



President & Congressional Leaders Meet to Discuss the Debt Ceiling

This week, President Joe Biden met with Speaker Kevin McCarthy to discuss a potential compromise on the debt ceiling increase. They were joined by both Senate Majority Leader Mitch McConnell and Minority Leaders Chuck Schumer and Hakeem Jeffries. It noted the first time the group has come together to discuss their options for avoiding a default. While the talks failed to provide any substantive changes in their positions, it at least represented some progress as both sides agreed that a default could not be the final outcome. Their staffs also continued to meet that day to discuss potential solutions in detail.

In recent days, the President has suggested using the 14th Amendment as a means to essentially void the debt ceiling, something past presidents and constitutional scholars have suggested before. While perhaps most known for the Equal Protection Clause, the 14th Amendment includes a portion that essentially gives legitimacy to the federal government's public debt. Some have argued the interpretation of this clause would prevent Congress from limiting the debt in any way. While President Biden might very well consider this route at some point, he acknowledged it is not a practical approach for this current standoff, as it would instantly be tied up in the courts, still putting the country at risk of default.

Ultimately, while it is expected that some agreement will be brokered to avert the potential crisis, the current path forward for doing so remains a mystery. Speaker McCarthy successfully passed a debt ceiling increase two weeks ago via the Limit, Save, Grow Act, but the substantial cuts included are not supported by the President or Democratic leaders. It remains to be seen what the next steps will be, but there certainly is mounting pressure with an early June default date estimated by the Federal Reserve.

USDA Announces Signup for New Rice Production Program

USDA has announced the USDA Farm Service Agency (FSA) will begin sending prefilled applications to rice producers this week for the Rice Production Program (RPP), a new program that will provide up to \$250 million in assistance to rice farmers based on 2022 planted and prevented planted acres. The program funding and authority for the program was made available by H.R. 2617, the Consolidated Appropriations Act of 2023. The prefilled applications are intended to streamline the application process, resulting in time savings for both farmers and USDA employees. Pre-filled applications will utilize data on file with the USDA Risk Management Agency or FSA as reported by producers through crop insurance agents for FSA county offices. The application deadline is July 10, 2023. View more information about the program on USDA's website [here](#).

USDA Announces Additional Soil Conservationist Positions to Assist Producers

USDA recently announced that they are planning to hire additional soil conservationists to help implement \$19.5 billion from the Inflation Reduction Act for conservation programs. These positions will assist the USDA Natural Resources Conservation Service with developing producer conservation plans and implementation of practices including the new list of climate-smart practices funded by the IRA through

the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP), Agricultural Conservation Easement Program (ACEP), Regional Conservation Partnership Program (RCPP), and others. The vacancy announcements for California can be viewed [here](#).

Title 42 Expiration to Put Border Security at the Forefront

Today, Title 42 is expected to expire, setting up many critics will be a renewed border crisis due to an expected surge in illegal immigration. The policy was first instituted under the Trump administration during the pandemic, originally as a means to limit the spread of COVID-19 via expedited expulsions of those seeking asylum. The policy has remained in place up until this point, with an estimated 2 million migrants receiving expulsions during the length of its implementation.

President Biden has been vocal in his desire to end Title 42; however, critics from both parties have warned against the dangers of doing so without any plan to deal with an expected surge in immigration. The administration has knocked back on those criticisms, saying they have been planning for nearly a year by increasing funds for case officers and promoting legal immigration options in key countries south of the American border. They also have looked at limiting asylum-seekers based on their documented travel history.

It remains to be seen whether this will be enough to curtail interest in those seeking asylum. Senators Thom Tillis (R-NC) and Kyrsten Sinema (I-AZ) have renewed their bipartisan push for a comprehensive border security and immigration bill, although it still faces long odds of being taken up. House Republicans are also trying to pass their own border security measure, which still lacks enough support amongst the GOP. The most likely scenario for now is DC will have to wait and see what happens in the coming weeks and months as Title 42 comes to a close. CAFB has joined in the US Chamber's efforts to push for sensible immigration reform, as ag labor continues to be a top of mind concern for our industry. We will keep members updated as this story and efforts develop.

Torres Small Receives Confirmation Hearing

The Senate Agriculture Committee held a hearing this week to consider the nomination of the Honorable Xochitl Torres Small to be USDA Deputy Secretary of Agriculture. Since confirmed in October 2021, Torres Small has been serving as USDA's Under Secretary for Rural Development overseeing loans and grants for infrastructure improvements, business development, affordable housing, community facilities, health care and rural access to high-speed internet. Prior to her appointment at USDA, Torres Small served in the House of Representatives on behalf of New Mexico, chairing the House Oversight, Management and Accountability Subcommittee and holding seats on both the House Agriculture and Armed Services Committees.