward, and the things, and some of the issues we have, contracts and contract language, and knowing what you’re seeing, I think needs to be a corner-piece in the education effort.

And not saying that, I mean, I really take offense sometimes, Laura, to your point, that people think that I don’t know what I’m signing or what I’m drawing. Or, you know, sometimes it gets in the GE realm that, well, gee whiz, I’m just giving all my profits to some particular company. I take offense at those types of things. And the same thing goes for contracts that I read.

However, there is fine print in a lot of these contracts that is difficult. And I think there needs to be a knowledge on, as I’ve said before, on both sides of the contract, as to what you’re asking for, especially in an open pollinated system across the countryside, and what is doable. And I think the USDA has a place to help with that.

So I do think that, I would strongly suggest that the contract language piece remains in this. It’s important to me.

Also on page two, the last paragraph, Greg already talked about it a little bit. Back to this whole thing about the perception of where we are in agriculture today in the countryside, in the middle there. And it’s a small thing. But you’ve got in there, only further divide agriculture.

I would like to take out further, because I am very sensitive to the thought that we are back to the term “at war”, because I still submit that the primary, the only place for a war is probably with our associations in this town. So that is why I’m sensitive to that kind of word.

On page three, number four, I’m running out of steam, which is everybody is probably thankful, but number four, I am a little bit troubled as I read through some of these. Is the USDA already started, ramped up some of these things without us knowing about it? I just am, you know, because it says “are underway”.

Well, I don’t quite understand that thought. So maybe I need some clarity on that, because it seems like, well, they already have this in motion and we just don’t know about it. So that’s a question that I have as well.

And I will, you go a couple more paragraphs, I would add, too, this thing about in, let’s see, that would be one, two, three, four, five, paragraph six it says, in this way a compensation mechanism if put in place might serve as a backstop.

I’ve got, to me, without more talk about that, I’ve got a problem because that gets around our compensation mechanism discussion and where we might go. And I find that bullet somewhat problematic as well. Thank you.

MR. REDDING: Thank you. Paul.

MR. ANDERSON: Just one general comment, and that is, where it’s applicable, and I think there are a couple of places where it’s applicable, we might consider generalizing the statements to all identity-preserved production, and not specifically non-GE.

MR. REDDING: Fair point. Missy.

MS. HUGHES: First of all, thank you Michael and Russell for doing this, and for going through this process with us, because it is a thankless job. But I’m going to thank you for it. But this is really, really hard, and I understand this process of wordsmithing and all that as somewhat miserable.

I have two places where I have heartburn, and then one general comment. One place where I have heartburn is on the -- I lost it. Wait for it. The second bullet on the second page where we are talking about seed quality. And you say, the continued success of agriculture depends on a diverse supply of high quality seed that is of adequate purity to meet all farmers diverse needs.

And I think that today’s conversation around seed purity exemplifies that we need to be very careful about what we are saying. And I’m concerned that something like “adequate purity to meet diverse needs” isn’t quite explicit enough about what we need around this whole conversation of seed, which I think everybody has agreed is critical and very important.

Maybe it’s not fair to say everybody has agreed, but some folks have agreed. So I would just expect that after the conversation today, that might get fleshed out a bit more.

My second source of heartburn is on the first page. You have a statement that most, in the second bullet, most farmers try to do the right thing and work with their neighbors towards common success.

I think that’s something that we hope for, but in the land of data and good science, I’m not sure that we’ve ever really kind of unpacked that and really understood whether that’s happening.

I appreciate that the farmers around the room do that. I appreciate that the farmers around the room work with farmers who do that. But I think it’s a little bit of a mythology that I just want to be cautious about. And so it causes me a little bit of heartburn. And so I just think generalized statements like that, we need to be cautious about making.

And then, in a really general way, I have a hard time with this document, and I understand it’s preliminary, just kind of being a rattling of, that’s not the right word, but, you know, just an ongoing themes.

And I would hope that after our discussion yesterday and today, we might be able to bucket these items and start thinking of them more in terms of a framework, rather than just a reiteration of the different places where we discussed things over the course of our meetings, and that there would be an ability to start to put some more structure on the report and the conversation.

And I anticipate that that will come. But that would help me feel more comfortable about where we’re going with this whole report. Thank you.

MR. REDDING: Thank you. Josette.

MS. LEWIS: My first comment is actually sort of picking up that same idea. I would like to see, after our conversation today, that some weight be put on the idea of risk mitigation and risk management. And I do think part of that is collecting a number of these bullets and packaging them together.

But I think a very clear statement that, and I’ll let you do the wordsmithing to make it sort of more agreeable to the majority, but that risk management is an essential part of coexistence. I’m not going to make a value statement on whether it’s instead of, or in addition to a compensation mechanism, because I don’t think we could agree.

But, I mean, I think a clear signal needs to be sent that risk management is important, and we’ve talked about a number of these tools. So I’d like to see that. And I think that’s kind of the bucketing idea.

I’d also like to pick up on a number of people who talked about this, the end of yesterday and this morning about the idea of incentivizing tools and to get that out there as a serious option to be considered, either in how you structure a compensation mechanism, or alternative tools if a compensation mechanism isn’t the right fit right now.

Then, in terms of one area where I felt a bit of uncomfortableness is on page three, the sort of the tone of the bullets that deal with the pilot program, of which there’s at least a couple there, numbers three and four.

The way this read to me, didn’t convey that there isn’t necessarily general support for a pilot. And that support doesn’t have to do necessarily with the feasibility of getting you up and running. I also was a little uncomfortable with the idea that a pilot is being fleshed out, is under way.

So I think being able to capture that there is the idea of a pilot, that there was a general agreement that a pilot made sense. And some of the reasons some people didn’t think it made sense are more serious than, you know, feasibility issues, but rather just as to whether or not it’s the right policy action for the situation that we see.

So I’d like to see the pilot, the tone of how we describe the pilot shift a bit to reflect the broader conversation.

And then specific wordsmithing but I think fairly important is just when you refer to farmers or producers, him and her is important so the fifth bullet on page two, which is about farmers, it says, contract are to be entirely assume by him, so him or her, just to point that out, or them.

MR. SCHECHTMAN: Let me just address on thing. I think there was just an inarticulate way of phrasing this bullet that says, efforts to seek such authority are underway. That was not intended to say that they are currently underway. It says, while efforts to establish such a program and to seek such authority are underway, so if the efforts to seek that stuff are underway, then the second clause could happen.

MS. LEWIS: Right.

MR. SCHECHTMAN: It wasn’t intending to suggest that in any way that’s underway now. But I can see the confusion about how it was stated.

MS. LEWIS: So just to reiterate, just when I put those two bullets together, the previous one and that one, it had a tone that suggested to me that the concerns or questions around a pilot were not as full as what we had discussed here.

MR. SCHECHTMAN: Okay.

MR. REDDING: Mary Howell.

MS. HOWELL: I like outlines. And I would suggest, especially when reading something like this, without some sort of priority hierarchy of different concepts, I had a very hard time continuing to pay attention to it. And I think I’m not alone.

I would strongly recommend that we divide this into three sections and have them clearly identified as three sections. The first would be the introductory, you know, stating the general concepts about diversity and agriculture and all of those things. Second could be in mitigation. And third would be in compensation.

Rather than three equal buckets, which to me buckets are just, woo-woo kind of stuff, I like the outline structure of the, then divide each of these three into more, more specific topics within each.

I think it’s going to be easier for people to pay attention and understand what we’re trying to accomplish, what we’re trying, the points we’re trying to make, because you don’t care about everything equally. And I think that’s really important for our readers to understand that some things are more important to us, and some things are less important to us. And that should be clear in the structure

of the document.

MR. REDDING: Mary Howell, fair point. I think realizing this was put together 10 days ago –

MS. HOWELL: I was not criticizing anything. It’s so preliminary. And I appreciate from the depths of my heart what you all are doing.

MR. REDDING: No, no, but I think now, taking this sort of download, you know, and organizing it as we’ve discussed the last day or so, and I like your point about putting it in some priority order. That certainly will benefit all. Thank you.

MR. SCHECHTMAN: We were just trying to download a bunch of stuff, in fact.

MR. REDDING: Yes. Chuck.

MR. BENBROOK: I’m going to offer some general language for recommendation, based on, again, on what I’ve heard. And I’ll pass along the –

MR. SCHECHTMAN: Can I just interrupt you for one second –-

MR. BENBROOK: Yes.

MR. SCHECHTMAN: -- just to sort of say something?

This part of it was intentionally, didn’t have the recommendations in it. Now, I’m perfectly happy to listen to them now, but we were, this was intended as the framing part that wasn’t going to have that. But I think getting them on the table at any time is good. But I just wanted to let you know why they weren’t here. Because we weren’t going to places that weren’t there yet.

MR. BENBROOK: Do you want me to wait until later?

MR. REDDING: Well, let’s as a general question. any other sort of heartburn points or items that we need to add? And then let’s come back to the recommendation. Could you hold that just a moment, Chuck?

MR. BENBROOK: Yes.

MR. REDDING: Thanks. Angela. Sorry, Mary Howell, are you –- okay. Good. Sorry, Barry. So let me do Barry and then come to Angela.

MR. BUSHUE: Not so much heartburn, but if we can then -- and I like what Mary Howell suggested, when we get to that, that may be, to me, that’s the time when I’ll start weighing in on specifics. I don’t want to just go through and wordsmith this whole damn thing if we’re going to, you know, follow that line of thought. So I’m just reserving my right to bitch later. How’s that?

MR. REDDING: You always do. So noted with a smile.

MS. OLSEN: Don’t construe his lack of commentary at this point.

MR. REDDING: Yes. I guess I just want to be clear that, I mean, I’m just taking Mary Howell’s sort of suggestion that as we move forward, we begin to organize and categorize these points.

MS. HOWELL: It would be hopeful, actually, to have a flip chart behind Michael, that he can be kind of helping us throw things under the right categories when we start talking about the specifics.

MR. SCHECHTMAN: We not ready to do that yet? I don’t know that we have time to do that.

MR. REDDING: Yes, I guess that’s where we need to sort of pause a little bit. I guess I was thinking, as we move forward and out of this meeting, versus in this meeting trying to get into how we place these points, I guess I would rather, just given the time constraints, understand that’s an outcome from here.

And now that we can organize our work, but get to the discussions around sort of recommendations. And I don’t want to short-track, Barry, your concerns. If there are things in here, or not in here, I want to make sure we know that. So coming out, we can include those and come back to you with a redraft of themes. Okay.

