

# GROWERTALKS

## SAF in the Lobby

1/31/2017

### New Congress Off and Running

*The Society of American Florists*

The 115th Congress convened January 3 with an ambitious agenda on its plate that includes repealing and replacing the Affordable Care Act (ACA), overhauling immigration and border security, tax reform, infrastructure spending, and cutting financial, environmental and labor regulations.

With Republicans poised to control both the White House and Congress, the last time Congress had this ambitious of an agenda was the 104th in 1995 when Republicans took control of the House of Representatives for the first time in 40 years.

After many futile attempts, Republicans see repeal of the ACA as distinctly possible and have made it their first priority in the new Congress.

Previously, lawmakers knew any bills to dismantle the ACA would be vetoed by President Obama. Now the Republican majorities in the House and Senate plan to send ACA-repeal legislation to President Donald Trump who campaigned on the issue.

Achieving that long-sought goal will not be a quick and simple task. To avoid a filibuster and pass legislation with a simple majority, a special legislative procedure called “reconciliation” must be used. However, under the reconciliation process, Republicans are limited to repealing portions of the ACA, but not the entire thing.

House and Senate leaders hope to have the repeal legislation passed early in 2017. But replacing the ACA will probably take much longer, possibly up to three years, to allow the health care and insurance industries to transition.

Republicans have also made tax reform, another long-sought goal, a high priority early in the new Congress.

President-elect Trump and GOP leaders want to lower rates for individuals and corporations, and to simplify tax returns. Republicans are divided on tax rate targets and whether to attach infrastructure incentives sought by Trump.

Passing tax reform also will require Republicans to use reconciliation—as they will on ACA repeal—to avoid a Democratic filibuster in the Senate. Using that procedure complicates reforming the tax code because,

under that process, the resulting legislation must be “budget neutral,” meaning that any tax reductions must be matched by an equal amount of entitlement reductions (Medicare, Social Security, etc.).

In the past, passing just one of these initiatives during a single Congress would have been considered a major accomplishment. But Republican leaders intend to pass both during the first six months of 2017.

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## **Invasive Whitefly Research Receives New Farm Bill Funding**

Efforts to combat the Q-Biotype whitefly and other whiteflies affecting floriculture crops recently received a boost when nearly \$200,000 was allocated to the effort from Farm Bill funds administered through the U.S. Department of Agriculture’s (USDA) Animal and Plant Health Inspection Service (APHIS).

Researchers associated with the National Whitefly Taskforce, which SAF helped establish, will use the Farm Bill Section 10007 funds to fight the Q-Biotype whitefly (*Bemisia tabaci*), a well-known transmitter of plant diseases.

Despite reliable control protocols developed by academic and federal collaborators and used by growers, the floriculture industry witnessed a significant outbreak of Q-Biotype in 2016 with reported sightings in 26 states.

“Market and consumer pressure has really forced us to evaluate other chemistries that are effective against whiteflies, while preserving beneficial insects,” said Dr. Lance Osborne, a whitefly taskforce scientist and University of Florida professor. “These funds will help us deliver those solutions.”

All told, more than 500 specialty crop projects and nearly \$58 million in funding were allocated by USDA-APHIS this year through Section 10007 of the Farm Bill.

“All of agriculture faces damaging pests and diseases, and floriculture is no different,” said Drew Gruenburg, SAF’s Chief Operating Officer. “That’s why SAF invests the time, energy and resources necessary to make sure the Farm Bill delivers for our industry. Funding researchers associated with the whitefly taskforce is a good example of those efforts paying off.”

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## **Estate Tax May Be on Death Row. Again.**

Estate tax repeal, a long-time Republican objective, may become a reality during the Trump administration with Sen. John Thune (R-SD) and other top Republicans seeking to do away with the tax this year.

The House GOP’s “Better Way” agenda cites repeal of the estate tax as a top priority and President Trump has said he also would repeal the estate tax.

Last April, the House of Representatives voted to eliminate the estate tax by a vote of 240-179, but the Senate did not vote on the measure.

SAF has long been an advocate of estate tax reform, joining together with other small business groups lobbying for reform and taking the issue to the Hill many years in a row on Congressional Action Days (CAD).

Under current law, individuals with estates of under \$5.43 million and couples with \$10.86 million estates are exempt from paying the tax. Estates pay a maximum rate of 40% on the amount of assets above those levels.

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## **Fresher, Faster and Less Red Tape: SAF Works with APHIS to Reduce Inspection Times**

Over the last two years, SAF has had discussions with the USDA's Animal & Plant Health Inspection Service (APHIS) about ways to streamline the process for importing cuttings used by domestic growers to produce mature bedding and potted plants. These fragile plants risk being damaged or ruined entirely with each additional hour spent in shipping and inspection for diseases and pests.

The vast majority of species imported into the United States in this manner pose little risk to U.S. agriculture due to the controlled and carefully managed environments—greenhouses—in which they are grown. Currently, each shipment of cuttings is also required to go to a USDA plant inspection station, leading to costly delays for the shipper and grower, and inefficient use of resources by USDA. For these reasons, APHIS and the floral industry have been discussing approaches that would make USDA more confident about the measures deployed by cutting producers to guard against pests and diseases while streamlining the importation process to ensure cuttings arrive in the U.S. vibrant and undamaged.

In late November, SAF, AmericanHort and a handful of representatives from grower companies met with USDA officials to identify next steps toward a streamlined importation process that includes procedures for certifying cuttings as pest- and disease-free. All involved were encouraged by the deliberations and we expect a pilot program to move forward in 2017. **GT**

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*"SAF in the Lobby" is produced by the Society of American Florists, [www.safnow.org](http://www.safnow.org). For more information on legislative issues, contact the Government Relations Department.*