

**Opening Statement of Senator Ernst**  
**“From Crop to Craft Beer: Federal Regulation’s Impact on America’s Food and**  
**Agriculture”**  
**Wednesday, August 17, 2016**

Thank you Chairman Johnson for holding this field hearing, and a big thanks to all of our panelists for taking time away from their busy schedules to testify on this important topic.

Today we will be exploring a few specific regulatory issues, but as we do this, keep in mind that they are symptoms of a broader problem.

This Administration has made a habit of acting unilaterally; skirting the rule-making process, ignoring congressional intent, and taking broad liberties with the regulations they put forward. This is a large part of why the Administration has lost the trust of the American people. Too often I hear from Iowans that they feel like the government is out to get them.

This is a refrain I hear especially from farmers, ranchers and land owners, and today I want to focus on some regulations that unfairly impact these groups.

The memorandum on retail exemptions (Process Safety Management of Highly Hazardous Chemicals and Application of the Retail Exemption) issued by the Department of Labor in July 2015, reclassified the majority of traditional farmers cooperatives in Iowa and Wisconsin.

These farmer-owned businesses warehouse and distribute crop nutrients, including anhydrous ammonia, at thousands of sites across the Midwest.

In fact, Iowa uses more anhydrous ammonia as a crop nutrient than any other state, as it is the most cost effective form of Nitrogen for farmers to utilize in producing the affordable food and fuel for our growing world population.

The changes OSHA has made will be difficult for the companies to implement, and will yield little if any safety benefits. Further, they will cost these retailers tens of thousands of dollars per site, costs that will ultimately be passed on to the family farms they serve.

Unfortunately, since the Department of Labor didn’t go through the formal rulemaking process, these key stakeholders weren’t afforded the opportunity to comment on the impact these changes in regulation will have on their livelihoods.

When Congress passed an annual spending bill last December, we spelled out that OSHA could not enforce their memo until they went through the proper notice-and-comment rulemaking process. But a week later OSHA, ignoring congressional intent, simply stated it would delay enforcement until the spending bill expired – this coming October 1st.

All the while this issue is tied up in the DC Court of Appeals, so in May OSHA informed the court (and sent a letter to every member of Congress) that they intended to go through the rule-

making process after all, but they would not rescind the memo while the multi-year rule-making process takes place.

This is the kind of “logic” that can exist only inside of the D.C. bubble. The agency expects all farmers coops to be in compliance this October, while they belatedly go through the process to “create” the rule and gather feedback from the stakeholders who will bear the brunt of this misguided guidance.

Another imprudent move from this over-zealous administration came this past June, when the Environmental Protection Agency (EPA) released its 520 page draft ecological risk assessment report of the herbicide atrazine. Much like their 297 page WOTUS rule, this too threatens to increase costs for the men and women who are the bedrock of our safe and affordable food system.

The EPA’s report indicates that the routine use of atrazine could be harmful to animals and our ecosystem. The report seems to ignore the nearly 7,000 scientific studies over the past 50 years which show the safety of atrazine, which is used by over 400,000 corn, sorghum and sugar cane growers across the U.S.

A primary concern I have with this report is that it is based in large part on studies that the EPA’s own Science Advisory Panel called “flawed” just four years ago. It appears the Administration may once again be cherry-picking the data they find most convenient to support their overreach.

A 2012 University of Chicago study concluded that banning atrazine could cost corn growers an additional \$59 per acre in input costs. The EPA has even estimated that not having access to this herbicide would cost corn growers \$28 per acre in reduced yields. All of this at a time when producers are looking at \$3 or lower corn, well below the cost of production.

I also wanted to mention that just last week a manufacturer in Cedar Rapids announced it was cutting jobs due to regulations. McLanahan/Universal of Cedar Rapids, maker of heavy equipment for mining said it is eliminating 15 jobs, and according to their President and CEO it is “a direct result of the Obama administration and regulations that he has put in place that has crippled the industries we serve.”

All of these regulations follow a similar theme; one of bigger government, of disregard for common sense, and a Washington-knows-best mentality. It is the responsibility of this committee to keep an eye on an Administration run amok, and push back where we can.

Thank you Chairman, and I will yield back to you.