MR. BUSHUE: I just didn’t want to weigh in on a whole bunch of specifics about wordsmithing, but I mean, I think there’s some general things that at some stage we’ll discuss. And I will try to overcome my shyness to share them later.

MR. REDDING: Okay. All right. So let’s do this. Sorry, and we’ll go to Angela and then we’ll pick up with Chuck on recommendations. Okay.

MS. OLSEN: Great. Thank you. And I reserve the same right that Barry has, so I’m not releasing it all right now. No, but I do, I like Mary Howell’s thought a lot. All of this is very contextual. And by having, sort of, these -- and we applaud you for putting this on paper. It’s so much easier to react to something on paper than for us to be able, you know, coming up with this for the first time. So this was just a tremendous effort.

As you can imagine, many of us probably have wordsmithing changes or ideas, but it’s a great jumping off point, and really, we really appreciate something to react to, and that’s great.

There are, I also agree with Greg, as a fellow attorney as well, that there are points such as the word everyone, and what does that mean, in the third bullet point on the first page. And I won’t get into a lot of those wordsmithing points, but we absolutely, you know, dialogue across the sectors of agriculture, across the board definitely and can help to address coexistence.

But in terms of whether everyone needs to be involved, what do we mean by that. So there’s a lot of those open ended terms that I’m sure Greg and I are going to be, I suspect in agreement on, that they’re very open ended, and what does that mean. So that’s something that we want to keep in mind.

On the second page, there is on the third bullet down, all AC21 members recognize this center role of seed quality in meeting their customer’s needs. And absolutely seed quality is important.

Just one point, not to get into the wordsmithing point, but this is one point, important. We absolutely agree it’s important. There are, we’ve heard from so many different aspects, though, of where a potential AP/LP issue might occur, so it is an important issue. Is it the number one central issue, I don’t know about that. But I do think it’s very important, and I think we all, at least what I’ve heard at the table agree on that.

On the following page – so, the pilot program is something that gives me heartburn for the same reasons that Josette articulated, and that it appeared when I first read it that there was something underway that perhaps we weren’t aware of. And so thank you for clearing that up. That was important.

And going to the contextual point, this is the area where I think it’s going to be important to lay out in the various buckets, what do we mean by that in laying the framework for where have we, as a Committee, been on the point of any compensation mechanism, and the various views that have been expressed at the table today. And then go into what that mechanism looks like.

I didn’t hear the Secretary talk about a pilot program yesterday. I think we need more discussion at the table about that, as an overall concept as well. But that currently is giving me some heartburn.

MR. REDDING: Okay. Fair enough.

MS. OLSEN: I reserve my right to raise other issues as we proceed.

MR. REDDING: Okay. Latresia.

MS. WILSON: I just want to clarify, Russell. So what I’m seeing here, we’re going to organize it. We’re going to give it more detail, and we will be able to look at it at a later time after today? Because there are some bullet points, I feel, that may need a little more detail. You’ve just kind of got like flash points as opposed to more detail. Is that correct?

MR. REDDING: I’ll share -- I mean, I think the thought would be, now that we have some clarity in terms of how we’re viewing this from the different categories, let’s say, the education and mitigation and such, is that certainly we can take what’s here and get them into those simple categories.

Two is, I think there are some points around the stewardship and incentives and such, you know, that we really need to capture in the document as general themes, right. So we’ll put these back together and commit to sort of push something out. So at least you understand that the purpose of this is to inform the drafting, right?

And we can sort of play with where in that document, either in the contextual side or the categories, or in the third point of the Secretary’s charge, those other items that are best placed in number three. Right? Are you okay with that?

MR. SCHECHTMAN: I think that’s right. We, you know, there’s a lot of stuff that has come out in this meeting that obviously was not here. And there are some new focuses or foci for how we do this. We were attempting to put a number of things down on paper.

I’m not clear whether the best thing to do is to gather all your comments on what’s here, or let us reflect on what we’ve heard, reorganize it, and send it back out as part of a draft first report. You know, certainly, we would be, we would welcome all of the comments that everyone has. The question is when it’s best to get them in the process. We can talk about that a little later.

MR. REDDING: Okay. Doug. I’m sorry, we’ll do Doug, Greg, and then if Barry has overcome his shyness, we’ll come back to him.

MR. GOEHRING: Doug Goehring. On the third page, when we get to those bullet points, three and four, and we talk about a pilot program, it’s a part I guess, I get a little stuck on, just a little bit, because first of all, when you look at the process in which pilot programs are implemented, they’re implemented around a concept or a product itself. So it’s a little confusing for me.

I understand that it’s a little warm and fuzzy to talk about, well, we’re going to create this pilot program, but first you have to have the actual product or concept in place to do that.

Pilot programs are a given. No matter what you are going to implement, whether it’s through a private product or it’s through a risk management agency, they will run a pilot program. First you have to decide on what that mechanism or what that concept and that product is going to be.

I don’t know if there’s a way, I believe there is, to maybe, to actually insert a different word instead of pilot program, so that we have more clarity there, because it is a little ambiguous. Thank you.

MR. REDDING: Thank you. Greg.

MR. JAFFE: This is Greg. So I guess my comment is, when I looked at this document, I didn’t think of this document solely as background, but I think this document has lots of recommendations in it. So I guess I’m hoping this is not just a background document, but I read it a bunch of points. And so I could point to three or four things that I think are recommendations in this document.

For example, the bullet number four on page two, it says, farmers need to have ongoing dialogues on coexistence at the local level. I think that’s written and something that we’ve talked about as a recommendation, not solely a framing point.

In the contract one, again, whether we agree to this or not, there’s a sentence that says, strengthening the transparency of contract requirements will bolster coexistence. That to me reads like a recommendation, not just a framing point.

And the next bullet, or the first bullet on page three we talked about, all members of the AC21 agree, however, do believe that steps to enhance neighbor to neighbor relationships, blah, blah, blah, that reads like a recommendation.

Further down, the fourth bullet from the bottom on page three, there needs to be greater focus on elucidation and evaluation of best management practices, so forth and so on. That also reads to me like a recommendation.

So I guess I’m hoping that this document is not solely a framing background document, but that I looked at this as just a bunch of points that were put down in somewhat random fashion to get down ideas to see if we had consensus and see if people were on the same point with these points. But I assume they are going to be broken up and some of them will be put in background parts of the report. Some will be put in mitigation parts of the report.

Some will be put in the compensation parts of the report. Some will be put down in recommendations.

If I’m reading this wrong, I guess I would want clarification on that.

MR. REDDING: I think that is a fair read, and knowing that some of these bullets have threads in a couple of places. Right. It’s on the front side framing, but they will show up in mitigation, discussion, or education or such. So it is, it is not just a general framing piece. Okay. It’s a collection of thoughts. It will help us frame. But it will also, you know, set the stage for some of the recommendations.

MR. SCHECHTMAN: I’ll add just one comment on that. There are some sentences in here that sound like recommendations on what farmers might do, or things that people talked about in this room, and sort of asserted that were good things. But the attempt was to leave out that USDA should do X type of recommendations in this.

So I thought everything that was in here that’s recommendation-like was sort of soft recommendation. I think there could be sort of harder recommendations, perhaps coming from Chuck and others, that may, I don’t know whether they will be interspersed throughout the document, or in one separate section. Your point is well taken. There are things that are sort of recommendations, but they’re not, perhaps, the kind of things that specifically tell the secretary, we think you should do X.

MR. REDDING: Okay. Thank you. Barry, are your thoughts on the recommendation side or general themes?

MR. BUSHUE: First of all, I want to apologize for my flippancy. I didn’t really mean it to come out that way, but I guess that’s how it did. So I’ll apologize for that.

But to me, I want to kind of bounce back on where Mary Howell was. I think Greg’s right. There are some recommendations in there. And I think Michael pointed out that there may be soft recommendations and maybe we can harden.

But on general themes, I really like the concept of laying out what kind of the core issues that we’ve had to deal with have been. And we’ve gone around and around about maybe some of the solutions.

I think Laura hit on it earlier, we really have never come to grips with whether or not there’s a problem. And there’s probably agreement and disagreement on whether there is or not. And I’m not really so sure how you approach that, other than on a base philosophical level. And those are philosophical differences which we may never be able to solve or address in this committee.

I think there are issues around, and I think that is core to whether or not there is, that directly leads into a necessity for compensation, which is also one of the core principles that we’ve discussed considerably.

But I think we can kind of, if nothing else, make recommendations under those kinds of whatever headings, you know, Mary Howell has in mind, or whatever headings we end up with. I really do think it’s critical that we lay out, these are the core issues that were discussed by the group. Then you can decide whether or not you want to prioritize those.

And I don’t know if you really open a can of worms to have these philosophical discussions over and over again, or whether you just, to me, my recommendation would be that we focus more on the things, and I’m saying this over and over again, but focus on the things that we all agree on. And maybe we make, and I don’t want to try and second guess Mary Howell, but maybe make our ultimate priority, other than the necessity to recognize that there is a value in coexistence, and there is a value in supporting various agricultural production methods, maybe that ought to be first.

But maybe second ought to be a look at, you know, outcome based types of mitigation that we can all agree to are positive things. And I think we look at them in terms of an outcome based as opposed to prescription based.

And, you know, we’ve had much discussion about, and Greg did a good job this morning, you talk about mandatory regulatory or voluntary, I think you called it, if I am right. And I think there’s a lot of potential there to lay those things out in a more philosophical approach.

And then Chuck and other folks that may have recommendations, we can decide where those fit and whether we like those concepts or not. But I really do believe we have a good opportunity here to look at philosophical agreement, and then decide how much support there may be for the specifics underneath those philosophical guidelines.

And I’m not sure, I don’t remember exactly, but yeah, I think that in terms of, you know, we start with coexistence and its value. We look at mitigation risk. I’m probably going to have a lot more to say than most people want on compensation, but we can leave that when it gets there. So just to, you know, that would be my philosophical approach to this.

And as far as the contractual stuff that was mentioned, I mean, I think those things are all, you know, we’ve probably hashed those over and made our specific points on what a contract means and who it affects and who it doesn’t affect and the rights and responsibilities that you have.

If I have ever left anybody with the impression that I thought that farmers weren’t smart enough to sign contracts, that was certainly not intended. But my point is, if you sign a contract, then you have responsibilities that go along with that contract that don’t necessarily involve your neighbor’s participation. So anyway, enough said. Thank you for the time.

MS. HOWELL: Barry, what I envision is, first section would be background and introduction, including all of those higher level words like responsibility and diversity and mutual respect and all that other good stuff, which is very important. It’s not, it sets the tone of where we want the rest of the document to go. But I don’t know that all that needs to be in the rest of the document.

And then have it divided into two sections, one mitigation prevention, and one on compensation, and under that have core issues and discussions, and then recommendations, A and B.

We can cover the things that we have discussed, and represent the diversity here in the group under the discussions, and then have the more hardcore type recommendations as part of that, but separated from the discussions.

I think if we do that, and do it in a symmetry between the mitigation and compensation -- because certainly, I don’t think we need to convey to anybody that we haven’t discussed compensation, and that we haven’t really, really considered it.

It’s important that we show that this something we have spent a lot of time thinking about. But then our recommendations may say, you know, maybe this won’t be necessary if. But not to negate or to minimize the fact that we have spent an awful lot of time talking about compensation and considering all the different possible options.

But I think if we lay it out in a structure like that, it will be very easy to convey not only the discussions we’ve had here on various, you know, perspectives, but also as a group where we’ve gone as far as what we feel like we need to recommend. Doing it is the challenge. I come up with the outline, I don’t really do it.

MR. REDDING: Laura, do you have a comment? And then we’re going to go to recommendations. Chuck.

MS. BATCHA: Thanks. I think for me in this document, I’ll be disappointed if we just focus on the places where we agree, and then identify, in a separate set of the document, the places where we don’t agree, because I think to me that my basic understanding of where we’re at, in terms of the places we agree, are very general. And I think Greg used the word, sort of the lowest common denominator.

And I think the places we agree, we probably agreed the day we walked in the door, and they don’t represent movement to the middle on any of us in terms of our thinking, or really challenging us to meet. To me, it seems almost like an abdication of our responsibility as Committee members, and to take seriously the charge of the Secretary.

So I think I would be personally disappointed in that. And I think I understand we have to start with where we agree and where we don’t agree and float some recommendations, but there is still the whole process of how far can all of us come to the middle and move? And so I think I don’t want us to lose sight of that as part of what we’re here to try to challenge ourselves to do.

MR. REDDING: And we’ll come back to that. I appreciate your comment. Chuck, do you want to share recommendations?

MR. BENBROOK: Yes, yes. Chuck Benbrook. Let me pick up a bit on Laura’s comments, which I think are important. I think as a group we need to keep in the back of our minds, as we work towards a report, that there’s a threshold of substantive comments and recommendations and hopefully progress towards a way to deal with this knotty set of issues that are not evident now or on the table.

I think there’s a threshold of progress which I am not aware of us making yet. I certainly haven’t given up on that. But if we, in fact, fail to reach that threshold, or actually fail by a significant margin from reaching that threshold, then I think Laura is absolutely right. We owe it to the Secretary to lay out, as clearly as we can, and honestly as we can, the fundamental issues that make it so difficult to come up with a more robust and responsive answer to his charge.

So, you know, I just, I think we all know what several of those issues are, but if we can’t make more progress in agreeing on tangible, constructive ways to move forward, then we owe him an explanation of what held us back.

In terms of the things that I’ve heard, you know, I just am going to throw out sort of rough language on what I think are, say, four actionable USDA recommendations. And I think the document is going to contain many statements about things that should be done by technology providers, by farmers, by the land grant university system.

And, but we won’t couch those in the form of, we recommend that USDA encourage. We can lay the framework for essential things that need to happen. But specifically, our recommendations should be things that USDA has both the authority and the capacity to act on. So that’s where I’m going to focus it and, just to throw this language out, recommend that USDA assure that there is ongoing systematic research on germ-plasm purity and gene flow/adventitious presence or low level presence for any crop with commercial GE varieties.

Recommended USDA explore options with the grain trade and the seed industry to compile the results of ongoing testing of genetic purity and adventitious presence to develop and maintain a robust statistically valid characterization of genetic purity in AP.

And the thought here is, there is this enormous amount of testing being done already by Lynn Clarkson and the grain trade and the seed industry. And if there was a way to compile in a systematic way the results of that, that would make it unnecessary for USDA to put up a ton of money to do annual monitoring.

And, David Johnson will remember, we had considerable discussion about that in the alfalfa, Roundup Ready alfalfa working group since all of the companies said they have a lot of data. So I think recommending to USDA to work with the grain trade and the seed industry to try to have access to that data in the interest of everybody having a more robust database, without having to spend public funds that we know are short, would be useful.

Recommend that the Department pursue coexistent policies that strive to preserve access to market price premiums arising in both the domestic and international market from, you know, the demand for identity-preserved, functional and non-GE food products and seed. I really like the idea of focusing on preserving market price premiums. I think that gets away from framing this as a, simply a GE versus organic challenge, which I think is a far too narrow characterization.

This next one is probably closest to, you know, a lot of what we’ve discussed in the last day, and I think what the Secretary is hoping will come out of this, and may be the hardest to reach agreement on. But recommend that if and as progress is made toward offering new risk management services and products, such as farm or crop revenue insurance, coverage be offered for market premiums associated with IP or non-GE status.

It’s recommending to USDA that the Department include that market premium within the crop revenue that is subject to a future revenue-based crop insurance program. So those are the examples of how I could envision some of the core things that we’ve talked about being framed in the context of actionable recommendations.

MR. REDDING: Okay. Thank you. Do we want to open it up for other recommendations? I mean, do folks have a list, like Chuck has, that we want to put on the table? Doug.

MR. GOEHRING: Thank you, Mr. Chairman. Actually, I just wanted some clarification. Chuck, on your, on number three, and I wasn’t able to write as fast as you were talking, you talked about preserving market-price premium and global markets. Could you clarify and expand on that a little bit so I have a greater understanding?

The reason I ask this is because I take many trade delegations to global markets in other countries, and we deal with this. And I do meet with buyers and take companies there so that they can work with those entities over there in selling IP crops and in commercial grain trade also.

So I’m trying to grasp and understand that, because it is a little bit about price discovery, but it is a contractual agreement. It’s private between those different entities from this country, from my region, and that country itself.

MR. BENBROOK: Sure. Well, this is my crude attempt to express the view within AC21 that any effort to promote coexistence should be inclusive of any market premium that arises in any market for any reason; that there’s no favoritism being played, you know, for one form of agriculture or another.

It’s sort of a reflection of the customer is always right philosophy. If there is some demand out there that’s willing to offer a premium price that is somehow grounded in an identity-preserved trait, a functional trait, a non-GE trait, it be considered coequal within the context of coexistent policy. Does that help?

MR. GOEHRING: Well, I’m not sure I see the problem because they are considered equal and there is a desire for those products out there. We have buyers requesting that in other countries. We meet with them. We talk with them. Probably our biggest barriers and challenges are actually within the governments themselves because of nontariff trade barriers, and every other obstacle that they put up in place, just to try and get product in there.

And I’ll cite a short example. Trying to move IP soybeans into China is almost impossible, yet they receive US IP soybeans all the time, but they do them through a third party. They come in through Japan. Japan tacks on a margin and sends them over. And China is very well aware that these soybeans come from our region. They come from the United States. But they just won’t take them directly.

But we do have buyers that continue to meet. They just find a different avenue to get them here. So I was just looking for clarification on that, trying to understand it. They are recognized and we spend an awful lot of time searching out those markets and trying to do anything we can to benefit the producers in this nation.

MR. SCHECHTMAN: Can I just make a comment, maybe for clarification on this? From what I hear from the two people speaking on this, it sounds like there is just some lack of clarity about preserving, what’s involved in preserving market premiums.

I think on the one hand you’re talking about preserving the premiums in the production phase. And on the other hand, Doug is talking about the whole issue of the subsequent contracts and things that may happen overseas, et cetera. And that’s a much broader, a much broader issue. And I don’t know that the charge goes all the way downstream there, but I think if there were a way to sort of recast that so that it focused a little bit more narrowly on the issues that are similar to the GE, non-GE issue, but that reflect what IP producers are trying to do.

MR. REDDING: Okay. We’ve gone through the theme document. We’ve got a few recommendations from Committee members. Let’s do this. Let’s grab lunch. The options are either grab lunch and come back here and continue, or just grab lunch and reconvene at say 1:30. Right. Okay, let’s make it simple. Grab lunch. We’ll reconvene at 1:30. The 1:30 to 3:00 discussion really is about the middle. Okay.

I mean, I think we have to sort of focus in on that middle so we have an idea of agreement or at least the level of heartburn around that. But I think we need to get to that middle point so we can talk specifically then about where the consensus is, identify the areas where there still is not consensus, but need for the discussion, right. And we can, and then try to end here with a good understanding that everyone departs with in terms of where we’re going to start our framing and writing. Okay. All right. 1:30.

(Whereupon, at 12:38 p.m., a luncheon recess was taken.)

MR. REDDING: Let’s reconvene. This is the last leg of this relay, and as we know the last leg is the important one. So let’s come back into session here.

Let me do a couple of things here this afternoon, and again I’m working on the time frame between here and 3:00-ish knowing we’ve got some flights to make. But the afternoon will be sort of getting some clarification. I’m going to describe sort of what I hear as the middle and where I think there’s consensus. And then we want to talk about sort of time line and next steps. Okay.

But let me begin first by getting some clarification, because this question has come up a couple of times today in the theme document, even yesterday, around the scope. And I want to make sure that we’re all thinking the same way. Are we including IP products or just the GE, non-GE in this, in our set of recommendations?

MS. HUGHES: Do you mean waxy beans when you say IP products? Or just --

MR. REDDING: For example, yes. I think there was a point made earlier that there was some concern about being narrow on the GE/non-GE. And what I’m asking is to make sure that we’re in agreement that we’re sort of, it’s all IP products. So it’s broad.

MR. GOEHRING: Mr. Chairman, yes.

MR. REDDING: Okay.

MR. GOEHRING: Doug.

MR. REDDING: Right.

MR. GOEHRING: We need to be inclusive –-

MR. REDDING: Okay.

MR. GOEHRING: -- of all aspects of agriculture.

MR. REDDING: Any objection to that?

MS. HOWELL: I am a great believer in inclusiveness, but it is not our charge. Our charge was for talking about GE.

MR. REDDING: Yes. Alan.

MR. KEMPER: With all due respect, Mary, I understand what the charge was. I’m pretty clear. I, actually, like a lot of us, know the Secretary well enough. He would want us to go ahead and make sure we have an opinion on it, regardless of the charge. Even yesterday some people thought the charge changed from the original taking on it. But I’m very much with the Commissioner that it needs to say, IP and various IP products with that.

MR. REDDING: Okay. General agreement, include, to be inclusive. Okay. So let me now describe sort of the, I’m sorry, Keith.

MR. CLARKSON: Lynn.

MR. REDDING: Yes, Lynn. Sorry.

MR. CLARKSON: I agree with that, and I go back to what Paul said earlier today about making it inclusive. If we’re going to buy into coexistence, and I don’t care to subtly impugn any category, and if we’re distinguishing only on GE and non-GE, some people are going to take that as impugning GE. So I think that it is cleaner, safer and more supportive of coexistence to focus on IP.

My problem all along has been the purity issue. And that remains the issue if we say IP. So I endorse what Alan says. I endorse what Paul said earlier.

MR. REDDING: Okay. And that’s the focus we’ll give it then, okay, it will be inclusive. Now, let me describe, sort of, the middle based, on what we’ve heard. And this would be, the middle would be the following package. And that package, again, I will say with appropriate sort of context on the front end, you know, that would reflect sort of the discussion we had this morning around the framing and the themes. So you have that context to work from.

But it would include, and I would say, AC21 recommends the following. Education/awareness initiative. It further recommends the development of the mitigation strategy. And if numbers one and two are working, and the Secretary determines that there is still a need for a compensation mechanism, a crop insurance modeled approach could be developed. Okay.

So we’re saying, if education and mitigation are working, and there’s still a need, you go to a compensation mechanism modeled on crop insurance.

MS. WILSON: Hey Russell?

MR. REDDING: Latresia.

MS. WILSON: Mitigation and education, well, when you mitigate something, you always educate them. So I think that’s just one category. And second, did we, out of the Committee, did we come to a consensus that crop insurance is number one or, I mean, did we come to that conclusion, or where are we on that? Sorry.

MR. REDDING: No, no. They are fair points. I guess we, on the first point of the education that at least in this discussion, and I thought we heard this morning, there’s a general awareness component, right, and then mitigating, the mitigation components would be around stewardship, what types of incentives you put out. That’s more mitigating of the potential problem. Right? So I’m making a distinction between educating folks and mitigating a potential problem.

And yes, there are parts of education in mitigation. But I’m trying to make a distinction so we bring in the stewardship pieces, clearly into a mitigation, part of a mitigation strategy. Okay.

And on the crop insurance, again, listening through conversation, listen to the Secretary, listen to the back and forth here even, we’ve, I’m putting out there what I hear as a middle is around a crop insurance modeled system. So I put that on the table for feedback discussion.

And clarity, again, if that’s not the middle, that’s what this afternoon is about, right, because that is where we’ll arrive from in terms of our writing and work with the Committee between here and August. Right. So with that, Chuck.

MR. BENBROOK: I liked how you couched the crop insurance as an option. You know, I think that’s about as tame a way to say it as possible.

If we’re going to put a significant emphasis on mitigation in our report, and I think it’s an accurate reading of the sentiment of AC21 that that is indeed the case, I think we owe the Secretary some further guidance on, in particular, the how. I think we all recognize that it’s a bad idea to try to prescribe the actual practices, because A, we don’t know what they are, and they are highly variable, and they’re dynamic, et cetera.

But in terms of the how, I think there has been some considerable agreement around the table that the traditional conservation services and systems delivery mechanism, delivery mechanisms of USDA have some promise in further, you know, in addressing an additional mission, if you will, which would be to foster adoption of stewardship practices that are consistent with coexistence.

And I think the Secretary would need a definitive recommendation to us to go to the Congress to ask for these traditional conservation programs to really have, you know, at least a new mission.

You know, it would not fall under any of the existing statutory authority, but it’s an awfully clean fit and I think it’s far more likely that the Secretary and Congress would be willing to go down that road, because it doesn’t require creating a new local level delivery mechanism. So I would urge us to be as specific as we can in suggesting how that mitigation could be implemented.

MR. REDDING: And I would say, I mean, part of, we can get some additional recommendations, and that may be one of them, right, do the discussion earlier about the ultimate framing of this, there would be some recommendations that would fit into each of the parts, right, the education mitigation or even compensation. Right. So something, a very specific recommendation around the conservation menu of programs be broadened, I guess, to foster that development. Other points? Melissa.

MS. HUGHES: I’m concerned that Angela didn’t hear your middle package. Could you quickly just, I know that she wants to hear it.

MR. RUSSELL: Yes. I described sort of the middle as the following package, with the appropriate context, some of which we noted this morning in the draft themes, framing document. But the package would be as follows, that AC21 recommends an education/awareness initiative.

Two, development of a mitigation strategy. And once one and two are working, and the Secretary determines that there is still a need for a compensation mechanism, a crop insurance modeled approach could be pursued. Okay. They were the three pieces of the package with appropriate framing, front and back framing. Okay.

And we were asking, Angela, sort of response, reaction to that, whether that is in fact capturing what AC21 –

MR. BENBROOK: Mr. Chairman, I suggest you basically call the question for just the sentiment of AC21 on that kind of three part packaging. Let’s see how many people are comfortable with that.

MR. REDDING: Okay.

MR. BENBROOK: Well, at some point let’s -–

MR. REDDING: Okay. Fair enough.

MR. BENBROOK: -- get it on the record.

MR. REDDING: Okay. We’ve got a couple of comments. I’m not sure who was up first. Laura, why don’t you go first, then Greg.

MS. BATCHA: So thanks for putting that out there.

Okay. Thanks, Daryl. Laura Batcha. Thanks for putting that out there as the place to start. I think you got a bullet in the middle for each of those areas that we identified for awareness and mitigation and covering losses.

So I like that, the idea that the middle covers all three things I think is, from my perspective, good, and important. I think the idea that the middle is, we recommend a mitigation strategy, I think that there is not quite enough for me in that idea to know whether or not, number one, whether or not I’m comfortable in that as the middle or not. So I think that that needs some further elucidation.

So I think we’ve had some good discussions about mitigation strategy. But I think that that leaves unanswered some of the fundamental ideas about mitigation that we’ve discussed, like whether it’s the voluntary mandatory, or the accountability in mitigation, or incentives in mitigation.

So for me to really understand whether or not I’m comfortable with the middle, I have to have a little bit more about that, or whether or not this is just about research into steps that would improve mitigation just being communicated for people to adopt as they choose. So those are totally different ideas. So I need to hear more about where people think for them the middle is on mitigation strategy from my colleagues here.

And then I think the third one on covering losses, I think there is two parts of that that I have questions about. We had a lot of discussion that the idea of covering losses be the sort of place of last resort, if everything else fails.

But the idea that that is then translated into a time line of do these other two things first, come back and assess whether or not you still need to cover losses, is not as satisfactory to me as a place for the middle, as an acknowledgement that it’s not the start, it’s not what we believe the heart of the solution is, but that it’s a measure of last resort that gets put in place. That’s different to me than characterizing it in a time line. So I’m not as comfortable with that part of it.

And then, I think for me the middle is, I am a little bit more comfortable moving to the middle on what the particular mechanism is, less interested in that than I am, a place in the middle that has some kind of recognition that it can’t just be funded by one party, the party that is essentially protecting themselves from the loss.

So that, the idea of moving beyond that, is more important to me than whether or not it’s crop insurance, or whether or not it’s an indemnification fund. It’s about the broad participation in the mechanism, for me is more important.

MR. REDDING: Greg.

MR. JAFFE: Greg Jaffe. So I have a couple of comments. It’s sort of similar. One of them is similar to Laura’s which is again, once working, where this time aspect came into it. I don’t recall us really having discussions about that. And I guess I would want to understand better what’s our justification for waiting, because it seems to me the first two could take three, five, I don’t know how many years to put in.

I mean, so as to say, once operational and working, to me that seems a long time, and that seems to go against our charge which was, what kinds of mechanisms. I feel more comfortable with language that says, if, if you also think you need a mechanism, this is what we think is the best mechanism, independent of whether you first need to accomplish these first two.

I don’t know why these can’t be done all at the same time. I haven’t heard, really, the analysis, and what would be our, the language we would put in the document to explain why we think it’s in sequential fashion. And so that’s my first comment.

And the second comment was, I mean, I think I’ve been pretty open about not having a knowledge of which compensation issue has been best. And I think we’ve discussed three of them, and I guess today, or somehow this crop insurance has reached to the top, or that’s the one that people think they can get most consensus on.

I don’t have a problem with that. I’m not sure I understand everybody’s reasoning for that, or need to know everybody’s reasoning for it. But if that’s the case, I think it’s important to explain why we didn’t choose the other two. I don’t want, and I am not sure I understand the reasons.

But I do think it’s important that the report identify as a condition of agreeing to this, that it identify the ones that we choose not to do, and it has some, at least to discuss that, that we had three options and we came up with this on as the best one kind of thing. Otherwise, I think we just should say, pick a mechanism of your own choice. But I think we have to somehow justify that. Thanks.

MR. REDDING: Thank you. Angela.

MS. OLSEN: Thank you. My comments, first, I have a scoping question and then a comment. The question is, with regards to education, awareness initiative, and for a second, mitigation strategy. And then the third, once one and two are in place, understanding there is some thought about whether there should be a time line or not, and a discussion about crop insurance.

In terms of a scoping question, are we, we’ve had a lot of discussion about whether this should be opened up to all IP, and is that –-

UNIDENTIFIED FEMALE: You were out.

UNIDENTIFIED MALE: You were out.

MS. OLSEN: Okay. So the answer is yes to that?

MR. REDDING: Yes to that.

MS. OLSEN: Sorry. They were late bringing the check in the restaurant. And then the other question that I have is in terms of crop insurance could be pursued. Is this a voluntary crop insurance? Have we not gotten into that? That was answered as well? Okay.

So the question is, if that’s voluntary, and then, are there other steps that potentially are before that, such as data collection? And it’s a question that I’m raising to the team here, different economic studies that might need to be done, collection of data regarding economic losses, collection of, is there a study that USDA might choose to pursue.

I’ve heard Michael Funk yesterday talking about studies regarding pollen flow. And these are just questions that we may want to consider that may happen before some form of a crop insurance mechanism might be put into place. So just something for us to think about.

MR. REDDING: Doug. Where did he go?

UNIDENTIFIED MALE: He stepped out for a minute.

MR. REDDING: Okay, so he’s on the phone? Okay.

MR. SCHECHTMAN: Just to comment on one thing. We haven’t and we didn’t include it in the basic framework of the middle because it’s probably less controversial, but there is the piece that Angela just raised regarding getting more information or doing more research.

Is that, is that a piece of the middle in a variety of ways? There is the piece on, we’ve heard about getting more data on what methods work. There was another one as well, but I forget what it is.

UNIDENTIFIED FEMALE: Scope of loss.

MR. SCHECHTMAN: That was my getting more data, yes, but yes.

MS. OLSEN: I don’t want to speak out of turn, but the other point I made, are there certain economic studies, you know, looking at whether certain implications might increase trade, might lead to export issues? I’m just throwing these ideas out on the table just for us to consider.

MR. REDDING: Marty.

MR. MATLOCK: Anything we can do to reduce our ignorance is a good thing, and this is a good way to reduce our ignorance in very key areas. So I absolutely strongly support including in our middle ground strategy, a call for targeted focused research through ARS or whatever mechanisms are possible, but expedited research because we don’t have years to wait.

MR. REDDING: Yes, I just want to clarify. I mean, this wasn’t sort of tiered in a way to imply delay. It was trying to reflect the conversation that there is no awareness of the need for, you know, what is going on with the neighbors and such.

There are clearly mitigation strategies that can be employed, some of which we know, some yet to be determined, you know, that would say to the effective community, there are some things you need to do. And if those don’t work, then here is a mechanism to try to resolve that loss. Right.

So, I mean, I want to be sensitive to how we frame this, that we’re not saying to the Secretary, you know, wait five years. It really is trying to sort of put in place and talk a little bit about that in this document. Because one thing I’ll ask for each of us here is to provide some suggested language around the narrative on education and the mitigation component. All right.

I think that’s going to be very important, and that will help sort of draw out what some of those components would look like. All right. We didn’t get specific in here, but I think we need that type of feedback from you.

So, I mean, there will be a couple of points, and I think the data point has been mentioned enough, and we tried to capture even the themed component here about how we’ve struggled with that. We’ve certainly tried to reflect that and implied, you know, the data should really help determine, one, is there a need, and two, what that sort of final product is going to be. Even if it’s crop insurance, it’s still data based.

I mean, having been to the Federal Crop Insurance Board, and developed products, that is not the easiest of thing to do in the absence of good solid data. So that will have to happen. Leon.

MR. CORZINE: Thank you, Mr. Chairman. I think you kind of answered it, but I kind of like the timing the way you’ve got it laid out to go to Greg’s question, maybe, because the first two points, the education awareness and the mitigation can be done relatively quickly. And I think we’ve agreed that this is a good thing to do no matter what, you know.

And then the third one, as far as if something is needed, I mean, it still keeps the “if any” in play, and while we get some evidence of those losses, the data collection, those kinds of things. And then, okay, if any, this is the mechanism that we believe would be the one in the middle that would be most appropriate.

So in that timing then those first two, like I said, start working on. This other one is kind of held there because we do need to get some basis for this, and so that, if any component, which was in the original charge, that’s why I look at it as that’s appropriate to do it that way.

MR. REDDING: Missy.

MS. HUGHES: Thank you. Missy Hughes. I have a couple different comments. On the mitigation strategies, I’d like to see a little bit more understanding of what those would include. And I would hope that they would, there are two key things that I think we need to be looking at mitigating, and one is, as I mentioned earlier, protecting seed purity.

And the second would be mitigation strategies around drift or pollen flow or gene flow, however the best way of putting that is. So two pieces of the mitigation strategy.

I think that in order to really have a package, as you’ve described here, we need to have a compensation mechanism in play concurrently with the adoption of the education program and the mitigation strategies, rather than delayed, and for a couple of reasons.

One is, I think that the compensation program is a check on whether or not the mitigation strategies are working. So if you’re going to have any strategies in place, you need to understand whether or not those are functioning, whether they need to be realigned or shifted or improved.

And one of the ways that you’re going to be able to determine that is if folks are still suffering from losses, because there is unintended presence. And so how can you tighten up your mitigation strategies in order to avoid that. And you’re only going to know that if you’re actually looking for and reimbursing or whatever the case may be for losses.

And, you know, just to reiterate, that if there is a compensation mechanism in place as part of the package, it needs to be a mechanism that’s funded not just by one side of the dynamic. Thank you.

MR. REDDING: Thank you. Barry.

MR. BUSHUE: I guess I find this philosophically challenging. I really like the idea and am fully supportive of mentioning germ-plasm and its importance, mitigation, education. But I continue to struggle with the compensation piece of it, for a lot of reasons.

And I really don’t want to flog a dead horse here, but I’m just trying to ferret out my own philosophical viewpoints on this. We have discussed at length what the needs of individual growers are, and how those impact industry as a whole. And I think those are good discussions. And I’ve learned a lot.

But frankly, it still boils down to people making a choice to go above and beyond the standard for a premium in the market place, and looking for compensation if that contractual arrangement doesn’t work.

And I’m not singling out individual growers or types of production. I’m talking on a broad scale contractual law level about business decisions that people make. And as a nation, we continue to look at individual responsibility as something that the government takes care of.

And while I recognize there’s a number of things in, that USDA already does, in terms of agricultural support, I recognize all of that. But I think this is, in may regards, slightly different, and maybe significantly different in that you’re trying to, you’re trying to set, and people have mentioned earlier that we need to expand this beyond safety and into markets.

I’ll tell you, I don’t want the government messing with my markets. And as I said yesterday, I directly market every single thing I raise to somebody. And I don’t want people messing with that, especially the government. It’s a market flow idea.

And I really can’t come to support the concept of a compensation mechanism that puts government in the position of trying wrestle with whether these contracts are legitimate or not, or whether they are the fault of somebody else, or whether everybody ought to get engaged in trying to support or save those contracts. And it truly is for me a philosophical thing that I just can’t get there.

Crop insurance, and again, I said yesterday, I’m relatively ignorant, but I do remember the RMA telling us in a web NR that these premium losses are not indemnifiable. I’m not sure why that’s good public policy to engage in a discussion which seems to be in any way not particularly feasible.

And while I recognize that the Secretary has told us time and time again not to worry about what’s feasible, I have responsibilities to a membership that expect me to be reasonable. And I, you know, I really do struggle with this.

And I may be the lone voice here, but I very much struggle with us including a compensation mechanism when we have, when there is no evidence of loss, when not a single grower who’s been on a panel or has come before us to make public comment, has ever asked for compensation.

We’ve talked over and over and over again about ways people mitigate loss, and we need to improve on that. But I’m very good with the first two. I just cannot get to the third one.

And I know the risk retention fund is not something that’s very popular. But in terms, to me, the philosophical part of me says that I can probably get there because that’s something that would be a business choice that would include all segments of IP and GE. Everybody would be a piece of that, and everybody would pay. But it would be a business choice as to whether or not they did.

When I look at the national organic standards, and again, my understanding of that is probably as bad or as good as most people who aren’t engaged in that, but again, those standards do not preclude an unintended GE presence.

And the way I understand this, and hell, I could be wrong, but the way I understand this, many of these engagements for market premium go far beyond that. I think Lynn talked about organic plus, or something like that.

Where do we stop with compensation? You know, where does it ultimately lead us? Are we going to compensate for all market loss? Are we going to compensate for all business decisions people make or don’t make?

I think it’s a very dangerous slope for a public policy based on individual business decisions. And I personally don’t want the government involved in my business. I want them the heck out. So anyway, again, philosophically, that’s where I’m at.

MR. REDDING: Thank you. Laura.

MS. BATCHA: Just briefly on this idea of the third piece here in the compensation. I’ll come back to the question that somebody asked earlier about who loses if something like this is established. And I want to understand more about that form the folks you are uncomfortable with including a compensation mechanism in the middle. Who is it that will lose by that?

And I really just want to clarify, Barry, we’re not talking about compensating for losses due to individual business decisions. We’re talking about compensation for losses that are beyond your control because of a business decision somebody else made, not your decision.

And I think the Secretary spoke to that really clearly yesterday morning, that this is, you’ve done everything you could, and you’ve suffered a loss as a family business because of something that is out of your control and not a choice you made.

So to make it about compensating for losses due to individual business decisions is just not, in my mind, what we’re talking about. And I think the Secretary articulated that really clearly to us yesterday morning.

MR. BUSHUE: I guess that’s just a philosophical difference of opinion, Laura, because, and frankly I disagreed with the Secretary yesterday. There’s a lot of things that happen on my farm that are far beyond my control. It happens every day. But those are business risks. We’re not risk free.

And I don’t expect people to, I suffer economic loss from people who take advantage of me. And you know, you only do it once. The second time it’s my fault. And like to told you yesterday, I lost contracts because of the economic situation. I lost contracts because people I had contracts with went out of business. There was no compensation for me.

Now, while I understand that there is the potential for risk here, I’m still, frankly, flummoxed at the concept that not one has been able to show me who has suffered these losses. I hate to keep hammering on that, but, you know, just one piece of paper that says, Joe Blow lost $2,000 on a contract that he couldn’t meet. No one has come up with that yet. I mean, may I finish please?

MS. BATCHA: Well, when Lynn sits next to you and tells you he turns back loads on a regular basis?

MR. BUSHUE: I guess not. I’m done, sir.

MR. REDDING: Barry, finish your statement. Finish your statement.

MR. BUSHUE: The issue is that public policy demands a set of recognizable data that shows there is a need. We haven’t got that. And yet we’re going to develop public policy and expect USDA to go out and develop all these programs, when frankly, I mean, God, I’d love to see this data.

But we’ve asked for it. We’ve begged for it. There’s been a whole working group set up. And it’s not there, other than load rejections. And interestingly enough, and I’m not going to put words in his mouth, but Lynn this morning said something about after those load rejections that his customers go and reassess what they are doing so that it doesn’t happen again.

That’s a good business decision in my opinion. So you know, like I say, if I’m the loan voice in this, fine. But I’m extremely frustrated about good public policy. If somebody asks who loses in this, and why we’re concerned about loss, or you know, who, why we shouldn’t have compensation and who loses if we do?

The taxpayer lose. Good public policy loses. Other folks that are involved in conservation mechanisms for broader things like water quality and all these things, they lose if money is taken from that. Developing a new program in USDA without a lot of foundation, I think there’s a lot of losers here.

MR. REDDING: I think the, just to, all of us as members of the Committee, I mean, one, I’m reminded, this is advisory. Two is, we were given a charge by the Secretary. And I think he laid out in the August comments and the December comments and yesterday’s comments, you know, we may disagree on the scope of that problem, but from his chair, his office, there is a problem.

So I think we’re trying to respond to that, Barry, that even in the framing of this middle ground, it pushes all of us to a spot where we’re a little uncomfortable. And I understand our philosophical differences around risk and compensation for that risk, and the appropriate role of government. But that’s what we have to sort of sort through.

And we’ve tried to structure this in a way that, even from the Secretary’s initial structuring of one, two, and then three, I think in that design forced us to really say, before you get to a compensation, there are other things you should do. All right.

There are other things that have to happen, that some are being done, some could be strengthened, some would be modifications to potential existing programs, whether it be conservation is one of those. So we’ve tried to structure this in a way in our own middle ground here, Barry, that says, do these things and then get to this. Right.

And I realize, that’s not a full answer for you if the belief is that there should never be a three. There should never be a compensation. I think we’re trying to set it up in a way that is, I think for the Committee is forward thinking, and not simply looking back, but saying, let’s just look out some years. And there is going to be some need to be proactive around how do you mitigate that risk.

And so I hope that there is an appreciation for the way this thing is tiered. And we can discuss further whether that is parallel to, you know, that after certain sequencing.

But I want to at least get on the record that we’ve tried to listen to the Secretary, respond to his charge, and look at our charter, and say, Mr. Secretary, here is what we think you should do. This our best advice.

If you think there is still --

MR. BUSHUE: I’m very appreciative of that, Russell. And I think the work you guys have done laying out the --

MR. SCHECHTMAN: We can’t hear you. The mic’s not on.

MR. REDDING: The microphone, Barry.

MR. BUSHUE: I’m extremely appreciative of that. And I’m extremely appreciative of the spot that both you and Mike are in personally in trying to put frogs in the wheelbarrow here. And I do appreciate that. But, and I’m very appreciative and I wish, I can’t think of, the framework we’re looking at the work you did on it, excellent work, and something I’m glad you did and I didn’t have to.

So don’t misunderstand that I’m not appreciative of the spot that you’re in, and I do appreciate the fact that we’re trying to address a number of issues that the Secretary brought forward.

But again, I wouldn’t feel good about myself if I didn’t express my concerns with the direction. So it’s not a criticism. It’s not a lack of recognition. But I just feel as if I’ve been pretty quiet today, and I just had to get that out.

MR. REDDING: Okay. Fair enough. Lynn.

MR. CLARKSON: I respect Barry’s philosophical position on this, but I have a different philosophical position on this. I don’t want anybody messing with my markets. Let the government stay out, and let the neighbors stay out.

Go back 20 years. We didn’t really have differentiated crops. And they are getting more differentiated every year, and even more coming along. As that happens, neighbors have greater influence on what goes on on the other side of their fence.

Who loses here? Every time an IP company, an originator has to pay more to get an IP crop, because the contracting farmer is worried about more risk, all the people who are buying that crop have to pay more. And that’s a loss to them.

If you are raising IP, I think you should have to have a reasonable mitigation on your own farm. But the definition of what reasonable is, is going to be changing on us here with new introductions to the commercial gene pool.

And I’ve placed some pretty extreme situations in front of you, so just make the assumption I’m wrong. Cut everything I said in half. It’s still a significant issue where one farmer can decide what markets his neighbor can participate in. And I think that needs to be mitigated on both sides of the fence. And I’m certainly willing to participate in that.

But I understand not wanting the government in, but if my neighbors are unrestrained in what they can do, then I still have the same problem. I can’t get purity at a reasonable price.

MR. REDDING: Mary Howell.

MS. HOWELL: We’ve been farming organically since 1991. And the equation has changed enormously over those years. I’m concerned, Barry, that you said that contracts are, that farmers take risks if they enter into a standard that’s above and beyond a certain standard. When you use the word standard, it’s as if there is some sort of agreed level that is okay. Is that 100 percent?

Well, 20 years ago, when we started farming organically, our neighbors weren’t growing GM crops. And so it wasn’t that hard for us to produce non-GM crops. Now a lot of our connectional neighbors are. Who has changed the standard? Has it been us or has it been them?

We’re still trying to produce the same product, which is non-GM. They’re affecting our ability to do this.

And this year our certifier is telling us that anywhere we adjoin a GM grower, we have to consider the outside 18 rows of that corn field, if we plant corn, as conventional. We’ve got to discard it. We’ve got to get rid of it somehow.

Well, since we don’t sell conventional corn, what do we do? I mean, this is just not going to be an easy thing to do. It’s a loss to us, whether we feed it to some neighbor’s animals or what? I don’t know what we’re going to do. We’re not going to plant corn, perhaps.

The reason for this is that the Europeans are putting, are leaning on the NOP, the National Organic Program, to get some teeth into the NOP to stop allowing organic farmers to have so much contamination, AP, in their crops.

So it gets passed down. The Europeans are saying that the American organic community is too lax. So what do you do? You go to the organic farmers and say, you’re being too lax. Get rid of 18 rows. I really would like to have more evidence that it takes 18 rows. I mean, that’s a lot of corn to discard out of a field.

We do a lot of strip cropping. We’ve got highly erodible land. And so a lot of our farms are fairly small, you know, three and a half acre strips. And if you take 18 rows out of that, that’s a substantial part of the field.

So, but is this documented anywhere? Is it written down anywhere? Is it something that we can hand you over and say, this is my document of loss? No. We change our planting plans. We chop that part of the field. We discard that part of the field. We don’t have it as documented data, but it doesn’t mean that it’s not a loss.

MR. REDDING: Thank you. Angela.

MS. OLSEN: Thank you. Angela Olsen. Thank you Russell for reminding us that we are an advisory committee, and we’ve been brought together to advise the Secretary. And that’s our charge. And that’s what we’ve been brought here to do, again, with a lot of diverse viewpoints.

One of the points, and Barry said, you know, I wonder if I’m in this alone, or he’s wondering if he’s in this alone. I also, understanding it’s a philosophical standpoint, but I also have a hard time getting to compensation mechanism, understanding that we’re still going to have that discussion. And I‘m open to having that discussion, certainly.

But I, like Barry, haven’t seen that evidence of economic loss. I think this is a market issue. I think this is a dangerous slope from a policy standpoint.

Regarding business decisions, there is a lot of things that could be perceived as business decisions. For example, if somebody enters into a contract that’s zero percent AP/LP, you know, that is a business decision. Is it a smart one? Probably not. But that’s for the person entering into the contract to determine. Again, a market issue.

So I don’t think that we look the other way to the fact that these are, or potentially are market issues. And if we need to examine a compensation mechanism, I think again, the point that I had raised before, and the points that I have heard around the table, regarding a lot of additional things that need to be looked at first.

And that doesn’t mean they can’t be looked at fast, but for example, we heard from Lynn Clarkson about rejection of loads. You know, I really don’t know how that equates to economic loss. I’m not saying that it doesn’t, but what does that mean in terms of the scope of an issue.

Is it possible, for example, that if there are rejection of loads that they are sold at a lower price, and then that drives up the premium for the loads that aren’t rejected. And that’s an economic analysis that’s well beyond my capabilities.

But there are other, I would think that if the Secretary wants recommendations, that there would have to be a lot of different things that we look at before we reach compensation mechanism. You know, again, that data on economic losses. What would this due to an export market?

There are economists that, you know, again, well beyond my capabilities, that would look at these sorts of issues. What might this due for food security issues? What might this due for biotech acceptance? What might this do for organic acceptance?

I think that these are things that we can’t just ignore, and we can’t just say, we recommend a compensation mechanism without saying, here are the things that USDA may want to take a look at.

And I like that we’re not skipping over the education component and the litigation component, because I think that is an area where we have a lot of common ground. We’ve had a lot of really good discussion at the table.

And I think that’s where we can really move the needle, again, not saying that we can’t have a conversation about compensation mechanism, but I think there’s a lot of information that needs to be bracketed, and there needs to be a whole lot more that needs to be looked at.

MR. RUSSELL: Alan.

MR. KEMPER: All right. Hold on. Mr. Chair, I was quiet there for a while due to an unknown situation. Mr. Chair, we are past the middle of the road in a lot of our philosophical beliefs.

I think you’ve heard now several testifying, including myself, that we do not have or have seen any data that shows compensation is needed. We also have seen data that some will call rejections of loads, which is actually only a reduction in value of that specific load. That was a missed term that a lot of people have been using around the table.

So a lot of us, in our gut, are so past the middle on the compensation point, but we’re willing to go past it because if there is a need in the future, we’re saying this is the way to go. But for a lot of us, at the starting point, there isn’t a need. Thank you, Mr. Chair.

MR. REDDING: Thank you. Jerry.

MR. SLOCUM: I would concur. I would concur with Alan that several of us are, we think we’re in the middle of the road, at least we’re in the middle of the road as we know it, Mr. Chairman.

The Secretary talked yesterday at a very personal level. He talked about individual families, individual companies in his adopted state of Iowa. It’s going to be difficult to ever create a policy that includes all of that. It’s just very, very, very difficult, and will create policy decisions that may or may not be in the best interest of US agriculture.

If compensation is needed to keep these people in business, to keep them from losing their farm, and those are his words, his phrases, it seems to a number of us in the room that are in the middle of our road by offering the crop insurance vehicle, or crop insurance scheme, or a crop insurance type of whatever RMA and USDA will design, that that will accomplish what the Secretary’s charge is. It will keep those people in business. It will keep those people from losing the farm.

I think we have also gone to the middle of the road as far as mitigation goes because we, commercial, conventional, GE agriculture, whichever you want to call it, we will do new stewardship practices on our side of the fence, practices that we, perhaps, aren’t doing today because we’ve never been keenly aware of a need to do them. In a few places we are, but most of the United States we’re not.

And we’re going to be adopting new strategies, new management strategies, new stewardship strategies on our side of the fence. And it will be at some cost to us. I don’t know if it’s a monetary cost. I don’t know if it’s a time cost. I don’t know if it’s equipment cost. But it will be at some cost to us.

So I think, and I don’t pretend to speak for anybody in the room but myself, but I do think for a conventional/GE farmer like I am, I’m pretty well in the middle of my road here, and I think mitigation and those new stewardship practices are doable, and I think they are something that agriculture like me will adopt, maybe not readily at first, but I think we will adopt it.

And I do think that a crop insurance model is a model that people like me in agriculture are familiar enough with that we understand it’s value. And I think it’s something that we would adopt in that perspective too. Thank you, Mr. Chairman.

MR. REDDING: Great. Thank you. Daryl.

MR. BUSS: Well, given our past discussions on this topic, I wonder if some of it is not the nature of how we lead into that part of our report. Because it would seem to me that an alternative way to introduce that, would be to indicate that the AC21 has not been able to identify economic data that would illustrate a major economic loss at this time.

However, we cannot accurately foresee the future. And should a future need for a compensation plan be identified, then we would recommend the following, trying to bring in the point that we have not identified economic data that would seem to justify a national plan at this point.

MR. REDDING: Laura.

MS. BATCHA: I just have a question for Jerry. Thanks for articulating so well the middle for you. I really appreciate that. And I just have a follow up question on the mitigation strategy in terms of your thinking about adopting new stewardship practices.

I think I’ve heard you talk about how that could be tied to conservation programs, perhaps. And do you have other ideas about ways that the adoption of those new strategies, when they’re articulated, can either be incentivized or have some sort of accountability build in, in terms of broad adoption of new practices. I just would like to hear your perspective on that.

MR. SLOCUM: You know, Laura, I haven’t really thought that through, to be frank with you. But I think Chuck’s comments about you’ve got this army of people out there that have a lot of familiarity with American agriculture and the actual farms that we farm.

And FIS and FSA, I’m sorry, FSA not FIS. FSA, as well as in our CS offices. So there’s a lot of familiarity with my farm, with Alan’s farm, with Leon’s farm, with Mary Howell’s farm.

And I think you can give growers incentives on both sides of the fence to put in place proper, containment is not the right word, or it’s not the word I’m searching for. It may be the right word. It’s not the right word I’m searching for. Mitigation. Mitigation areas, if you would, on both sides.

And I think it’s in the best interest of US agriculture, and I think it’s in the best interest of the US Department of Agriculture, and I think it’s in the best interest of the US public to do those things to protect this diversity of supply.

So we give agriculture lots of incentives, as I talked about earlier. I don’t see why, since this is a particular interest to this Department at this time, that they wouldn’t be willing to use some of their vast resources. They may be declining, but they’re pretty darn vast, to incentivize that mitigation on both sides of that fence, not just on the GE side.

MS. BATCHA: So I’m hearing sort of two things that you’re putting out there. One is that the, it be incentivized on both sides of the fence in terms of the mitigation. And that it utilize existing farm programs that operate in the field currently.

MR. SLOCUM: Well, I’m not sure farm programs is the right descriptor there, but I do think –-

MS. BATCHA: Delivered through agencies.

MR. SLOCUM: Yes, agencies, the farm agencies that are there, I think with a little instruction and a little tweaking, you know, could administer these types of incentives.

MR. REDDING: Chuck.

MR. BENBROOK: It strikes me that one of the things that we haven’t talked about for a while, I remember bringing it up perhaps in the first meeting, is that there are going to be instances were loads are rejected where one way or another transgenic material has gotten into a field where it wasn’t intended to be. And there may or may not be, at some point, a mechanism put in place to compensate for loss.

But there’s another thing that should happen. There should be a response by the growers and the grain trade and perhaps the technology providers to try to utilize those instances to better understand what gave rise to that in the first place, to determine whether it was a failure to implement recommended best management practices and stewardship practices, whether it was an act of God, exactly what gave rise to it.

I mean, I’m reminded that it took the tragic spinach episode in 2006 to, the e-coli episode in California, to really provoke growers in the State of California, the FDA, to put in place a systematic quick response of investigative capacity to go out, when there had been an outbreak, to figure out why it happened.

And it strikes me that one thing, it would be very valuable if the Secretary and the USDA could take on would be a way, I mean, probably not in every episode, but a way to systematically evaluate a series of these episodes to understand better what gave rise to them, with the hope that that understanding will lead to a refinement and improvement in the mitigation strategies.

MR. REDDING: Thank you. Any final comment? Leon.

MR. CORZINE: Leon. Thank you. A couple of things that I’m still struggling with is the lack of recognition, it seems like, in the latest discussion, on what risk premium really is.

We’ve had discussions in previous AC21’s and in previous meetings of this AC21 that if you remove all risk, you remove the premium. And actually, in some of the identity preservation added value contracts I look at, I have a concern with that.

I think it was mentioned earlier, part of that, if it becomes too easy, you not only lose value in what you’re trying to produce, you’re also losing the incentive to produce a high quality product. I think what was used as an example was a six dollar a bushel premium on corn. That’s a pretty good incentive to make sure of what you do. And I think that’s pretty good payment for your identity preservation system.

We have things in place that if you are in areas where you have acreage or a very high valued product that requires more buffer than what your particular acreage can, I think working with neighbors in a community type environment is good, but I don’t think it is something that should automatically be funded by the government.

I think the examples that are out there, it’s funded by the person who is extracting the value out of the marketplace. So they’re sharing the value with those that have to help them in the protecting of that identity product and that market they are trying to reach.

When you miss whatever your target may be, now I might need some clarity from folks on the organic side, there was, and I assume still is, there’s a premium level for food quality organic and then there’s a premium level for feed quality organic. Still the case? Okay.

The other issue that I’ve mentioned before is that I’m still troubled with the how we move to organic plus, because those contracts to me, really are a non-GM contract, which is really outside of the purview of where organics got started. And in those early days that Mary Howell talked about, you know, there wasn’t a testing mechanism to really prove how it was produced.

Now, you had certifiers, but the end product, actually, the biotech industry did you a favor and maybe the reason, one of the reasons you target that is, that’s the only thing you can really test for.

Otherwise, if there is some comingling going on, unless you can pick off some sort of chemical residue, some, but not a convenient, the biotech industry has provided a market for a lot of Lynn’s specialty things, what Michael Funk has built as a business.

And you know what’s kind of happened, and it’s kind of happened in a pretty big way with what we have currently in place, and the recognition in our system that, hey, if I want to attempt to hit this premium market, here are the parameters. And the contracts I’ve looked at, especially the highest value ones, it is in there what I am required to do.

And in some of those, I’m required to do a temporal difference. Some I’m required to do a buffer. Like I mentioned earlier, I’ve got a contract where they come in and actually it takes two plantings in the same acreage whenever they say to do it.

We’ve had a contract where I mentioned, and I didn’t carry it out, but not only could I not drive down the road with that particular seed in the planter, I had to clean off the frame of the truck that was carrying the seed before it could leave the field to get out of the way so we could plant.

But then when it came back in, when we finished the field, and we emptied the planter and put it back in the truck, both the planter and the truck had to then be cleaned off. And if there were any open bags, or any unused seed, it was buried in the field.

Now, in my contractual arrangement, we covered all that time and all that cost. We had an extreme buffer. And you know, so my point is, these things are and have been in place.

Now, I do think that it is appropriate, as we look at, and we do still include in our language, the “if any”, and it is appropriate, as I’ve mentioned, to have education on what it takes for both the originator and someone writing a contract and someone signing it. Is it enough premium? I think the Department has a place where they can help people assess what those costs are.

And then from that, there are things that if we do get to the point of there is actually verifiable evidence or verifiable data, whatever you want to call it, that shows, yes, we’re still having some problems after we have increased some mitigation, we have increased education, so a better awareness of all of society, that then, if any, then we can say, okay, there is a place and here is what we have explored, and here is where we are, and it’s something around crop insurance.

And I think that is a pretty good middle road, to me. Laura, you keep asking about, okay, tell me something else. Maybe you should tell us what your middle road is, or what is it from, if I may, I guess I’m putting you on the spot a little bit. I may or may not --

MR. REDDING: Let’s get back. I mean, we need to try to get this thing focused in, Leon. I think, listen, I think the point you make is, in the way this thing is set up, the education, mitigation.

And there are a lot of different components around mitigation, some of which are imbedded right now in contracts. Some are, you know, good practices, conservation and otherwise.

So I think that’s where we’re going to need some help in my call earlier for the narrative around, sort of the education and the mitigation components. Okay. But I want to make sure, just given the hour, that we’re not going to run out of time trying to get this closed up.

I think there is an outstanding, I’m sorry, I’m going to have Josette, but I just want to say that I think there was a legitimate question asked previously. And Greg asked the question around the crop insurance. And I think the, I forget the word we had used, the time line, right.

I think we were saying, if you think there is a need for, and the language, that we had offered up was, once one and two are working, I think you had raised the question about, maybe a suggestion that if you think there is a need, you being the Secretary, right, you were a little uncomfortable, the suggestion around that sequence. Right.

And then two, I think for Laura, you had asked the question about the shared responsibility on the mechanism. Right. And we never really responded to that. And I want to say that the crop insurance piece, and the answer is in part Greg’s point, the crop insurance is that sort of public/private piece. It’s not simply the person who is buying the policy. There is a public investment in that.

And that was in part the discussion, and sensitive to that, more shared than simply the producer to distinguish it from some of the other programs, right, mechanisms, was my other point.

I think the point that, again, reaching back to the conversation with the Secretary, that whole imparting from Michael and I to him, around the need for a voluntary mechanism, meaning, you choose based on what degree of risk you are prepared to assume, and not an overreach of government.

I mean, these are all sort of pieces that came out of the previous, led us to crop insurance. And that being sort of the, you know, the mechanism that seemed to make the most sense. Okay.

So I think the outstanding question is the sequencing on when the Secretary would pursue the compensation mechanism. And we’ll have to try to button that up. I mean, I think the way we structured it was being sensitive to the data issue, being sensitive to the need for education and mitigation, and then allowing him the flexibility to say, if there is still a problem, you know, pursue crop insurance.

MR. JAFFE: I mean, just to respond to that, I still think he has all that flexibility still built in, even if you say, if you think you need it. And you can say, we had concerns about all this data and all of that. I don’t think you need that temporal thing to still say that same thing, and have the same meaning behind it.

But the temporal thing tells him, doesn’t give him

that flexibility of when he wants to do it. I says that you have to do, our view is do A, B and then think about whether you want to do C. I’m suggesting say, A, B and if you think there’s a need, do C. That could be now or that could be then.

We think the reason, you know, one of the concerns about doing it now is we don’t have this data, and so forth and so on. I don’t have a problem saying those kinds of things.

MR. REDDING: All right. Fair point. Josette, why don’t you have your comment and then we’ll try to close this out.

MS. LEWIS: Sure. I think one of the things that’s really important to me is that this is couched as market based issues. I think to me where the most uncomfortable fit comes in is the fact that we all have skin in the game in the sense of being economic actors in the agricultural marketplace.

So respecting that, you know, Mary’s options and economies of scale have changed as the marketplace has changed, that also affects all of us. You know, decisions that happen in Europe first and foremost affects my industry. I mean, there is no business for GM products in Europe.

The definition of the national organic standard affected my business. I mean, we are all economic actors in this, with the exception of a couple of academics here who are maybe only indirectly economic actors in this.

But, you know, I think that’s sort of where some of us feel like it’s important to recognize that any policy decisions can’t be seen as picking and choosing winners among those economic actors.

And I guess where it becomes, to me, an inconsistent fit, is the fact that the, we all have, we are all playing in this agricultural marketplace, and yet the solution that we’ve been told to look at is specifically about just the producers. And yet the decision on how you address just the producers can have implications for all of us.

And so to me, that’s a bit of a disconnect that has made this very complicated, and is why I think you hear some of the dissention, because we don’t have the same risks and rewards, even though we are all acting in that marketplace. And the minute that you just focus on the farmer as the only one who has risks and rewards, then you potentially distort that marketplace even more.

And I think that, to me, is where some of this lack of logic in the problem that we’re looking at, coexistence; the fact that solutions to a lot of the aspects of coexistence go beyond the farm level to those other actors, the seed companies, the grain traders, the food industry. We’ve seen positive actions taken by all of those, in addition to risks and costs taken by those.

So I guess I really think it’s important to make it clear that these are about market based issues, and that policies that just focus on one slice of the people who have risks and benefits within that marketplace can have implications for the rest of us, and that’s sort of why there is some discomfort here.

MR. REDDING: Would it be helpful in the, again, in the framing piece, I mean, certainly reflect that? And we’ll try to capture those words.

MR. JAFFE: Yes.

MR. REDDING: Okay. All right. We’ll do that. So the one question I think is outstanding is to Greg’s point about the, basically giving the Secretary, if he thinks there is a need, still a need, to pursue the compensation mechanism.

And we can qualify that a little bit around the data piece. But to try to accommodate a little more consensus around the, you know, our final middle ground to get out of the, do all of the education, do all of the mitigation before you talk about compensation. Right.

So I’m trying to find a little more middle ground on that point that brings in the data piece, but isn’t as strict, I guess, as I had laid it out initially. And I’m trying to, right?

Well, I’m just looking around, looking for a few more, a little confirmation that we could modify that package to say it’s still education, it’s still mitigation, and it is still compensation. And the Secretary needs to make that determination based on data, but it’s not sequenced that it’s all education, mitigation and then compensation, if that makes sense. Okay.

So I’m trying to give a little more latitude for the Secretary. But it is a data point. It needs to be informed around what the law says. Okay. But if you look at all of that, and you determine that there’s still a need for compensation, pursue something modeled on crop insurance. Right.

That’s what I’m trying to sort of capture to say, is that a better middle ground for us. Okay. So generally okay. That addresses, I think, Greg, your point. It addresses Daryl’s point. Laura, I’m not sure it addresses all of your point but right?

But I think some of your issues are going to be more in the mitigation strategy pieces that you and Jerry were talking about, in terms of what the incentives could be. And I would ask you to help us, again, on the narrative around both the education and the mitigation. If you have thoughts of what that needs to look like in the document, to please share that. Okay.

MS. BATCHA: And still that outstanding issue of the shared responsibility. I mean, I appreciate Michael’s clarification on that, but at least from my perspective, that wasn’t an affirmation of Michael’s clarification. Just to put that out there.

MR. REDDING: Okay.

MS. BATCHA: I think that needs some work.

MR. REDDING: Right.

MS. BATCHA: But I appreciate the efforts.

MR. REDDING: Okay. So with what I’ve just described, is that an acceptable middle ground of AC21? And let’s just say, you know, let’s raise our hand and say yes, or raise your hand and say no. I’m always nervous about restating all of this stuff, because this gets us right into a trap.

What I’m trying to say is, you know, in that middle ground, to say that there is an education piece to be informed around the narrative. Right. There is a mitigation component to be informed around some of the narrative that you would provide.

There is latitude given to the Secretary that based on the data if he believes there is still a need for a compensation mechanism to have, to pursue that, based on, modeled after crop insurance. Right.

That’s the, not every word in front of you, but that’s the package. Period. Right.

MR. SCHECHTMAN: And research.

MR. REDDING: Yes, there will be the research and I think the pieces that Angela had mentioned, but again, it’s an informed component. Right. That’s what I’m trying to get to. So with those words, raise your hand and say if you are generally comfortable with what I just laid out as a package that will be the middle ground of AC21? Okay.

UNIDENTIFIED FEMALE: I agree with clarification and a half. Everybody is a half.

UNIDENTIFIED MALE: Everybody is a half.

UNIDENTIFIED FEMALE: I mean, nobody, everybody is a half.

UNIDENTIFIED MALE: Yes, I mean, it’s just to look at the next step. We’ve authorized you to take it to the next step, and then we’ll disagree with you.

UNIDENTIFIED FEMALE: Well said.

MR. SCHECHTMAN: I think it’s fair to say that we may be floating various versions of this language back to folks, because the devil is in the commas.

MR. BENBROOK: Mr. Chairman, I just was remiss to -- there is one really sort of small technical suggestion that I think most people will agree with. In light of the fact that these issues will be with us for a long time, the Department has a number of ongoing annual arm level survey activities to which a few questions could be added about the adoption of stewardship practices for coexistence, awareness of coexistence, et cetera. Have you ever been affected by coexistence?

I actually think Kathy Green has added a block of GE related questions into some of the surveys. I think it would be constructive for us to recommend to the Secretary that wherever there is a very low cost option to add a few questions to an ongoing survey that’s being undertaken for other reasons, that he avail the Department of the opportunity to collect that information so we’ll get a sense of how things are changing.

MR. REDDING: Very good. Let’s, do you want to review the time line.

MR. SCHECHTMAN: Let me talk very generally about the time line. After this meeting, we intend to have a draft of the report out to you by the end of July. We hope to get a draft out to you earlier than the end of July.

We would anticipate that we would like to perhaps float some text of some of these recommendations to you before then if possible, so people can look at them. We would also like to say within the next two weeks, is that enough to get people to send in this other language on the two elements that Russell mentioned on --

MR. REDDING: Education.

MR. SCHECHTMAN: -- education and stewardship? Then having sent it out to you, we would give you perhaps not a very long time, but perhaps 10 days to send us comments on that draft so that we can try to address those comments as well as we can to get you out another version that you could look at before the meeting? Does that seem like a reasonable time table? Greg?

MR. JAFFE: This is Greg Jaffe. So my suggestion is that I think that, I think the goal should be to have some written information to us a month from in between, so June 30th, or something like that.

People don’t -- whether that’s a portion of the report, the framing, or whether it’s a couple of the recommendations, or whether it’s the whole thing but in draft, I guess I’m real hesitant. To keep the momentum we have, as well as to get feedback, I think it’s important.

And clearly the people writing it aren’t going to write it serially. They’re going to write parts of it as they go. And to, whatever parts are ready, I think it’s really important to get an interim draft with an opportunity to comment on that, maybe even an opportunity to have a conference call, so if there’s any heartburn issues in it, people could participate in that call and raise those.

But I guess instead of saying, we’re going to try to get a draft somewhere in the interim, but you’ll definitely get a draft by July 30th, I just think that’s going to lend itself to not giving us enough time to try to make something that we can all get consensus around.

MR. SCHECHTMAN: How about this. Draft recommendations to you by June 30th. If we can get more than that, we will. We’ll promise recommendations. But also, we want, we would really need, then, within two weeks, to get the draft text on those other subjects that we mentioned so that we would be able to see if those are in recommendation form or not, and what we need to do with those to draft recommendations?

MR. JAFFE: One other comment, though. I mean, I know you mentioned that recommendations, earlier, with the sort of issue of recommendations, and what are recommendations. And there was a suggestion somehow that recommendations were only to the Secretary, they were only things that USDA could do, as opposed to other things that were in the findings.

I mean, I read the charge, and especially number three of the charge as, in addition to the above, what other actions would be appropriate to bolster or facilitate coexistence among different agricultural production systems in the US?

To me, that’s not specific to only things that USDA can do. And I guess I would like to see us, you know, people are going to look at this report and they look at the bold black part that’s recommendations.

And I don’t want to see just three or four recommendations that the US Secretary of Agriculture should do this or do that. I think we have a lot of other very good mitigation strategies, and other things that are recommendations that may be broader to the range of stakeholders around this room and others.

And so I’d like us to think of recommendations, the recommendation part of the report as broader than just things to the Secretary, within the Secretary’s control.

UNIDENTIFIED MALE: Agreed.

MR. SCHECHTMAN: I think that’s fine. I’m not sure that we will have gathered all of those that we have heard in that first iteration. Certainly, we will focus first on the ones for the Secretary, and guarantee to have you those.

And we will, you know, we’ll still be trying to get back the transcript of the meeting from Deposition Services, and looking at that and pouring through it, and see all the things that were mentioned because no one’s notes are perfect, going through this. But we will try to do that.

MR. KEMPER: Michael, the next firm date is

August 27th and 28th, correct?

MR. SCHECHTMAN: Yes, August 27th and 28th, here in DC, probably, unfortunately not this room.

UNIDENTIFIED MALE: It’s the nicest place we’ve ever met.

UNIDENTIFIED MALE: Yes.

MR. SCHECHTMAN: Oh, it absolutely is.

(Discussion off the record.)

MR. REDDING: Okay, let’s, again, we want to end where we began. We’ll end where we began yesterday, and that was with a thank you for being here, staying involved, staying engaged, a spirited discussion. All helpful. I know that, you know, it sometimes feels like we’re short. Body language speaks volumes. I get all of that.

But given the topic, I think the last two days have been incredibly productive, very informative. So we appreciate the insight and the willingness to move to that center lane, knowing how difficult it is. So hopefully we’ve captured that and the middle ground of recommendation that we’ve made.

I certainly want to say thank you to Michael and his full team. Diane, thank you for accommodations and organization and everything. This is a really early/late day for her, for Michael.

Dick, rest your hand. Denise, thank you for the transcription. Cindy, Donna, sorry, I put you in the D category, Donna. Thank you. Yes, thank you. And to our host, Rose Marie and the US Access Board, and to DJ, who is not here, but thank you. Thank you very much.

So to each of you, safe travels. We’ll see you the end of summer. We’ve got an active conversation started. Okay. We’ll do our part and if you please, I will say it again, as you’re traveling and you think about components here that either need clarification, please, reach out. Phone call. Email. Okay. Thanks for your service. Bye.

(Whereupon, at 3:07 p.m., the meeting was adjourned.)

Digitally signed by Teresa S. Hinds

ELECTRONIC CERTIFICATE

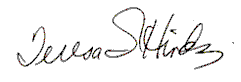
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Teresa S. Hinds, Transcriber